



**ALLOWABLE EXPENDITURE APPLICATION
FOR CREDIT AGAINST A
SECURITY DEPOSIT OR RENTALS**
[Refer to instructions on reverse side]

Pursuant to the terms and conditions of Schedule III of Exploration Licence No. _____,
_____, as Representative, hereby applies the following
expenditures for credit against the security deposit, or rental, as indicated below, for the year
_____.

	<u>Amount</u>	<u>Program No.</u>
DRILLING COSTS (as defined in Exploration Licence)		
SEISMIC COSTS 2-D, 3-D and Ocean Bottom Cable Seismic Acquisition, Purchase, Processing & Interpretation. (at cost)		
WELLSITE SEABED SURVEYS AND ENVIRONMENTAL FIELD STUDIES (at cost)		
ANY OTHER SURVEYS/STUDY (at a rate agreed to by the Board)		
OVERHEADS (as defined in Exploration Licence)		
RESEARCH & DEVELOPMENT (as defined in Exploration Licence)		
TOTAL:		

Details of the above Allowable Expenditures are attached and are to be applied as a credit towards the security deposit/rentals (delete non-applicable item).

The Representative hereby declares that the information contained or incorporated herein is true, accurate and complete.

Signed: _____ Date: _____
On Behalf of Representative

INSTRUCTIONS

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1.	The interest owner must submit to the Canada-Newfoundland and Labrador Offshore Petroleum Board an application for credit:
a)	against the Security Deposit, no later than thirty (30) days following:
i)	the end of Period I, in the case of a well commenced and terminated within Period I; or,
ii)	the termination of a well commenced in Period I but pursued diligently and terminated in Period II; or,
iii)	the surrender of rights,
	as the case may be; or,
b)	against rentals no later than thirty (30) days following the anniversary date in Period II following the year in which the allowable expenditures were incurred.
2.	Failure to submit an application within the appropriate time referred to above, shall be deemed to mean that no allowable expenditures were incurred.
3.	Any questions respecting the completion of this form, including any attachments required for such purposes, should be directed to:
	Canada-Newfoundland and Labrador Offshore Petroleum Board Legal and Land Fifth Floor, TD Place 140 Water Street St. John's, NL A1C 6H6 Telephone: (709) 778-1400 Fax: (709) 778-1473