

News Release

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OIL AND GAS LAND SALES HEADED TOWARD BANNER YEAR

Continued strong interest in Saskatchewan's oil and gas resources has made 2005 a year to remember for land sale revenues.

The October sale of Crown petroleum and natural gas rights generated \$21.2 million in revenue for the province, bringing the yearly total to just under \$114 million. The province has already collected enough revenue this year to put 2005 into the top seven years of all time, with one sale yet to happen.

"We continue to see Saskatchewan resource revenues setting records on performance," Industry and Resources Minister Eric Cline said. "It is particularly good news to see the increase in prices paid on a per hectare basis. I am very happy to say Saskatchewan's resource sector is moving full steam ahead."

The sale included 10 exploration licenses that sold for \$5.2 million and 267 lease parcels that generated \$16 million.

In addition to the parcels sold for bonus bids, two special exploratory permits were awarded on the basis of work commitments. One permit, covering 92,000 hectares and located near Choiceland in central Saskatchewan, was awarded to Scott Land & Lease Ltd. with a work commitment of \$339,000.

The other permit, located in a large area centered between Chamberlain and Craik, received a commitment from Canadian Landmasters Resource Services Ltd. of over \$3.5 million for work on 156,000 hectares.

The highest price received for a single parcel was a bonus bid of over \$2.5 million. Scott Land & Lease Ltd. purchased this 23-section exploration license located near the town of Fairlight in the southeast part of the province.

The highest price paid on a per-hectare basis was \$4,688. Rockwell Resources Inc. purchased this quarter-section lease parcel, located 2.5 km east of Lloydminster, for over \$303,000.

The Weyburn-Estevan area received the most bonus bid activity with sales totalling \$8.7 million. The Lloydminster area was next at \$6.9 million, followed by the Swift Current area at \$3.4 million and the Kindersley-Kerrobert area at \$2.2 million.

The next sale of Crown petroleum and natural gas dispositions will be December 6th, 2005.

For More Information, Contact:

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