

## Industry Tip

### Incorrect Fee on Public Offering (Land Sale) Bid Applications

Date	Module/Application/Functionality	Notes
December 6, 2016	Tenure Acquisition (Land Sale Submit Bid)	Initial Release

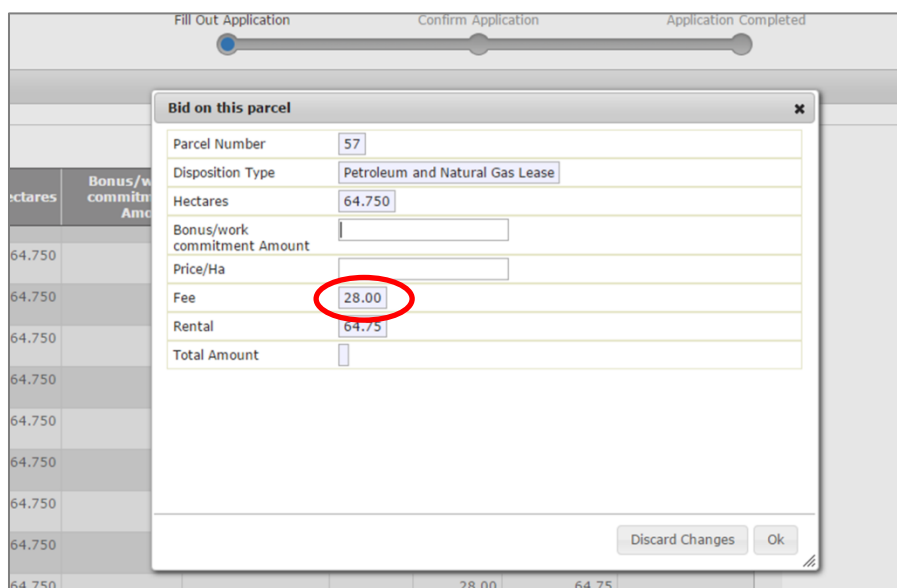
An issue has been identified that could impact successful bidders in December's land sale.

The fees in IRIS at the time of application to bid don't reflect the new fee model outlined in *The Oil and Gas Tenure Registry Regulations* (OGTRR). However, when the dispositions are awarded, the new fees will be calculated and invoiced, which means successful bidders may unknowingly have insufficient funds in their Pre-Authorized Debit (PAD) account.

#### Issue

To ensure that December's land sale could proceed uninterrupted through IRIS, the Ministry of the Economy (ECON) scheduled the implementation of the new OGTRR fee model into IRIS on December 7, 2016 through Release 5.5.

At time of application (bid) for December's sale, the summary of charges provided in IRIS reflects the old model of \$28 fee per disposition.



The screenshot shows the 'Bid on this parcel' form in the IRIS system. The form is titled 'Bid on this parcel' and has a close button (X). It contains the following fields:

- Parcel Number: 57
- Disposition Type: Petroleum and Natural Gas Lease
- Hectares: 64.750
- Bonus/work commitment Amount: (empty field)
- Price/Ha: (empty field)
- Fee: 28.00 (This value is circled in red in the original image)
- Rental: 64.75
- Total Amount: (empty field)

At the bottom of the form, there are two buttons: 'Discard Changes' and 'Ok'. The background shows a table with columns 'Hectares' and 'Bonus/work commitment Amount', with multiple rows of 64.750 and 64.750 respectively.

Government of Saskatchewan

Ministry of the Economy  
Integrated Resource Information System

Tenure
Applications
Infrastructure
Reports
Support
Quick Search

Fill Out Application
Confirm Application
Application Completed

### Confirmation for Submission 66040

Please confirm for accuracy the following bid before submitting.

**General Information**

Submission Status:

Submitting BA ID:

Land Sale: 374 - Sale Date: 2016-12-06

Debit Code \*: ABC00000

GST Number:

Confidential Designated Rep \*:

Contact Name: Karey Test

Email Address: [karey.test@test.ca](mailto:karey.test@test.ca)

Business Phone: (306) 555-5555 Ext.

Alternate Phone:  Ext.

**Lessee Data**

BA ID	Interest %
	100.00000

**Bids**

Parcel	Disposition Type	Hectares	Bonus/work commitment Amount	Expenditure Deposit Amount	Price/H	Fee	Rental	Total Amount
▶ 16	Petroleum and Natural Gas Lease	48.564	1,554.05		32.00	28.00	50.00	1,632.05
		48.564	\$1,554.05	\$0.00		\$28.00	\$50.00	\$1,632.05
Estimated Bid Total								\$1,632.05

The OGTRR's one-time \$600 application fee for new dispositions will be implemented into IRIS tomorrow, December 7. That means, when the dispositions are awarded on December 8, ECON's financial system will expect payment that includes the \$600 per disposition fee.

For example, if a Business Associate (BA) bids on 11 parcels of land, the summary in the 'Confirmation for Submission' on IRIS will state the fee is \$28 per parcel (for a total of \$308). However, when the dispositions are awarded on December 8, IRIS will calculate the fee at \$600 per successful disposition. If the BA is successful on all 11 parcels, they will be invoiced a fee of \$6,600, in addition to the bid amount. If the BA does not factor in the new fee when transferring money to their PAD account, the transaction may fail due to insufficient funds.

## Industry Action

If your BA has submitted bids in December's land sale, be sure to factor in the new \$600 application fee per disposition, and include those funds as well as the successful bid amounts into your PAD account for payment.

## Questions?

For more information, contact Petroleum Tenure Services at 1-844-787-8695 or [petlands@gov.sk.ca](mailto:petlands@gov.sk.ca)