

REVISED CSA STAFF NOTICE 51-309**NATIONAL INSTRUMENT 51-101
STANDARDS OF DISCLOSURE FOR OIL AND GAS ACTIVITIES****ACCEPTANCE OF CERTAIN FOREIGN PROFESSIONAL BOARDS
AS A "PROFESSIONAL ORGANIZATION"****Updated June 8, 2004**

This notice updates and replaces the information in CSA Staff Notice 51-309 dated January 19, 2004.

Introduction

In January 2004¹, we added the following professional boards to the list of professional organizations accepted for the purposes of National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* (NI 51-101).

- California Board for Professional Engineers and Land Surveyors,
- State of Colorado Board of Registration for Professional Engineers and Professional Land Surveyors,
- Louisiana State Board of Registration for Professional Engineers and Land Surveyors,
- Oklahoma State Board of Registration for Professional Engineers and Land Surveyors, and
- Texas Board of Professional Engineers.

On June 8, 2004², we added the **American Association of Petroleum Geologists** (AAPG) to that list.

Accompanying this notice is an updated list of all accepted professional organizations under NI 51-101.

Background

NI 51-101 requires reporting issuers to appoint one or more qualified reserves evaluators or reserves auditors to report to its board of directors on its reserves data (section 3.2). To be "qualified", a reserves evaluator or reserves auditor must possess appropriate professional qualifications and experience and be a member in good standing of a "professional organization" (subsections 1.1(x) and (y)).

¹ MRRS Decision Document dated January 6, 2004 *In the Matter of ... National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities (NI 51-101) ... and ...*[the professional boards named in this CSA notice].

² MRRS Decision Document dated June 8, 2004 *In the Matter of ... National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities (NI 51-101) ... and ...*the American Association of Petroleum Geologists (AAPG).

The definition of "professional organization" in subsection 1.1(w) has four elements:

- (w) "*professional organization*" means a self-regulatory organization of engineers, geologists, other geoscientists or other professionals whose professional practice includes *reserves evaluations* or *reserves audits*, that:
 - (i) admits members primarily on the basis of their educational qualifications;
 - (ii) requires its members to comply with the professional standards of competence and ethics prescribed by the organization that are relevant to the estimation, *evaluation*, *review* or *audit* of *reserves data*;
 - (iii) has disciplinary powers, including the power to suspend or expel a member; and
 - (iv) is either:
 - A. given authority or recognition by statute in a Canadian jurisdiction; or
 - B. accepted for this purpose by the *securities regulatory authority* or the *regulator*.

CSA staff reviewed relevant documentation concerning each of the professional organizations' authority and recognition, membership requirements and disciplinary powers. We concluded that acceptance of each would not be contrary to the public interest and would facilitate compliance with NI 51-101 by enabling reporting issuers active in the United States to continue the traditional, and acceptable, practice of engaging US professionals whose qualifications are consistent with the objectives of NI 51-101.

Acceptance of Professional Organizations does not Supersede Other Requirements

Membership in one of the accepted professional organizations does not automatically mean that a person is a "qualified reserves evaluator" or "qualified reserves auditor" under NI 51-101. To be qualified under NI 51-101, the person must also have the requisite professional experience to carry out reserves evaluations or reserves audits in accordance with the requirements of NI 51-101 and the standards of the Canadian Oil and Gas Evaluation Handbook.

The CSA's acceptance of the professional organizations under NI 51-101 is only for the purposes of NI 51-101. NI 51-101 does not supersede or alter local regulations or requirements regarding professional membership, practice or proficiency.

Questions

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NATIONAL INSTRUMENT 51-101
STANDARDS OF DISCLOSURE FOR OIL AND GAS ACTIVITIES

PROFESSIONAL ORGANIZATIONS

This list, updated June 8, 2004 and January 6, 2004, supersedes the list of organizations set out in section 1.5(b) of Companion Policy 51-101CP.

Each of the following organizations is a *professional organization* for the purposes of NI 51-101:

Canada

Association of Professional Engineers, Geologists and Geophysicists of Alberta (APEGGA)
Association of Professional Engineers and Geoscientists of the Province of British Columbia (APEGBC)
Association of Professional Engineers and Geoscientists of Saskatchewan (APEGS)
Association of Professional Engineers and Geoscientists of Manitoba (APEGM)
Association of Professional Geoscientists of Ontario (APGO)
Professional Engineers of Ontario (PEO)
Ordre des ingénieurs du Québec (OIQ)
Ordre des Géologues du Québec (OGQ)
Association of Professional Engineers of Prince Edward Island (APEPEI)
Association of Professional Engineers and Geoscientists of New Brunswick (APEGNB)
Association of Professional Engineers of Nova Scotia (APENS)
Association of Professional Engineers and Geoscientists of Newfoundland (APEGN)
Association of Professional Engineers of Yukon (APEY)
Association of Professional Engineers, Geologists & Geophysicists of the Northwest Territories (NAPEGG) (representing the Northwest Territories and Nunavut Territory)

United States

American Association of Petroleum Geologists (AAPG)
California Board for Professional Engineers and Land Surveyors
Louisiana State Board of Registration for Professional Engineers and Land Surveyors
Oklahoma State Board of Registration for Professional Engineers and Land Surveyors
State of Colorado Board of Registration for Professional Engineers and Professional Land Surveyors
Texas Board of Professional Engineers