

Province of Saskatchewan Land Titles Registry Title

Title #: 152733786 **As of:** 26 Jan 2026 10:58:10
Title Status: Active **Last Amendment Date:** 09 Mar 2020 14:05:51.733
Parcel Type: Surface **Issued:** 09 Mar 2020 14:05:51.110
Parcel Value: \$119,250.00 CAD
Title Value: \$119,250.00 CAD **Municipality:** RM OF BIG STICK NO. 141
Converted Title: 85SC06898
Previous Title and/or Abstract #: 118672847

William Hagel, Charlene Blakley and Brenda Ziebart are the registered owners, as joint tenants, of Surface Parcel #140815706

Reference Land Description: SW Sec 30 Twp 14 Rge 27 W 3 Extension 1
As described on Certificate of Title 85SC06898 which describes this parcel and other parcel(s) with the same land description tied to this one.

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

Interest #:
187429663 CNV Caveat

Value: N/A
Reg'd: 12 Dec 1984 00:25:22
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

As to SW 1/4 of 30
Holder:
CANADIAN NATURAL RESOURCES LIMITED
2100, 855 - 2ND ST SW
CALGARY, Alberta, Canada T2P 4J8
Client #: 138904667

Int. Register #: 106446281
Converted Instrument #: 84SC15219

Interest #:
187429674 CNV Caveat

Value: N/A
Reg'd: 21 Dec 1984 00:26:01
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

As to SW 1/4 30
Holder:
CANADIAN NATURAL RESOURCES LIMITED
2100, 855 - 2ND ST SW
CALGARY, Alberta, Canada T2P 4J8
Client #: 138904667

Int. Register #: 106446292
Converted Instrument #: 84SC15609

Interest #:
187429685

CNV Caveat

Value: N/A
Reg'd: 11 Sep 1985 00:17:57
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

As to NW & S 1/2 of 30

Holder:
CANADIAN NATURAL RESOURCES LIMITED
2100, 855 - 2ND ST SW
CALGARY, Alberta, Canada T2P 4J8
Client #: 138904667

Int. Register #: 106446270
Converted Instrument #: 85SC10772

Interest #:
187429696

CNV Caveat

Value: N/A
Reg'd: 11 Sep 1985 00:17:57
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

As to NW & S 1/2 of 30

Holder:
CANADIAN NATURAL RESOURCES LIMITED
2100, 855 - 2ND ST SW
CALGARY, Alberta, Canada T2P 4J8
Client #: 138904667

Int. Register #: 106446247
Converted Instrument #: 85SC10773

Interest #:
187429708

CNV Easement

Value: N/A
Reg'd: 20 Sep 1985 00:18:46
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

As to NW 1/4 & S 1/2 of 30

Holder:
CANADIAN NATURAL RESOURCES LIMITED
2100, 855 - 2ND ST SW
CALGARY, Alberta, Canada T2P 4J8
Client #: 138904667

Int. Register #: 106446258
Converted Instrument #: 85SC11262

Interest #:
187429719

CNV Caveat

Value: N/A
Reg'd: 13 Jan 1986 00:00:33
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A

Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

SW 1/4 of 30

Holder:
CANADIAN NATURAL RESOURCES LIMITED
2100, 855 - 2ND ST SW
CALGARY, Alberta, Canada T2P 4J8
Client #: 138904667

Int. Register #: 106446304
Converted Instrument #: 86SC00330

Interest #:
187429720

CNV Caveat

Value: N/A
Reg'd: 18 Dec 1989 00:38:04
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

Holder:
Coseka Resources Limited
MLT Aikins LLP #1500-1874 Scarth Street
Regina, Saskatchewan, Canada S4P 4E9
Client #: 111058073

Int. Register #: 106446269
Converted Instrument #: 89SC22838

Addresses for Service:

Name	Address
Owner: William Hagel Client #: 135935680	411 Belfast Street SE Medicine Hat, Alberta, Canada T1A 0S5
Owner: Charlene Blakley Client #: 135935691	577 - 20th Street NE Medicine Hat, Alberta, Canada T1C 1H3
Owner: Brenda Ziebart Client #: 135935736	163 Stratton Road SE Medicine Hat, Alberta, Canada T1B 4P4

Notes:

Under The Planning and Development Act, 2007, the title for this parcel and parcels 141005641 may not be transferred or, in certain circumstances, mortgaged or leased separately without the approval of the appropriate planning authority. If you believe this restriction does not apply to this parcel, please contact 1-866 ASK-ISC1 to have the restriction reviewed.

Parcel Class Code: Parcel (Generic)



Instrument Work Sheet

84 - SC — 15219

Fees	Inst. <u>Ed. Caveat</u>
Total Fees <u>700</u>	From <u>Tri Cities Land</u>
Amt. Rec'd <u>acct.</u>	Address <u>Med. Nat.</u>
Balance _____	Their Reference <u>SW 30-14-27 W3</u>

Is Dup. C. of T. with Instrument? no In Office? yes Being Returned to above Addressee? no

Is Instrument Registrable? yes Titles Affected 73-SC-14149(a) - SW30

Encumbrances		Certificates, Notices, Required	
Title	General Register	Type	Quantity
		Abstract	
		G.R.C.	
		Uncertified Copy	<u>1</u>
		Cert. Copy	<u>yes</u>
		Notices	<u>1</u>

Remarks:

14843

ED Initials

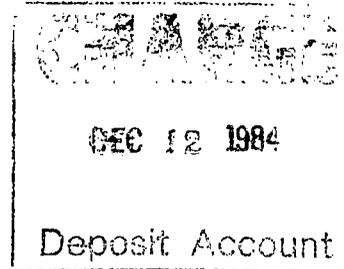
902 - 16 Street S.W.
Medicine Hat, Alberta T1A 8A4



Telephone (403) 529-1231
(403) 529-1257

December 7, 1984

LAND TITLES OFFICE
350 Cheadle Street West
SWIFT CURRENT, Saskatchewan
S9H 4G3



Dear Sir or Madam:

Re: NORTH CANADIAN OILS LIMITED
Registration of Easements
SW $\frac{1}{4}$ 30-14-27-W3M, SE $\frac{1}{4}$ 26-14-28-W3M, SE $\frac{1}{4}$ 25-14-28-W3M, SW $\frac{1}{4}$ 25-14-28-W3M,
SW $\frac{1}{4}$ 7-15-27-W3M, W $\frac{1}{2}$ 6-15-27-W3M, NE $\frac{1}{4}$ 1-15-28-W3M and NW $\frac{1}{4}$ 1 & NE $\frac{1}{4}$ 2 15-28-W3M
Our Files: MH-378-84-3, 7, 8, 9, 12, 13, 14 and 15

Further to the above, please find enclosed herewith Saskatchewan Caveats for each of the above described lands, in duplicate, which we would request you register for the Easements.

Upon completion of registration, we would appreciate receiving one copy of the duly registered Caveats, together with the current uncertified copies of Certificates of Title, showing the Easements registered.

We trust you will find the enclosed to be in order. However, should you have any questions, please do not hesitate to contact the writer.

Yours truly,
TRI CITIES LAND SERVICES LTD.

Aloria Grandin

for DARCY EDWARDS,
Manager

/rf
Encls.

Province of Saskatchewan

The Land Titles Act

TO THE REGISTRAR of the SWIFT CURRENT Land Registration District

TAKE NOTICE that ~~X~~ NORTH CANADIAN OILS LIMITED,
of the City of Calgary, in the Province of Alberta

CLAIMING AN INTEREST ~~asx~~ under and by virtue of an Easement dated November 6th, A.D. 1984, made between WILLIAM HAGEL, being the registered owner of the hereinafter described lands as Grantor and the Caveator herein as Grantee, wherein the Grantor granted and leased to the Caveator a certain portion of the hereinafter described lands for the purposes and upon the terms and conditions, all as more particularly set forth in the said Easement.

IN THE FOLLOWING LAND, that is to say:

The South West Quarter of Section Thirty (30),
in Township Fourteen (14),
in Range Twenty Seven (27),
West of the Third Meridian, in the Province of Saskatchewan, in the Dominion of Canada, containing One Hundred and Sixty (160) acres, more or less, according to Dominion Government Survey thereof,

EXCEPTING: Out of the said South West Quarter of said Section Thirty (30), Five and Thirteen Hundredths (5.13) acres, more or less, taken for Right of Way and Extra Widths of the Canadian Pacific Railway, as shown on a Plan of Record in the Land Titles Office for the Swift Current Land Registration District as No. BU 6666,
MINERALS IN THE CROWN.

(As more particularly described on Certificate of Title No. 73-SC-14149(a)).

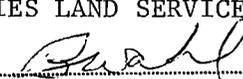
FORBID THE REGISTRATION of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except subject to the claim herein set forth.

MY ADDRESS is: 10th Floor, Bradie Building, 630 - 6th Avenue South West,
Calgary, Alberta T2P 0S8

and my address for service of notices and processes in Saskatchewan is
Balfour, Moss, Milliken, Laschuk, Kyle & Vancise
1850 Cornwall Street.
Regina, Saskatchewan S4P 2K3

DATED this 7th day of December A.D. 19 84

NORTH CANADIAN OILS LIMITED, as per its agent:
TRI CITIES LAND SERVICES LTD.


BILL WAHL,
AGENT FOR THE CAVEATOR

CANADA
 PROVINCE OF SASKATCHEWAN
 TO WIT:

I, **BILL WAHL** of the City
 of Medicine Hat in the Province of Alberta
 Agent for the within named caveator, make oath and say:

1. That the allegations in the within caveat are true in substance and in fact, to the best of my knowledge, information and belief.

2. That the claim mentioned in the within caveat is not to the best of my knowledge, information and belief founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in section 151 of *The Land Titles Act*.

SWORN before me at the City of
 Medicine Hat in the Province of Saskatchewan
 the 7th day of December 19 84
Gloria Greenstein
 A Commissioner for Oaths in and for the Province of
 Saskatchewan without

Bill Wahl
 BILL WAHL

My Appointment expires December 31, 1986.
 GLORIA GREENSTEIN.

84SC15219

Dated December 7th A.D. 1984

NORTH CANADIAN REGISTERED AT
 DEC 12 1984
 RE SWIFT CURRENT LAND TITLES
 OFFICE
 SW¹/₄ 30-14-27-W3M

CAVEAT

Commercial Printers. Ltd., Regina, Sask.

TRI CITIES LAND SERVICES LTD.
 902 - 16th Street South West
 MEDICINE HAT, Alberta
 T1A 8A4

I certify that the within instrument is duly
 Entered and Registered in the Land Titles
 Office for the Swift Current Land Registration
 District at Swift Current in the Province of
 Saskatchewan on the 12 day of Dec
 A.D. 1984 as Number 84SC 15219
G. Kopynski
 Registrar
 S.O.L.R.O.



Instrument Work Sheet

84 - SC — 15609

Fees	Inst. <u>As a mat</u>
Total Fees <u>7.00</u>	From <u>Meridian Lane - Bira Ltd</u>
Amt. Rec'd <u>act</u>	Address <u>Coalgony</u>
Balance _____	Their Reference <u>SW 30-14-27 W3</u>

Is Dup. C. of T. with Instrument? no In Office? no Being Returned to above Addressee? no

Is Instrument Registrable? yes Titles Affected 73-56-14149(a) - SW 3

Encumbrances		Certificates, Notices, Required	
		Type	Quantity
	General Register	Abstract	
		G.R.C.	
		Uncertified Copy	1
		Cert. Copy	
		Notices	1

Remarks:

EXHIBIT "A"

File: MH-375-84-4

93

7169

SURFACE LEASE

This lease made in triplicate this 24th day of October, 1984.

Between:

WILLIAM HAGEL of Golden Prairie in the Province of Saskatchewan Farmer (hereinafter called the "Lessor"), and NORTH CANADIAN OILS LIMITED of Calgary in the Province of Alberta (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated lying and being in the Province of Saskatchewan and described as follows:

The South West Quarter of Section THIRTY (30) in Township FOURTEEN (14) Range TWENTY SEVEN (27) West of the THIRD Meridian in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s) 73-SC-14.149(a) of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:

Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site for the drilling of a well for oil, gas, water and/or related hydrocarbons and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

(a) for the first year the sum of [redacted] dollars, (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:

- (i) Compensation for capital damage [redacted]
(ii) Rent [redacted]

Payment in subsequent years by lessee

(b) for each subsequent year the sum of [redacted] dollars payable annually in advance on the anniversary of the date hereof in each year during the currency hereof.

The Lessee shall have the right from time to time and at any time upon forty-five (45) days' notice to that effect to the Lessor to surrender any portion of the demised premises, by giving notice to the Lessor to that effect and the Lessee shall deliver or mail to the Lessor a sketch or plan of the portion or portions of the demised premises retained, and this lease shall, with respect to the lands so surrendered, terminate at the expiration of the current year of the term; PROVIDED, HOWEVER, that

during the term of this lease the annual rental shall not be less than [redacted] Dollars [redacted].

2. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

(a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

(b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

(c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

3. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration of forty-five days after a written notice to that effect has been given to the Lessee by registered mail addressed to the Lessee's address herein provided, unless the Lessee has in the meantime remedied such default or breach of covenant, promise or undertaking but remedying such default shall not prejudice any other right or remedy to which the Lessor is otherwise entitled under this lease.

Digging of pits for mud and sludge and destruction of weeds

(c) The Lessee shall dig pits or have adequate metal reservoirs and shall deposit therein the mud and sludge resulting from drilling operations and shall not permit the same to escape unto the Lessor's land adjoining the demised premises and the Lessee shall take all necessary precautions to keep down and destroy all noxious weeds on the well site and roadway. At the termination of the use and occupation of the demised premises as hereinafter provided or upon the discontinuance of the use of any portion thereof for the purpose hereunder the Lessee shall deliver up the demised premises or portion thereof, as the case may be, in the same condition as far as may be reasonably practicable to do so as that existing immediately prior to entry thereon for the use thereof by the Lessee.

Abandonment and restoration

(d) Upon abandonment of the well the Lessee shall cause such well to be plugged and all excavations in connection therewith to be filled in compliance with the laws and regulations of Saskatchewan in that regard.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

4. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years up on request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the arbitration provisions of the petroleum and natural gas regulations at the time in force shall apply.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, material and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by depositing to the Lessor's credit in the

at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR Box 81, Golden Prairie, Saskatchewan, S0N 0Y0
LESSEE 10th Floor, Bradie Building, 630 - 6th Ave. S.W., Calgary, Alberta T2P 0S8

Time of the essence

5. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

6. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

7. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so requires, and all covenants shall be construed as being joint and several.

NORTH CANADIAN OILS LIMITED, the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, ... wife of the above (or within) named ... do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of ... in so far as may be necessary to give effect to this lease

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written. (Note: Strike out the part that does not apply.)

Signed, sealed and delivered by the above named Lessee in the presence of

NORTH CANADIAN OILS LIMITED Per: [Signature] SENIOR VICE PRESIDENT OPERATIONS LAND APPROVED

Signed, sealed and delivered by the above named Lessor in the presence of

Per: [Signature] ASSISTANT SECRETARY WILLIAM HAGEL

[Signature]

CERTIFICATE

I, ..., Judge of the District Court for ..., (or as the case may be), do hereby certify that I have examined ..., wife of ... the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for the purpose of relinquishing her rights in the homestead in favour of ... in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

I, DARCY EDWARDS of the City
of Medicine Hat in the Province of Alberta
..... Landman , make oath and say as follows:
(Occupation)

1. That I was personally present and did see WILLIAM HAGEL
named in the within (or annexed) lease, who is personally known to me to be the person named therein, duly sign
and execute the same for the purposes named therein.

2. That the same was executed at the Village of Golden Prairie
in the Province of Saskatchewan on the 24th day of
..... October in the year 19 84 and that I am the subscribing witness thereto.

3. That I know the said WILLIAM HAGEL , and in my belief he is
of the full age of eighteen years.

Sworn before me at the ... City of
.. Medicine Hat in the Province of
.. Alberta this 25th
day of October 19 84

Darcy Edwards
.....
DARCY EDWARDS

Gloria Greenstein
A Commissioner for Oaths without the AFFIDAVIT
Province of Sask. My Appointment
expires December 31, 1986. } GLORIA GREENSTEIN
CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

I, WILLIAM HAGEL of the District
of Golden Prairie in the Province of Saskatchewan
..... Farmer , make oath and say as follows:
(Occupation)

1. I am the Lessor ~~(or the agent acting under Power of Attorney in my favour dated the~~
~~day of~~ 19 granted by the Lessor) named in the within (or annexed)
lease, and I say that no part of the said land is my homestead ~~(or the homestead of the Lessor)~~, or has been my home-
stead ~~(or the homestead of the Lessor, as the case may be)~~ at any time.

OR

~~1. I am the Lessor (or the agent acting under Power of Attorney in my favour dated the~~
day of , 19 , granted by the Lessor) named in the within (or annexed)
lease and I say that I have (or such Lessor has) no wife.

OR

~~1. I am the Lessor (or the agent acting under Power of Attorney in my favour dated the~~
day of , 19 , granted by the Lessor) named in the within (or annexed)
lease, and I say that my wife (or the wife of the Lessor) does not reside in Saskatchewan and has not resided therein at
any time since the marriage.

Sworn before me at the ... Village of
.. Golden Prairie in the Province of
.. Saskatchewan this 24th
day of ... October 19 84

W. Hagel
.....
WILLIAM HAGEL

Darcy Edwards
.....
Registrar, Commissioner, (or as the case may be).
DARCY EDWARDS



PLAN SHOWING THE PROPOSED
WELLSITE LOCATION OF

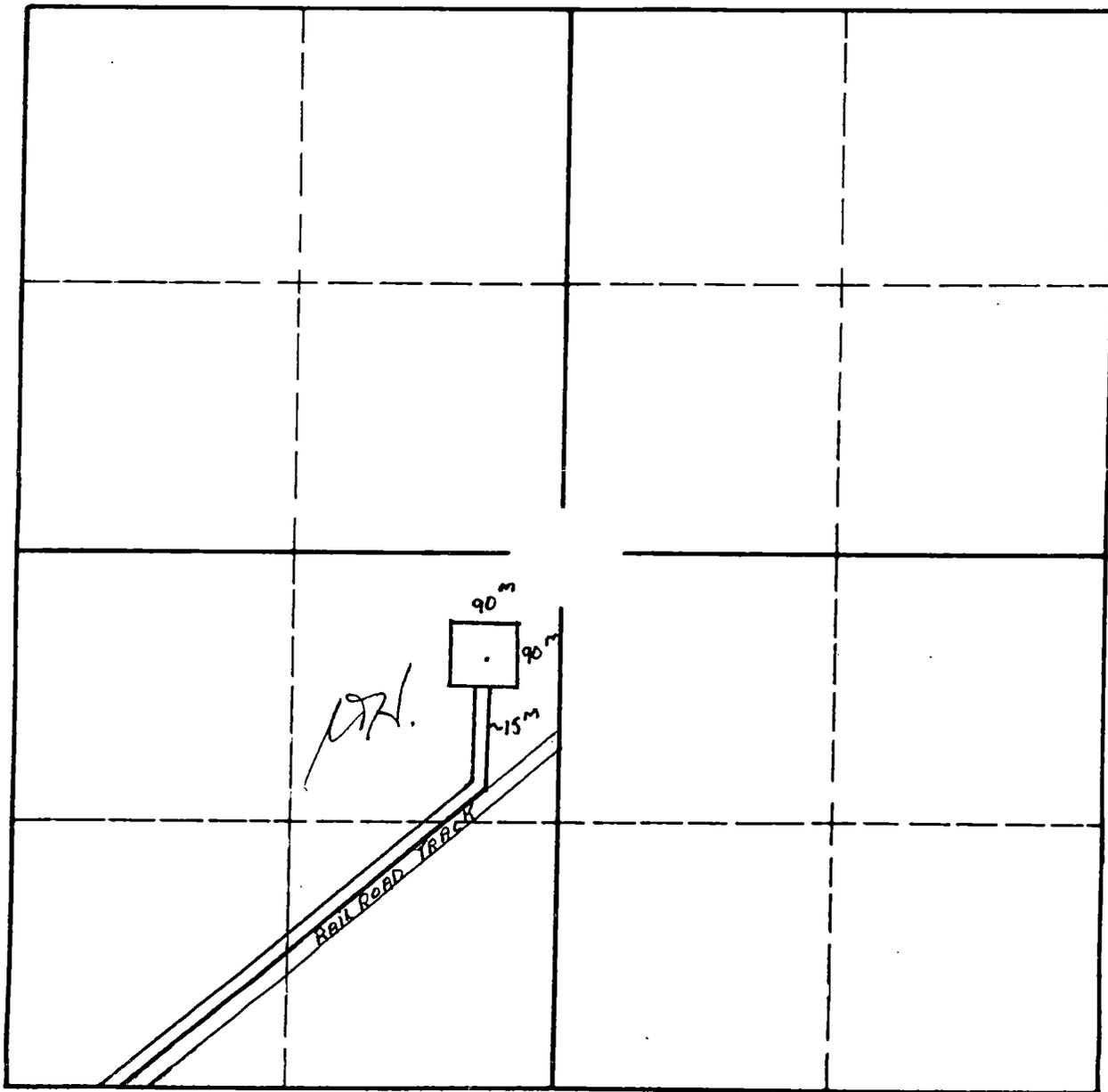
NORTH CANADIAN OILS LIMITED

902 - 16 Street S.W
Medicine Hat, Alberta
T1A 8A4
Telephone (403) 529-1231

IN

LSD. D6 SEC. 30 TWP. 14 RGE. 27 W. 3 MER.

Subject to change by mutual agreement prior to drilling, with the lease consideration to be applied on any alternative site.

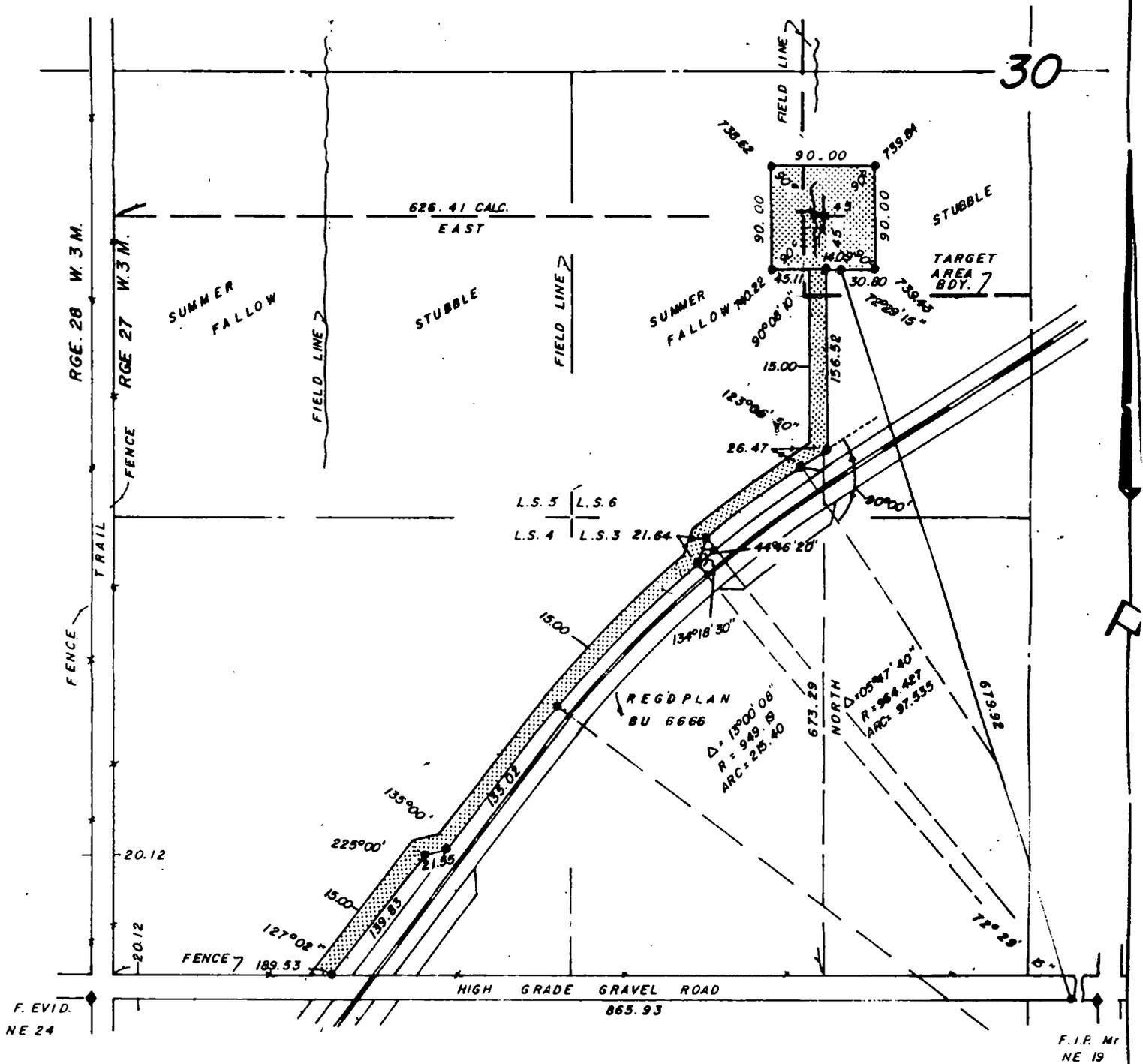


NCO HATTON 6 · 30 · 14 · 27

Well Site and Access Road

L.S. 6 , Sec. 30 , Tp. 14 , Rg. 27 , W. 3 M.

Scale: 1:5000



I certify that the survey represented by this plan is correct and true to the best of my knowledge and was completed on the 23rd day of October, A.D. 1984.

ELEVATION: 738.96 Ground

CO-ORDINATES: 673.29N. of S. Bdry. } Sec. 30
626.41 E. of W. Bdry.

AREAS:

Well Site: 0.810 ha (2.00 ac.)
Access Road: 1.221 ha (3.02 ac.)
Total: 2.031 ha (5.02 ac.)

B. E. Hovius
Saskatchewan Land Surveyor



Neil Howard
Witness

MS-47-84-4

MIDWEST SURVEYS (SASK.) LIMITED

Operator:

NORTH CANADIAN OILS LIMITED

Maureen D. [Signature]
Jean L. [Signature]
ASSISTANT SECRETARY

Portion referred to shown thus
Survey monuments found shown thus
Iron pins 1.5cm x 38.1 cm planted shown thus
Fir posts 5.0cm x 5.0cm x 38.1 cm planted shown thus

Province of Saskatchewan

The Land Titles Act

TO THE REGISTRAR of the Swift Current Land Registration District

TAKE NOTICE that K North Canadian Oils Limited
of the City of Calgary, in the Province of Alberta

CLAIMING AN INTEREST ~~xxx~~ in the undermentioned lands by virtue of a Surface Lease dated October 24, 1984, between William Hagel of Golden Prairie, in the Province of Saskatchewan, as Lessor and North Canadian Oils Limited as Lessee, a copy of which is attached hereto and made a part hereof and is identified as Exhibit "A";

IN THE FOLLOWING LAND, that is to say:

The South West Quarter of Section Thirty (30) in Township Fourteen (14) Range Twenty Seven (27) West of the Third Meridian,

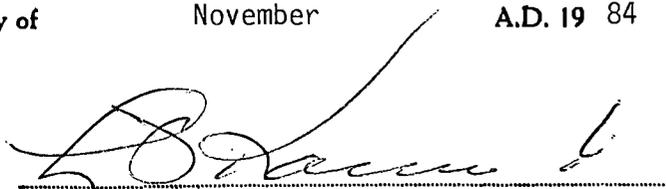
EXCEPTING: Out of the said South West Quarter of said Section Thirty (30), Five and Thirteen Hundredths (5.13) acres, more or less, taken for a Right of Way and Extra Widths of the Canadian Pacific Railway as shown on the Plan of Record in the Land Titles Office for the Swift Current Land Registration District as No. BU 6666.
Minerals of the Crown.

being lands described in Certificate of Title No. 73-SC-14149(a),
standing in the register in the name of William Hagel.

FORBID THE REGISTRATION of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except subject to the claim herein set forth.

MY ADDRESS is: 10th Floor, 630 - 6th Avenue SW
 Calgary, Alberta T2P 0S8
and my address for service of notices and processes in Saskatchewan is
 Balfour, Moss, Milliken, Laschuk, Kyle & Vancise
 1850 Cornwall Street
 Regina, Saskatchewan S4P 2K3

DATED this 30th day of November A.D. 19 84


Agent of the Caveator



Instrument Work Sheet

85 - SC - 10772

Fees	Inst. <u>Cancel</u>
Total Fees <u>5.00</u>	From <u>Western Land Service</u>
Amt. Rec'd <u>a/c</u>	Address <u>Calgary</u>
Balance _____	Their Reference <u>NW 5 1/2 30-14-27 W3</u>

Is Dup. C. of T. with Instrument? no In Office? yes Being Returned to above Addressee? no

Is Instrument Registrable? yes Titles Affected 855006898 - NW 5 1/2 30

Encumbrances		Certificates, Notices, Required	
Title		Type	Quantity
	General Register	Abstract	
		G.R.C.	
		Uncertified Copy	
		Cert. Copy	
		Notices	<u>yes</u>

Remarks:

AD Initials

EXHIBIT "A"

SASKATCHEWAN SURFACE LEASE

This lease made in triplicate this 23rd day of July, 19 85
 Between: William Nagel
 of Golden Prairie
 in the Province of Saskatchewan
 (hereinafter called the "Lessor") (Occupation)
North Canadian Oils Limited and Calgary
 of Alberta
 in the Province of Alberta
 (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated, lying and being in the Province of Saskatchewan and described as follows:

The North West (NW $\frac{1}{4}$), South East (SE $\frac{1}{4}$) in Section **Thirty (30)**
and South West Quarters (SW $\frac{1}{4}$)
 in Township **Fourteen (14)** in Range **Twenty Seven (27)**
 West of the **Third (3rd)** Meridian
 in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s) **853006898**
 of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:
 Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site

Patroleum and/or Natural Gas

for the drilling of a well for and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

- (a) for the first year the sum of _____ dollars,
 (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:
- (i) Compensation for capital damage _____ dollars
 - (ii) Rent _____ dollars

Payment in subsequent years by lessee

(b) for each subsequent year the sum of _____ dollars
 payable annually in advance on the anniversary of the date hereof in each year during the currency hereof:

3. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

(a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

(b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

(c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

4. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration of forty-five days after a written notice to that effect has been given to the Lessee by registered mail addressed to the Lessee's address herein provided, unless the Lessee has in the meantime remedied such default or breach of covenant, promise or undertaking but remedying such default shall not prejudice any other right or remedy to which the Lessor is otherwise entitled under this lease.

Digging of pits for mud and sludge and destruction of weeds

(c) The Lessee shall dig pits or have adequate metal reservoirs and shall deposit therein the mud and sludge resulting from drilling operations and shall not permit the same to escape unto the Lessor's land adjoining the demised premises and the Lessee shall take all necessary precautions to keep down and destroy all noxious weeds on the well site and roadway. At the termination of the use and occupation of the demised premises as hereinafter provided or upon the discontinuance of the use of any portion thereof for the purpose hereunder the Lessee shall deliver up the demised premises or portion thereof, as the case may be, in the same condition as far as may be reasonably practicable to do so as that existing immediately prior to entry thereon for the use thereof by the Lessee.

Abandonment and restoration

(d) Upon abandonment of the well the Lessee shall cause such well to be plugged and all excavations in connection therewith to be filled in compliance with the laws and regulations of Saskatchewan in that regard.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required.

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

5. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years upon request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the same shall be determined by the Board of Arbitration appointed pursuant to The Surface Rights Acquisition and Compensation Act 1968.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, materials and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by depositing to the Lessor's credit in the at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR **Box 81, Golden Prairie, Saskatchewan** .. SON .. OYO
LESSEE **10th Floor, 530 - 6th Ave. S.W., Calgary, Alberta** .. T2P .. US8

Time of the essence

6. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

7. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

8. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so requires, and all covenants shall be construed as being joint and several **North Canadian Oils Limited** the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, wife of the above (or within) named do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of in so far as may be necessary to give effect to this lease.

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written.
(Note: Strike out the part that does not apply.)

Signed, sealed and delivered by the above named Lessor in the presence of

_____ *[Signature]*

[Signature]
WILLIAM HAGEL
NORTH CANADIAN OILS LIMITED



Signed, sealed and delivered by the above named Lessee in the presence of

CERTIFICATE

I, Judge of the District Court for (or as the case may be), do hereby certify that I have examined

..... wife of the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for the purpose of relinquishing her rights in

the homestead in favour of in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

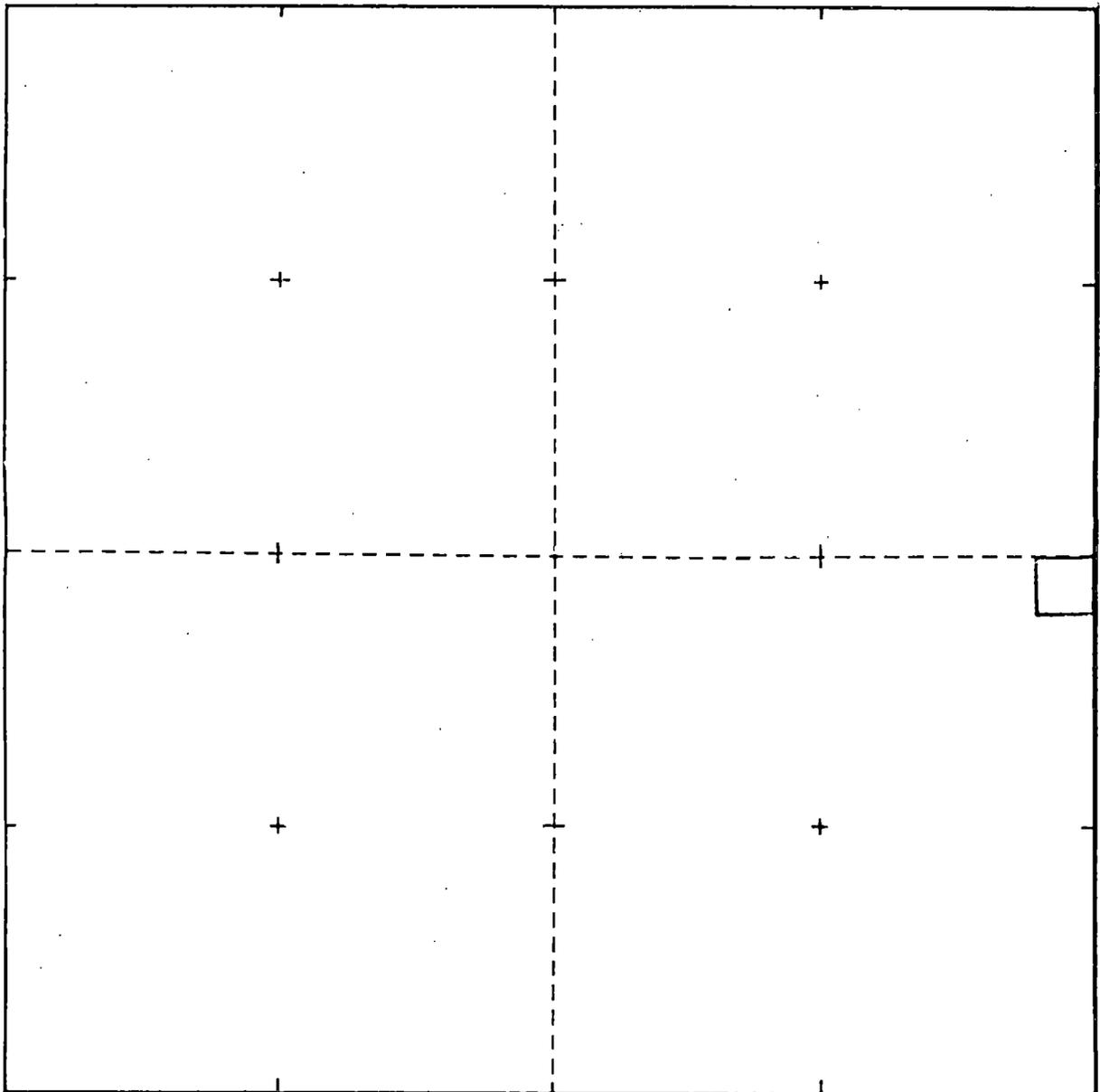
(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)

SKETCH PLAN

PROPOSED LOCATION OF

WELLSITE AND ACCESS ROAD

SE^{1/4} SEC. 30, TWP. 14, RGE. 27 WEST 3rd M.



quarter section - 1:5000

scale

section - 1:10000

APPROXIMATE AREA REQUIRED

WELLSITE = 2.00 ACRES

ROADWAY = ----- ACRES

TOTAL = 2.00 ACRES

PIPELINE = ----- ACRES

1 metre - 3.28 feet

804.67 metres - 2640 feet

WIS/84

Acknowledged as attached
to and forming part of a
SASKATCHEWAN SURFACE LEASE

dated July 23, 85 A.D. 19

WILLIAM HAGEL

witness

C A V E A T

TO THE REGISTRAR OF THE SWIFT CURRENT LAND REGISTRATION DISTRICT:

TAKE NOTICE THAT NORTH CANADIAN OILS LIMITED, A body corporate with head office at Calgary, claiming an interest in and to the undermentioned lands under and by virtue of a Surface Lease dated July 23, A. D. 1985, a copy of which said Surface Lease is attached hereto and marked Exhibit "A", and made between WILLIAM HAGEL of Golden Prairie, in the Province of Saskatchewan as Lessor and the Caveator as Lessee, whereby for the consideration and subject to the covenants and agreements therein set forth and contained, the said WILLIAM HAGEL did lease to the said NORTH CANADIAN OILS LIMITED certain parts or portions of the undermentioned lands as in the said Surface Lease described as follows:

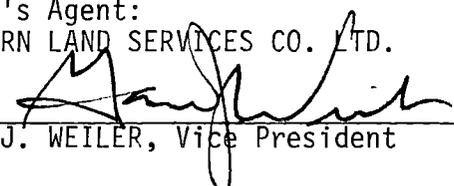
The North West, South East and South West Quarters of Section Thirty (30), in Township Fourteen (14), in Range Twenty-seven (27), West of the Third Meridian, in the Province of Saskatchewan, in the Dominion of Canada, containing Six-Hundred and Forty⁴⁸⁰ (640) acres more or less, Excepting: out of the South East Quarter 7.90 acres and out of the South West Quarter 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.
Minerals in the Crown.

standing in the register in the name of WILLIAM HAGEL, of Golden Prairie, Saskatchewan, forbids the registration of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except to the claim herein set forth.

Address in Saskatchewan - Balfour, Moss, Milliken, Laschuk,
Kyle & Vancise
1850 Cornwall Street
Regina, Saskatchewan
S4P 2K3

Dated this 9th day of September, A. D. 1985.

NORTH CANADIAN OILS LIMITED
By it's Agent:
WESTERN LAND SERVICES CO. LTD.



GARY J. WEILER, Vice President

A F F I D A V I T

CANADA)
PROVINCE OF ALBERTA) I, GARY J. WEILER, of the City of Calgary, in the
TO WIT:) Province of Alberta, Vice President of Western Land
Services Co. Ltd.,
Agent for the Caveator
MAKE OATH AND SAY:

- 1. THAT the allegations in the above Caveat are true in substance and in fact, to the best of my knowledge, information and belief.
- 2. THAT the claim mentioned in the above Caveat is not to the best of my knowledge, information and belief founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in Section 151 of the Land Titles Act.

SWORN before me at the City of
Calgary, in the Province of
Alberta, this 9th day of September
A. D. 1985.



GARY J. WEILER, Vice President



A Commissioner for Oaths without the Province of Saskatchewan
My Commission Expires December 31, 1989
SANDRA FAY CLARK

85SC10772

RECEIVED AT
SEP 11 1985
SWIFT CURRENT LAND TITLES
OFFICE

I certify that the within Instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the 11 day of Sept
A.D. 1985 as Number 85SC10772

Colleen M. Q. Registrar
S.C.L.R.O.



Instrument Work Sheet

85 - SC - 10773

Fees	Inst. <u>Caveat</u>
Total Fees <u>5.00</u>	From <u>Western Land Services</u>
Amt. Rec'd <u>a/c</u>	Address <u>Calgary</u>
Balance _____	Their Reference <u>NW 1/2 30-14-27W3</u>

Is Dup. C. of T. with Instrument? NO In Office? yes Being Returned to above Addressee? NO

Is Instrument Registrable? yes Titles Affected 85SC06898 - NW 1/2 30

Encumbrances		Certificates, Notices, Required	
		Type	Quantity
Title	General Register	Abstract	
		G.R.C.	
		Uncertified Copy	
		Cert. Copy	
		Notices	

Remarks:

SO Initials

EXHIBIT 'A'

File No. C(3) 20414-14
14 of 30, 14-27-3

SASKATCHEWAN SURFACE LEASE

This lease made in triplicate this 23rd day of July, 19 85

Between: Willina Hagel of Golden Prairie

in the Province of Saskatchewan (hereinafter called the "Lessor") and (Occupation)

North Canadian Oils Limited of Calgary

in the Province of Alberta (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated, lying and being in the Province of Saskatchewan and described as follows:

The North West (NW), South East (SE) and South West (SW) Quarters in Section Thirty (30) and Township Fourteen (14) in Range Twenty Seven (27) Third (3rd) Meridian

West of the 538006898 of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s) of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:

Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site Petroleum and/or Natural Gas

for the drilling of a well for and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

(a) for the first year the sum of _____ dollars, (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:

- (i) Compensation for capital damage _____ dollars
- (ii) Rent _____ dollars

Payment in subsequent years by lessee

(b) for each subsequent year the sum of _____ dollars payable annually in advance on the anniversary of the date hereof in each year during the currency hereof:

3. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

(a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

(b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

(c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

4. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration of forty-five days after a written notice to that effect has been given to the Lessee by registered mail addressed to the Lessee's address herein provided, unless the Lessee has in the meantime remedied such default or breach of covenant, promise or undertaking but remedying such default shall not prejudice any other right or remedy to which the Lessor is otherwise entitled under this lease.

Digging of pits for mud and sludge and destruction of weeds

(c) The Lessee shall dig pits or have adequate metal reservoirs and shall deposit therein the mud and sludge resulting from drilling operations and shall not permit the same to escape unto the Lessor's land adjoining the demised premises and the Lessee shall take all necessary precautions to keep down and destroy all noxious weeds on the well site and roadway. At the termination of the use and occupation of the demised premises as hereinafter provided or upon the discontinuance of the use of any portion thereof for the purpose hereunder the Lessee shall deliver up the demised premises or portion thereof, as the case may be, in the same condition as far as may be reasonably practicable to do so as that existing immediately prior to entry thereon for the use thereof by the Lessee.

Abandonment and restoration

(d) Upon abandonment of the well the Lessee shall cause such well to be plugged and all excavations in connection therewith to be filled in compliance with the laws and regulations of Saskatchewan in that regard.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required.

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

5. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years upon request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the same shall be determined by the Board of Arbitration appointed pursuant to The Surface Rights Acquisition and Compensation Act 1968.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, materials and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by depositing to the Lessor's credit in the at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR **Box 81, Golden Prairie, Saskatchewan S0N 0Y0**
LESSEE **10th Floor, 630 - 6th Ave. S.W., Calgary, Alberta T2P 0S8**

Time of the essence

6. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

7. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

8. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so requires, and all covenants shall be construed as being joint and several **North Canadian Oils Limited** the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, wife of the above (or within) named do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of in so far as may be necessary to give effect to this lease.

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written.

(Note: Strike out the part that does not apply.)

Signed, sealed and delivered by the above named Lessor in the presence of

.....
.....

.....
WILLIAM HAGEL
NORTH CANADIAN OILS LIMITED



Signed, sealed and delivered by the above named Lessee in the presence of

.....
.....

CERTIFICATE

I, Judge of the District Court for (or as the case may be), do hereby certify that I have examined

..... wife of the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for the purpose of relinquishing her rights in

the homestead in favour of in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

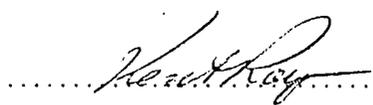
I, Kenton Russell Royer, of the City
of Medicine Hat in the Province of Alberta
Landman
(Occupation), make oath and say as follows:

1. That I was personally present and did see William Hugel,
named in the within (or annexed) lease, who is personally known to me to be the person named therein, duly sign
and execute the same for the purposes named therein.

2. That the same was executed at the District of Golden Prairie
in the Province of Saskatchewan on the 23rd day of
July in the Year 1985 and that I am the subscribing witness thereto.

3. That I know the said William Hugel, and in my belief he is
of the full age of nineteen years.

Sworn before me at the City of
Medicine Hat in the Province of
Alberta this 26th
day of July 1985



M. Eileen Layton EILEEN LAYTON
A Commissioner for Oaths in and for the Province of
Saskatchewan

My Appointment Expires Dec. 31st, 1986

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

I, William Hugel, of the District
of Golden Prairie in the Province of Saskatchewan
(Occupation), make oath and say as follows:

1. I am the Lessor named in the within lease, and I say that no part of the said land is my homestead (or the
homestead of the Lessor), or has been my homestead (or the homestead of the Lessor, as the case may be) at
any time.

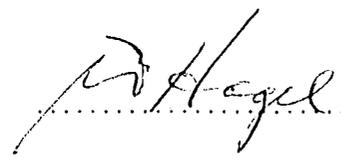
OR

~~XXXXXX I AM THE LESSOR NAMED IN THE WITHIN LEASE AND I SAY THAT NO PART OF THE SAID LAND IS MY HOMESTEAD (OR THE
HOMESTEAD OF THE LESSOR), OR HAS BEEN MY HOMESTEAD (OR THE HOMESTEAD OF THE LESSOR, AS THE CASE MAY BE) AT
ANY TIME.~~

OR

~~XXXXXX I AM THE LESSOR NAMED IN THE WITHIN LEASE AND I SAY THAT NO PART OF THE SAID LAND IS MY HOMESTEAD (OR THE
HOMESTEAD OF THE LESSOR), OR HAS BEEN MY HOMESTEAD (OR THE HOMESTEAD OF THE LESSOR, AS THE CASE MAY BE) AT
ANY TIME.~~

Sworn before me at the District of
Golden Prairie in the Province of
Saskatchewan this 23rd
day of July 1985



Kenton Royer KENT ROYER
A Commissioner for Oaths in and for the Province of
Saskatchewan.

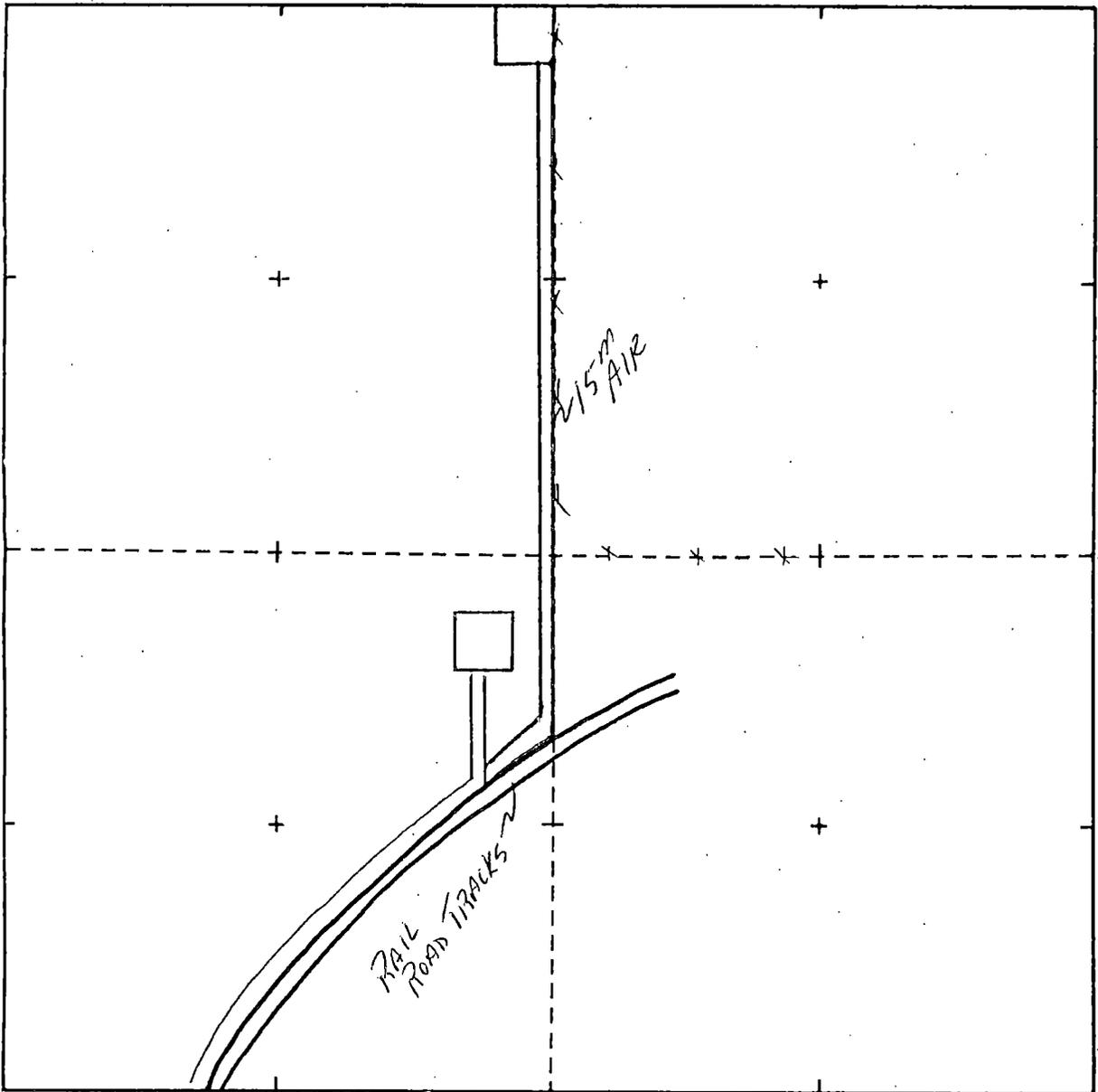
My Appointment Expires Dec. 31st, 1985

SKETCH PLAN

PROPOSED LOCATION OF

WELLSITE AND ACCESS ROAD

NW 1/4 SEC. 30, TWP. 14, RGE. 27 WEST 3rd M.



quarter section - 1:5000

scale

section - 1:10000

APPROXIMATE AREA REQUIRED

WELLSITE = 2.00 ACRES

ROADWAY = 4.23 ACRES

TOTAL = 6.23 ACRES

PIPELINE = ACRES

1 metre - 3.28 feet

804.67 metres - 2640 feet

WIS/84

Acknowledged as attached to and forming part of a SASKATCHEWAN SURFACE LEASE

dated July 23, 1985 A.D.

WILLIAM HAGEL

W. Hagel

x

Kent Ray

witness

C A V E A T

TO THE REGISTRAR OF THE SWIFT CURRENT LAND REGISTRATION DISTRICT:

TAKE NOTICE THAT NORTH CANADIAN OILS LIMITED, A body corporate with head office at Calgary, claiming an interest in and to the undermentioned lands under and by virtue of a Surface Lease dated July 23, A. D. 1985, a copy of which said Surface Lease is attached hereto and marked Exhibit "A", and made between WILLIAM HAGEL of Golden Prairie, in the Province of Saskatchewan as Lessor and the Caveator as Lessee, whereby for the consideration and subject to the covenants and agreements therein set forth and contained, the said WILLIAM HAGEL did lease to the said NORTH CANADIAN OILS LIMITED certain parts or portions of the undermentioned lands as in the said Surface Lease described as follows:

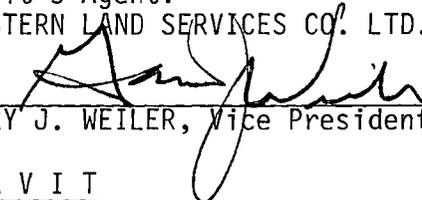
The North West, South East and South West Quarters of Section Thirty (30), in Township Fourteen (14), in Range Twenty-seven (27), West of the Third Meridian, in the Province of Saskatchewan, in the Dominion of Canada, containing Six Hundred and Forty (640) acres more or less, Excepting: out of the South East Quarter 7.90 acres and out of the South West Quarter 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.
Minerals in the Crown.

standing in the register in the name of WILLIAM HAGEL, of Golden Prairie, Saskatchewan, forbids the registration of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except to the claim herein set forth.

Address in Saskatchewan - Balfour, Moss, Milliken, Laschuk,
Kyle & Vancise
1850 Cornwall Street
Regina, Saskatchewan
S4P 2K3

Dated this 9th day of September, A. D. 1985.

NORTH CANADIAN OILS LIMITED
By it's Agent:
WESTERN LAND SERVICES CO. LTD.



GARY J. WEILER, Vice President

A F F I D A V I T

CANADA)
PROVINCE OF ALBERTA) I, GARY J. WEILER, of the City of Calgary, in the
TO WIT:) Province of Alberta, Vice President of Western Land
Services Co. Ltd.,
Agent for the Caveator
MAKE OATH AND SAY:

1. THAT the allegations in the above Caveat are true in substance and in fact, to the best of my knowledge, information and belief.

2. THAT the claim mentioned in the above Caveat is not to the best of my knowledge, information and belief founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in Section 151 of the Land Titles Act.

SWORN before me at the City of
Calgary, in the Province of
Alberta, this 9th day of September
A. D. 1985.



GARY J. WEILER, Vice President



A Commissioner for Oaths without the Province of Saskatchewan
My Commission Expires December 31, 1989
SANDRA FAY CLARK

85SC10773

RECEIVED AT
SEP 11 1985
SWIFT CURRENT LAND TITLES
OFFICE

I certify that the within instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the 21 day of Sept
A.D. 1985 as Number 85SC10773

W. Williams
Registrar
S.C.L.R.O.



Instrument Work Sheet

85 - SC — 11262

Fees	Inst. <u>Leasehold</u>
Total Fees <u>5.00</u>	From <u>Western Land Services Co Ltd</u>
Amt. Rec'd <u>Rec'd.</u>	Address <u>Calgary</u>
Balance _____	Their Reference <u>NW 5 1/2 30-14-27W.3</u>

Is Dup. C. of T. with Instrument? No In Office? yes Being Returned to above Addressee? No

Is Instrument Registrable? yes Titles Affected 85SC.06898 - NW 5 1/2 30

Encumbrances		Certificates, Notices, Required	
Title	General Register	Type	Quantity
	<u>Clear</u>	Abstract	
		G.R.C.	
		Uncertified Copy	
		Cert. Copy	
		Notices	

Remarks:

AD Initials

wls

TELEPHONES:
CALGARY (403) 266-3076
EDMONTON (403) 426-6220
REGINA (306) 757-0661
MEDICINE HAT (403) 527-7903

WESTERN LAND Services Co. Ltd.

100 - 622 - 5th AVENUE S.W.
CALGARY, ALBERTA T2P 0M6

MAILING ADDRESS: P.O. BOX 6688
POSTAL STATION "D" T2P 2E6 CALGARY, ALBERTA

OUR FIEL: C(M) 20422

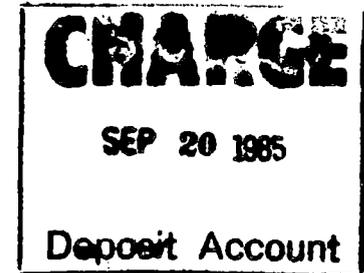
September 17, 1985

Land Titles Office
E. I. Wood Building
350 Cheadle Street West
Swift Current, Saskatchewan
S9H 4G3

Dear Sirs:

Re: Easements

- 2 NW $\frac{1}{4}$ & S $\frac{1}{2}$ 30-14-27 W3M
- 3 NE $\frac{1}{4}$ 30-14-27 W3M
- 4 E $\frac{1}{2}$ & NW $\frac{1}{4}$ of 6 and NE $\frac{1}{4}$ & S $\frac{1}{2}$ of 7, 15-27 W3M
- 5 NW $\frac{1}{4}$ 7-15-27 W3M



Please find enclosed four Easements, each in duplicate, covering the above noted lands which we ask that you register. Please return the duplicate registered copies to our office.

Fees in this matter may be deducted from our firm's deposit account.

Thank you for your assistance in this matter.

Yours truly,

WESTERN LAND SERVICES CO. LTD.

A handwritten signature in black ink, appearing to read "Gary J. Weller".

Gary J. Weller
Vice President

GJW:sfc
Enclosures



SURFACE LEASES — EASEMENTS — P & NG LEASES — DAMAGE SETTLEMENTS
PLANT SITES — CONSULTANTS — CROWN SALES & FILINGS — APPRAISALS

AGENTS TO INDUSTRY



Easement

I, William Hagel of Golden Prairie, in the Province of Saskatchewan, hereinafter called the "Grantor", being the registered owner of an estate in fee simple, subject however to such encumbrances, liens and interests as may be notified by memorandum underwritten in all that certain tract of land more particularly described as follows, namely:

The North West, South East and South West Quarters of Section Thirty (30), in Township Fourteen (14), Range Twenty Seven (27), West of the Third Meridian, Saskatchewan, containing 480 acres more or less.

Except: Out of the South East Quarter of Section Thirty (30), 7.90 acres and out of the South West Quarter of Section Thirty (30), 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.

Minerals in the Crown.

in the Province of Saskatchewan as described in Certificate of Title No. 85SC06898 registered in the Land Titles Office for the Swift Current Land Registration District, hereinafter called the said lands.

In consideration of the sum of Ten (\$10.00) Dollars (receipt of which is hereby acknowledged) paid to me by NORTH CANADIAN OILS LIMITED

hereinafter called the "Grantee", and in consideration of the covenants herein contained DO HEREBY GRANT, CONVEY, TRANSFER AND SET OVER to and unto the Grantee, its successors and assigns, a right-of-way across, over, under, on, and through the said lands to construct a pipeline or lines including all pipe or pipes, pumps, valves, drips, cleanout traps, meters, connections, cathodic protection apparatus, communications systems, poles and any other equipment and appurtenances that the Grantee shall deem necessary, which notwithstanding any rule of law or equity shall at all times remain the property of the Grantee even though attached to the land, together with the right, license, liberty and privilege to enter upon the said lands in order to conduct surveys, construct, operate, maintain, inspect, control, alter, improve, remove, reconstruct, replace and repair the said pipeline or lines and the said appurtenances thereto and hereby covenant and agree to the following terms and conditions:

- Should the Grantee not deposit with the Registrar of the appropriate Land Titles Office a Plan of Survey of the right-of-way 15 metres ~~feet~~ in width across the said lands on or before one year from the date hereof, or should the Grantee not forward to me a plan showing the said right-of-way across the said lands outlined in red thereon, on or before one year from the date hereof the Grantee shall thereupon execute and register such documents as may be necessary to effect a termination of its rights under this instrument.
- The Grantee having deposited or forwarded the plan as aforesaid, it shall cause to be registered such document as shall restrict this easement and the rights herein granted to the right-of-way shown upon such plan excepting the right of ingress and egress to and from the said right-of-way.
- The Grantee shall pay to the Grantor or to those interested in the said land by encumbrance or occupation a sum calculated at the rate of Six Hundred Dollars (\$ 600.00) per acre of right-of-way across the said lands as shown on such plan, within a reasonable time of the registration of the said plan or at the time a copy of the plan is forwarded to the Grantor.
- In addition to the monies payable under paragraph 3 hereof, the Grantee will pay to the Grantor compensation for all damages done to growing crops, fences, timber and livestock occurring as a result of the Grantee's operations and the Grantee will, as soon as weather and soil conditions permit, bury all pipelines and, insofar as it is practical to do so, restore the said lands to their condition prior to the Grantee's entry thereon.
- The Grantee will pay all rates and taxes that may be assessed and levied from time to time against its interest in the said lands or in connection with its operations thereon.
- The Grantor shall have the right to use and enjoy the right-of-way for any purpose except any use which would interfere with the rights herein granted to the Grantee and the Grantor shall not without the prior written consent of the Grantee first had and obtained excavate, drill, install, erect or permit to be excavated, drilled, installed or erected on or under the right-of-way any pit, well, pipeline, foundation, pavement, building or other structure or installation or do any mining, quarrying, drilling or other work or activity of any nature on, in or under the right-of-way and the Grantor will at all times control and if necessary cut down or root out all noxious weeds growing on the right-of-way.
- The Grantor hereby covenants with the Grantee for quiet enjoyment; and shall do all acts and execute all such further assurances as may be required to give effect to the within grant.
- This Easement Agreement shall be deemed to have created a covenant running with the land and these presents including all covenants and conditions herein contained shall extend to, be binding upon and enure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.
- For further clarification it is hereby declared that nothing herein shall be deemed to vest in the Grantee any title to mines, ores, metals, coal, slate, oil, gas or other minerals in or under the land comprising the right-of-way excepting only the parts thereof that are necessary to be dug, carried away or used in construction of the works of the Grantee.
- All notices and payments to be made hereunder may be made by a letter addressed to the parties at the addresses stated immediately following their signatures hereto or such other address as the Grantor and the Grantee may respectively from time to time designate in writing and any such notice shall be deemed to have been given to and received by the addressee three (3) days after mailing thereof, postage paid.
- The Grantee shall at any time or from time to time have the right to quit-claim or surrender by appropriate instrument, all or part of the right or interest acquired by it hereunder and the Grantee may, but shall not be obligated to, remove all or any installations, equipment or appurtenances which, under the provision hereof, the Grantee has installed or placed upon the easement herein granted, or part thereof which has been so surrendered.

IN WITNESS WHEREOF I, the Grantor, have hereunto set my hand and seal this 23rd day of July A.D. 1985

Signed by the said in the presence of

Grantor William Hagel Box 81, Golden Prairie, Saskatchewan Address SON OYO

Grantor _____ Address _____

Grantor _____ Address _____

Seal

Dandrews
WITNESS

NORTH CANADIAN OILS LIMITED

Per: [Signature]

Per: [Signature]
ITS ATTORNEY
10th Floor, Bradie Building
630 - 6th Avenue S.W.
Calgary, Alberta
T2P 0S8

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
TO WIT:

Kenton Russell Royer of Medicine Hat
in the Province of ~~Saskatchewan~~ Alberta
make oath and say:

- 1. That I am the right of way purchasing agent of the grantee named in the within easement.
2. That the lands described in the within instrument are required for the construction, maintenance and operation of an oil, gas, related hydrocarbons and/or water pipe line, and for the exercise of any rights and privileges arising under the within agreement.

SWORN before me at Medicine Hat
in the Province of ~~Saskatchewan~~ Alberta
this 29th day of July
A.D. 19 85.

[Signature]
M. Eileen Layton EILEEN LAYTON
A Commissioner for Oaths ~~in and for~~ without
the Province of Saskatchewan.
My appointment expires 31 December, 19 86.

CONSENT TO EASEMENT BY PURCHASER(S) AND/OR OCCUPANT(S)

I, (We) ... in the Province of ...
being the purchaser(s) and/or occupant(s) of the within lands by virtue of Agreement(s) dated the ... day of ...
A.D. 19 ... DO HEREBY AGREE that all my (our) rights, interest and estate which are, or may be,
affected by the above Easement shall be fully bound by all the terms and conditions thereof both now and henceforth.
DATED at ... in the Province of ... this ... day of ... A.D. 19 ...
(Witness) (Purchaser)
(Occupant)

AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF SASKATCHEWAN
TO WIT:

I, Kenton Russell Royer, of the ... City
of Medicine Hat in the Province of ~~Saskatchewan~~
Landman, make oath and say: Alberta

- 1. That I was personally present and did see William Hagel named in the within instrument, who is personally known to me to be the person named therein, duly sign and execute the same for the purpose named therein.
2. That the same was executed at District of Golden Prairie in the Province of Saskatchewan, and that I am the subscribing witness thereto.
3. That I know the said William Hagel and he is in my belief of the full age of twenty-one years.

SWORN before me at Medicine Hat
in the Province of ~~Saskatchewan~~ Alberta
this 29th day of July, A.D. 19 85.

[Signature]
M. Eileen Layton EILEEN LAYTON
A Commissioner for Oaths ~~in and for~~ without
the Province of Saskatchewan
My appointment expires December 31, 1986

855011262

Dated ... day of ... 19 ... (Grantor) RECEIVED AT SEP 20 1985 (Grantee) SWIFT CURRENT LAND TITLES OFFICE Easement

I certify that the within instrument is duly Entered and Registered in the Land Titles Office for the Swift Current Land Registration District at Swift Current in the Province of Saskatchewan on the ... day of ... A.D. 19 ... as Number ... Registered S.C.L.R.D. WESTERN LAND SERVICES CO. LTD.

AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF SASKATCHEWAN
TO WIT:

I, ... of the ...
of ... in the Province of Saskatchewan,
make oath and say:

- 1. That I was personally present and did see ... named in the within instrument, who is personally known to me to be the person named therein, duly sign and execute the same for the purpose named therein.
2. That the same was executed at ... in the Province of Saskatchewan, and that I am the subscribing witness thereto.
3. That I know the said ... and he is in my belief of the full age of twenty-one years.

SWORN before me at ...
in the Province of Saskatchewan,
this ... day of ... A.D. 19 ...

A Commissioner for Oaths in and for the Province of Saskatchewan



Instrument Work Sheet

86 - SC — 00330

Fees	Inst. <u>Lease</u>
Total Fees <u>15.00</u>	From <u>Western Land Serv Co Ltd</u>
Amt. Rec'd <u>none</u>	Address <u>Calgary</u>
Balance _____	Their Reference <u>S.W. 30 - 14-27-3</u>

Is Dup. C. of T. with Instrument? no In Office? _____ Being Returned to above Addressee? _____

Is Instrument Registrable? 44 Titles Affected 85566898 SW-30

Encumbrances		Certificates, Notices, Required	
		Type	Quantity
Title	General Register	Abstract	
		G.R.C.	
		Uncertified Copy	
		Cert. Copy	
		Notices	1

Remarks:

C A V E A T

TO THE REGISTRAR OF THE SWIFT CURRENT LAND REGISTRATION DISTRICT:

TAKE NOTICE THAT NORTH CANADIAN OILS LIMITED, A body corporate with head office at Calgary, claiming an interest in and to the undermentioned lands under and by virtue of a Amendment to Surface Lease dated July 23, A. D. 1985, a copy of which said Amendment to Surface Lease is attached hereto and marked Exhibit "A", and made between WILLIAM HAGEL of Golden Praire, in the Province of Saskatchewan as Lessor and the Caveator as Lessee, whereby for the consideration and subject to the covenants and agreements therein set forth and contained, the said WILLIAM HAGEL did lease to the said NORTH CANADIAN OILS LIMITED certain parts or portions of the undermentioned lands as in the said Surface Lease described as follows:

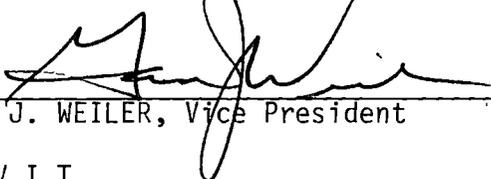
The South West Quarter of Section Thirty (30), in Township Fourteen (14), in Range Twenty-seven (27), West of the Third Meridian, in the Province of Saskatchewan, in the Dominion of Canada, containing 160 acres, more or less, Excepting: 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.
MINERALS IN THE CROWN.

standing in the register in the name of WILLIAM HAGEL, of Golden Prairie, Saskatchewan, forbids the registration of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except to the claim herein set forth.

Address in Saskatchewan - Balfour, Moss, Milliken, Laschuk Kyle
& Vancise
1850 Cornwall Street
Regina, Saskatchewan
S4P 2K3

Dated this 8th day of January, A. D. 1986.

NORTH CANADIAN OILS LIMITED
By it's Agent:
WESTERN LAND SERVICES CO. LTD.



GARY J. WEILER, Vice President

A F F I D A V I T

CANADA)
PROVINCE OF ALBERTA) I, GARY J. WEILER, of the City of Calgary, in the
TO WIT:) Province of Alberta, Vice President of Western Land
Services Co. Ltd.,
Agent for the Caveator
MAKE OATH AND SAY:

1. THAT the allegations in the above Caveat are true in substance and in fact, to the best of my knowledge, information and belief.

2. THAT the claim mentioned in the above Caveat is not to the best of my knowledge, information and belief founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in Section 151 of the Land Titles Act.

SWORN before me at the City of
Calgary, in the Province of
Alberta, this 8th day of January
A. D. 1986.



GARY J. WEILER, Vice President



A Commissioner for Oaths without the Province of Saskatchewan
My Commission Expires December 31, 1989
SANDRA FAY CLARK

THIS AGREEMENT made the 23rd day of July A.D. 1985.

BETWEEN:

William Hagel
Box 81
Golden Prairie, Saskatchewan
SON OYO

(hereinafter called the "Lessor")
OF THE FIRST PART

and

NORTH CANADIAN OILS LIMITED

(hereinafter called the "Lessee")
OF THE SECOND PART

WHEREAS the Lessee is the Lessee under a surface lease (the surface lease") a copy of which is hereunto annexed;

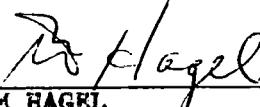
AND WHEREAS the Lessor is the successor in title to the Lessor named in the surface lease, and the parties have agreed to modify the surface lease as hereinafter set forth.

WITNESSETH that the Parties hereto hereby covenant and agree to and with one another as follows:

1. The Lessee shall pay to the Lessor the sum of _____ Dollars (\$ _____) for disturbance caused by drilling operations for a second well on the demised premises as set forth in the surface lease. The Lessor accepts the said sum as full and sufficient payment and represents that the Lessor is in possession of the lands covered by the surface lease and is the person entitled to receive the said payment.
2. Commencing on the 24th day of October, 1985, the rent payable under the surface lease shall be _____ Dollars (\$ _____) per annum payable annually in advance on the anniversary date of each year of the term.
3. Clause 5 (a) of the said Surface Lease is hereby amended to read as follows:
"Review of rent every three years upon request by either party
(a) Notwithstanding anything contained in this Lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable to any other matter in connection therewith, the arbitration provisions of the Surface Rights Acquisition and Compensation Act, 1968 shall apply."
4. The Lessor agrees to the surface lease being amended for the inclusion of an additional area as shown on the sketch plan attached hereto and initialled by the Lessor.
5. Except as amended hereby, the surface lease is in all respects ratified and confirmed.

IN WITNESS WHEREOF the parties have executed and delivered these presents as of the day and year first above written.




WILLIAM HAGEL
NORTH CANADIAN OILS LIMITED

PER: _____
PER: _____

SURFACE LEASE

This lease made in triplicate this 24th day of October, 1984.

Between:

WILLIAM HAGEL of Golden Prairie in the Province of Saskatchewan, Farmer (hereinafter called the "Lessor"), and NORTH CANADIAN OILS LIMITED of Calgary in the Province of Alberta (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated lying and being in the Province of Saskatchewan and described as follows:

The South West Quarter of Section THIRTY (30) in Township FOURTEEN (14) Range TWENTY SEVEN (27) West of the THIRD Meridian in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s) 73-SC-14149(a) of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:

Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site for the drilling of a well for oil, gas, water and/or related hydrocarbons and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

(a) for the first year the sum of [redacted] dollars, (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:

- (i) Compensation for capital damage [redacted] (\$) [redacted]
(ii) Rent [redacted] (\$) [redacted]

Payment in subsequent years by lessee

(b) for each subsequent year the sum of [redacted] dollars payable annually in advance on the anniversary of the date hereof in each year during the currency hereof.

The Lessee shall have the right from time to time and at any time upon forty-five (45) days' notice to that effect to the Lessor to surrender any portion of the demised premises, by giving notice to the Lessor to that effect and the Lessee shall deliver or mail to the Lessor a sketch or plan of the portion or portions of the demised premises retained, and this lease shall, with respect to the lands so surrendered, terminate at the expiration of the current year of the term; PROVIDED, HOWEVER, that

during the term of this lease the annual rental shall not be less than [redacted] Dollars (\$ [redacted]).

2. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

(a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

(b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

(c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

3. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration of forty-five days after a written notice to that effect has been given to the Lessee by registered mail addressed to the Lessee's address herein provided, unless the Lessee has in the meantime remedied such default or breach of covenant, promise or undertaking but remedying such default shall not prejudice any other right or remedy to which the Lessor is otherwise entitled under this lease.

Digging of pits for mud and sludge and destruction of weeds

(c) The Lessee shall dig pits or have adequate metal reservoirs and shall deposit therein the mud and sludge resulting from drilling operations and shall not permit the same to escape unto the Lessor's land adjoining the demised premises and the Lessee shall take all necessary precautions to keep down and destroy all noxious weeds on the well site and roadway. At the termination of the use and occupation of the demised premises as hereinafter provided or upon the discontinuance of the use of any portion thereof for the purpose hereunder the Lessee shall deliver up the demised premises or portion thereof, as the case may be, in the same condition as far as may be reasonably practicable to do so as that existing immediately prior to entry thereon for the use thereof by the Lessee.

Abandonment and restoration

(d) Upon abandonment of the well the Lessee shall cause such well to be plugged and all excavations in connection therewith to be filled in compliance with the laws and regulations of Saskatchewan in that regard.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

4. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years up on request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the arbitration provisions of the petroleum and natural gas regulations at the time in force shall apply.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, material and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by depositing to the Lessor's credit in the
at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

I, DARCY EDWARDS of the City
of Medicine Hat in the Province of Alberta
..... Landman make oath and say as follows:
(Occupation)

1. That I was personally present and did see WILLIAM HAGEL
named in the within (or annexed) lease, who is personally known to me to be the person named therein, duly sign
and execute the same for the purposes named therein.

2. That the same was executed at the Village of Golden Prairie
in the Province of Saskatchewan on the 24th day of
..... October in the year 19 84 and that I am the subscribing witness thereto.

3. That I know the said WILLIAM HAGEL and in my belief he is
of the full age of eighteen years.

Sworn before me at the ... City of
.. Medicine Hat in the Province of
.. Alberta this 25th
day of October 19 84

Darcy Edwards
DARCY EDWARDS

Gloria Greenstein
A Commissioner for Oaths without the AFFIDAVIT
Province of Sask. My Appointment
expires December 31, 1986. } GLORIA GREENSTEIN
CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

I, WILLIAM HAGEL of the District
of Golden Prairie in the Province of Saskatchewan
..... Farmer make oath and say as follows:
(Occupation)

1. I am the Lessor (~~or the agent acting under Power of Attorney in my favour dated the~~
~~day of~~ 19 granted by the Lessor) named in the within (or annexed)
lease, and I say that no part of the said land is my homestead (~~or the homestead of the Lessor~~), or has been my home-
stead (~~or the homestead of the Lessor, as the case may be~~) at any time.

OR

~~1. I am the Lessor (or the agent acting under Power of Attorney in my favour dated the~~
~~day of~~ 19 granted by the Lessor) named in the within (or annexed)
lease and I say that I have (or such Lessor has) no wife.

OR

1. I am the Lessor (or the agent acting under Power of Attorney in my favour dated the
day of 19 granted by the Lessor) named in the within (or annexed)
lease, and I say that my wife (or the wife of the Lessor) does not reside in Saskatchewan and has not resided therein at
any time since the marriage.

Sworn before me at the ... Village of
.. Golden Prairie in the Province of
.. Saskatchewan this 24th
day of October 19 84

W. Hagel
WILLIAM HAGEL

Darcy Edwards
Registrar, Commissioner, (or as the case may be).

DARCY EDWARDS

- IN AND A COMMISSIONER FOR OATHS
WITHOUT THE PROVINCE OF SASKATCHEWAN.
MY APPOINTMENT EX JS DECEMBER 31 1987.

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR Box 81, Golden Prairie, Saskatchewan, S0N 0Y0
LESSEE 10th Floor, Bradie Building, 630 - 6th Ave. S.W., Calgary, Alberta T2P 0S8

Time of the essence

5. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

6. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

7. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so requires, and all covenants shall be construed as being joint and several.

NORTH CANADIAN OILS LIMITED

the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, ... wife of the above

(or within) named do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of

... in so far as may be necessary to give effect to this lease

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written.

(Note: Strike out the part that does not apply.)

Signed, sealed and delivered by the above named Lessee in the presence of

NORTH CANADIAN OILS LIMITED

Per: [Signature] SENIOR VICE PRESIDENT OPERATIONS



Per: [Signature] ASSISTANT SECRETARY

Signed, sealed and delivered by the above named Lessor in the presence of

[Signature] WILLIAM HAGEL

[Signature]

CERTIFICATE

I, ..., Judge of the District Court for

..., (or as the case may be), do hereby certify that I have examined

..., wife of

the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for

the purpose of relinquishing her rights in the homestead in favour of

..., in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)



PLAN SHOWING THE PROPOSED
WELLSITE LOCATION OF

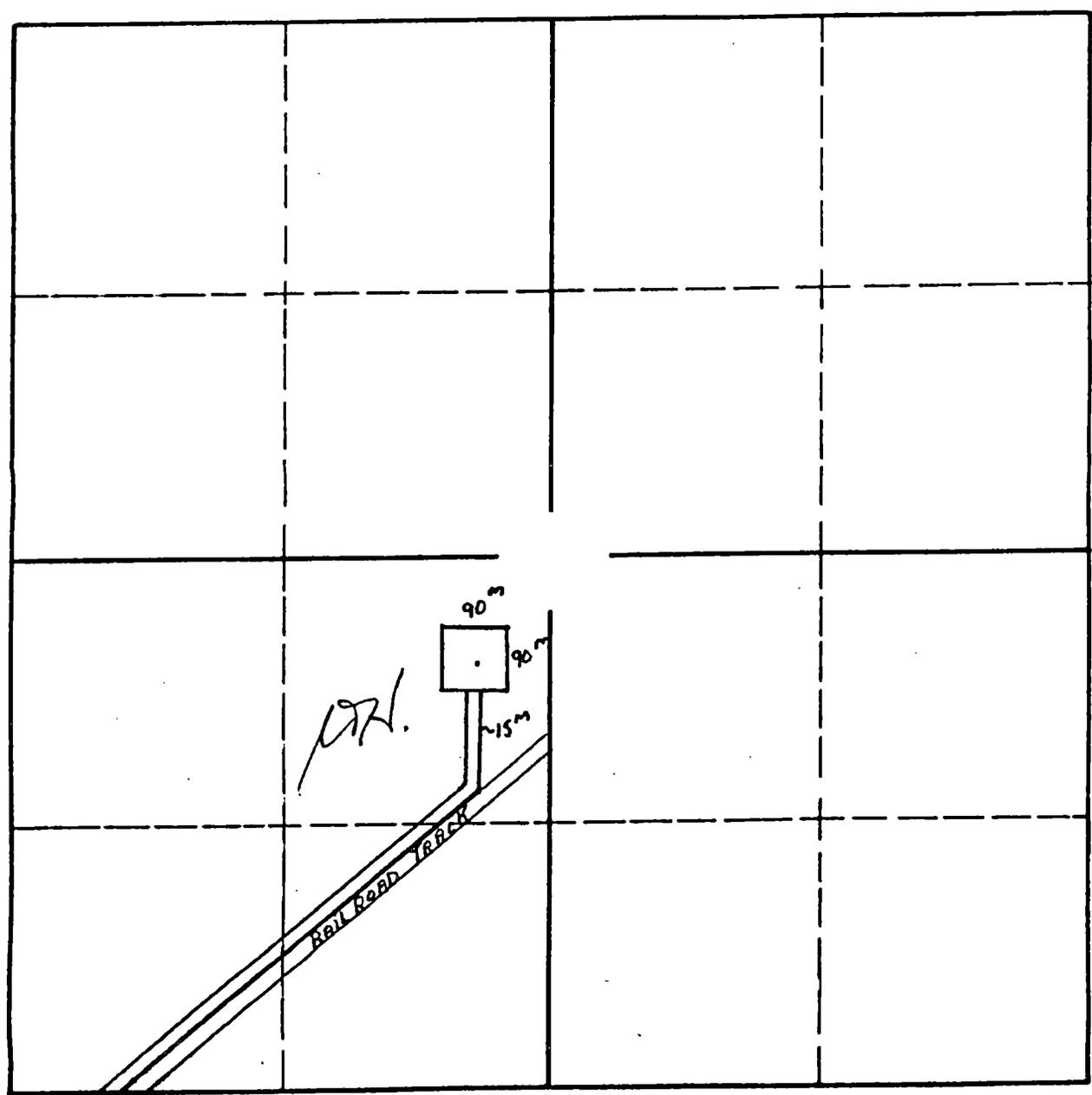
NORTH CANADIAN OILS LIMITED

902 - 16 Street S.W.
Medicine Hat, Alberta
T1A 8A4
Telephone (403) 529-1231

IN

LSD. D6 SEC. 30 TWP. 14 RGE. 27 W. 3 MER.

Subject to change by mutual agreement prior to drilling, with the lease consideration to be applied on any alternative site.

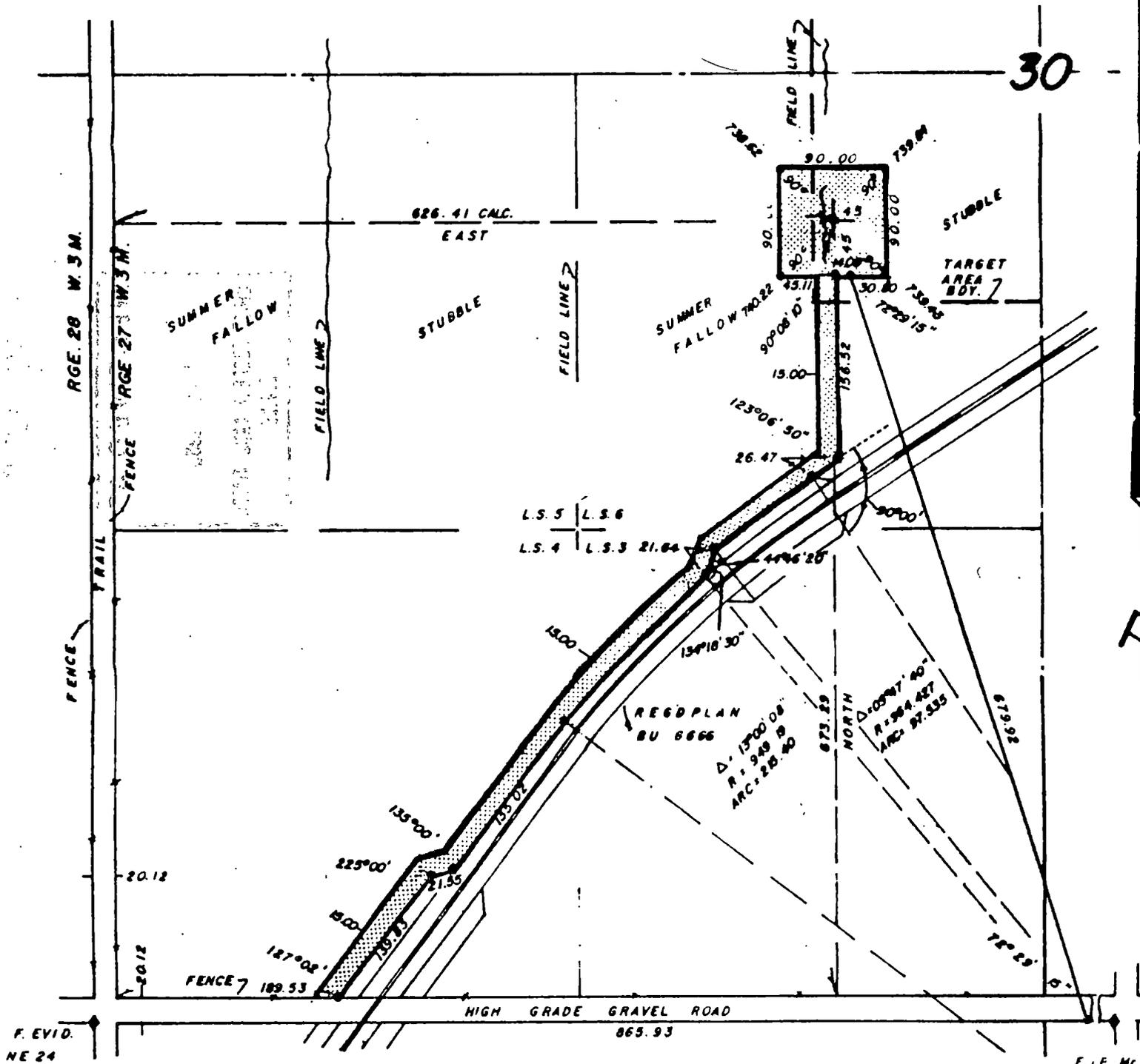


NCO HATTON 6 · 30 · 14 · 27

Well Site and Access Road

L.S. 6 , Sec. 30 , Tp. 14 , Rg. 27 , W. 3 M.

Scale: 1:5000



I certify that the survey represented by this plan is correct and true to the best of my knowledge and was completed on the 23rd day of October, A.D. 1984.

B. E. Houser
Saskatchewan Land Surveyor

Paul Howard
Witness

MIDWEST SURVEYS

MS-47-84-4

MIDWEST SURVEYS (SASK.) LIMITED

Operator:

NORTH CANADIAN OILS LIMITED

ELEVATION 738.96 Ground

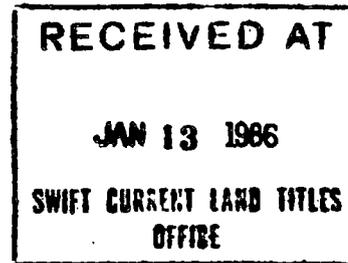
CO-ORDINATES: 673.29N. of S. Bdry. } Sec. 30
626.41 E. of W. Bdry.

AREAS:

Well Site: 0.810 ha (2.00 ac.)
Access Road: 1.221 ha (3.02 ac.)
Total: 2.031 ha (5.02 ac.)

Portion referred to shown thus
Survey monuments found shown thus
Iron pins 1.5 cm x 38.1 cm planted shown thus
Fir posts 5.0 cm x 5.0 cm x 38.1 cm planted shown thus

86SC00330



I certify that the within Instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the 13 day of Jan
A.D. 1986 as Number 86SC00330

H. Harpinski Registrar
S.C.L.R.O.

SASKATCHEWAN LAND TITLES OFFICE
INSTRUMENT WORK SHEET

89SC22838

FEEES	Inst. <i>Convey</i>
Total Fees	From <i>Convey</i>
Amt. Rec'd <i>acct</i>	Address <i>Calgary</i>
Balance	Their Reference

Is Dup. C. of T. with Instrument? *No* In Office? Being Returned to above Addressee?

Is Instrument Registrable? Titles Affected *85-6898*

ENCUMBRANCES		CERTIFICATES, NOTICES, REQUIRED	
Title	General Register	Type	Quantity
		Abstract	
		G.R.C.	
		Cert. of Chge.	
		Other Cert.	
		Notices	1

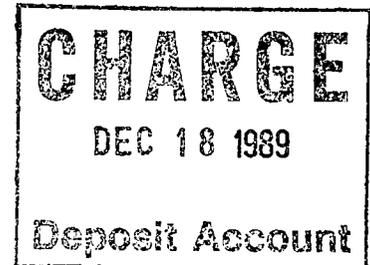
Remarks:

[Signature] Initials



December 14, 1989

Province of Saskatchewan
Land Titles Office
350 Cheadle Street West
Swift Current, Saskatchewan
S9H 4G3



Gentlemen:

Re: REGISTRATION OF CAVEATS
Our Files: 50,073, 50,074

We enclose, in duplicate, the subject documents for registration and would ask that you return one registered copy for our files and charge the fee to our account No. 01-03-1514.

Yours truly,

COSEKA RESOURCES LIMITED

Robin Anderson
Land Secretary

/ra
Enclosure

File: 50,073

SURFACE LEASE

This lease made in triplicate this 28 day of October 19 89

Between:

WILLIAM HAGEL of GOLDEN PRAIRIE in the Province of SASKATCHEWAN (hereinafter called the "Lessor") and COSEKA RESOURCES LIMITED of CITY OF CALGARY in the Province of ALBERTA A BODY CORPORATE (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated lying and being in the Province of Saskatchewan and described as follows:

THE SOUTH WEST QUARTER OF SECTION THIRTY ONE (31) in Township FOURTEEN (14) Range TWENTY SEVEN (27) West of the THIRD (3) Meridian in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s) 85SC06898 of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:

Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site for the drilling of a well for oil, gas, water and/or related hydrocarbons and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

(a) for the first year the sum of FOUR THOUSAND NINE HUNDRED SEVENTY FIVE dollars, (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:

(i) Compensation for capital damage TWO THOUSAND SEVEN HUNDRED (\$ 2,700.00)

(ii) Rent TWO THOUSAND TWO HUNDRED SEVENTY FIVE (\$ 2,275.00)

Payment in subsequent years by lessee

(b) for each subsequent year the sum of TWO THOUSAND TWO HUNDRED SEVENTY FIVE dollars payable annually in advance on the anniversary of the date hereof in each year during the currency hereof.

The Lessee shall have the right from time to time and at any time upon six (6) months' notice to that effect to the Lessor to surrender any portion of the demised premises, by giving notice to the Lessor to that effect and the Lessee shall deliver or mail to the Lessor a sketch or plan of the portion or portions of the demised premises retained, and this lease shall, with respect to the lands so surrendered, terminate at the expiration of the current year of the term.

2. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

(a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

(b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

(c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

3. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration

In consideration of the sum of One Dollar (\$1.00), (receipt of which is hereby acknowledged), paid to me.

If the demised premises covered by this Surface Lease are not entered upon, except for survey purposes, within six (6) months of the date of this Lease, the Lessee shall pay to the Lessor the sum of Three Hundred Dollars for the right to survey and all other inconveniences and the said Lease shall terminate. However, should the Lessee enter the demised premises to drill or should the Lessee make payment of the full initial consideration in the amount of \$ 4975.02, as previously set out, within the six (6) month period, then the Lessee shall have full rights on the demised premises pursuant to the terms of the said Surface Lease.

REVIEW OF RENTAL: Annual Rental ~~provided~~ for herein shall be subject to review in accordance with the Surface Rights Act, Chapter S-27.1, Section 27.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

4. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years upon request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the arbitration provisions of the petroleum and natural gas regulations at the time in force shall apply.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, material and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

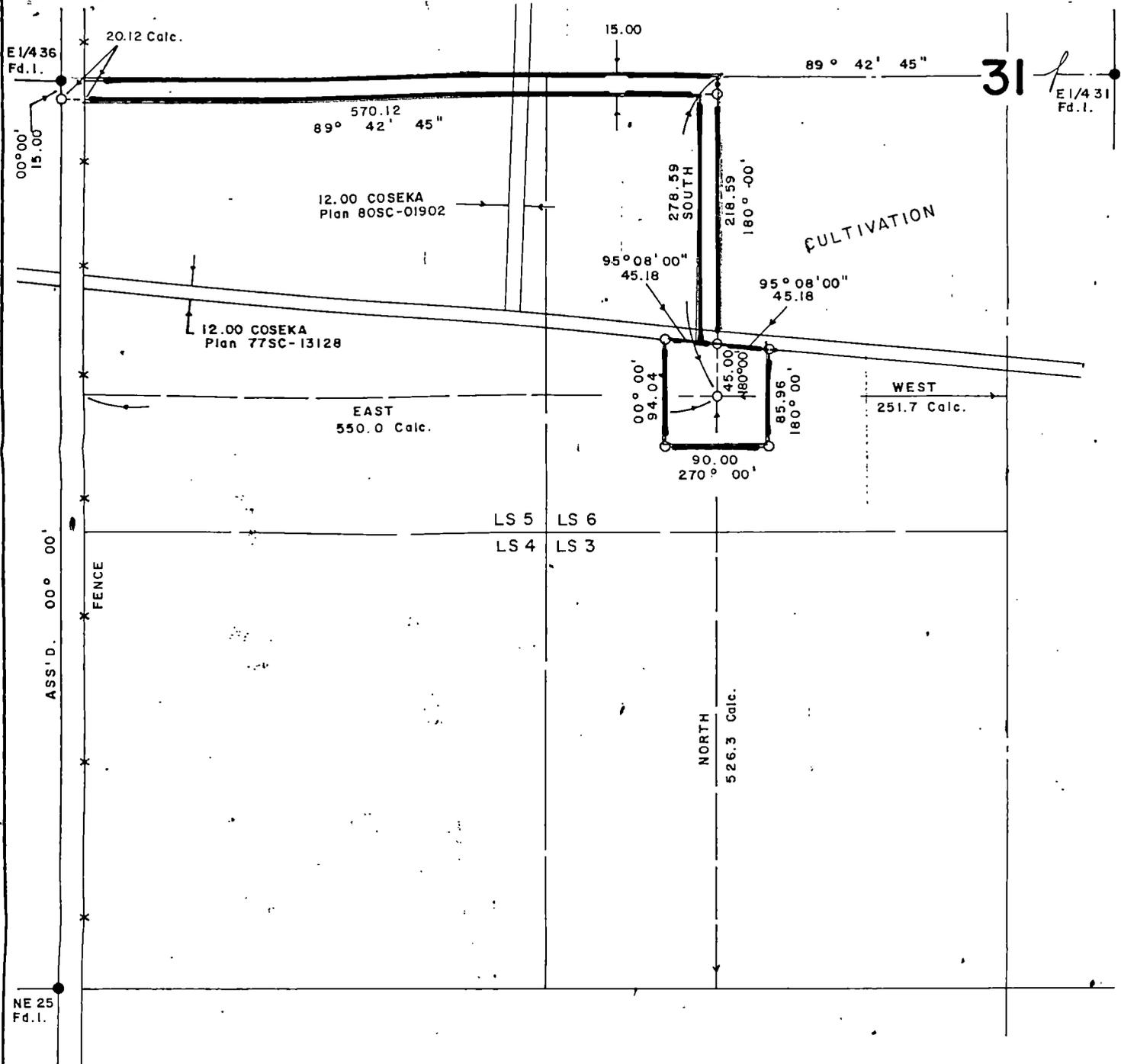
(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by

depositing to the Lessor's credit in the

at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.



PLAN SHOWING LOCATION OF
COSEKA ET AL HATTON 6-31-14-27
 IN LSD. 6 SEC. 31 TWP. 14 RGE. 27 W. 3 M.

SCALE · 1:5000

CO-ORDINATES · 526.3 N of S Bdy and
 550.0 E of W Bdy of Sec. 31-14-27 W. 3

I certify that the survey represented by this plan is correct
 and true to the best of my knowledge and was completed
 on the 30th day of October, AD 1989.

AREAS	ha	Ac	WELL SITE
Well Site	0.810	2.00	CORNER ELEVATIONS
Access Road	1.152	2.85	NE · 739.28
TOTAL	1.962	4.85	SE · 739.55
			SW · 737.94
			NW · 738.20

W. H. Jones SLS
 W. H. Jones
A. Sanderson Witness
 A. Sanderson

GROUND ELEVATION · 738.0
 For COSEKA RESOURCES LIMITED.

LEGEND
 Survey monument found shown thus ●
 30cm Iron Spike planted shown thus ○
 Portions referred to shown thus _____
 Distances are in metres and decimals thereof.

REVISION		

CLM

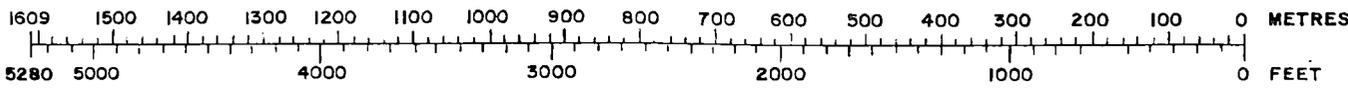
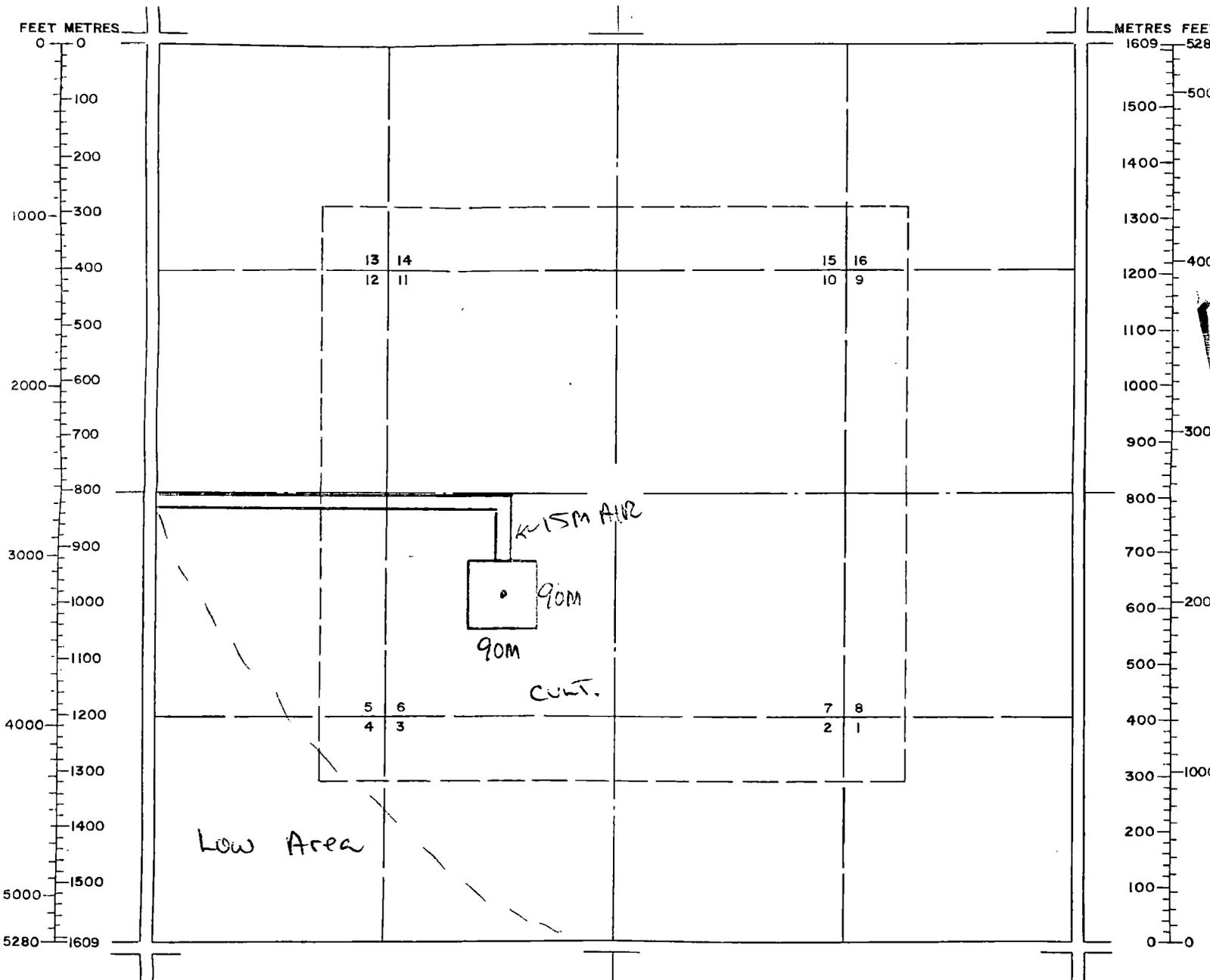
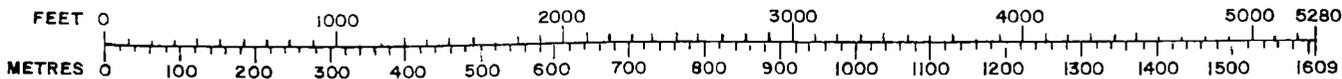
FILE NO. : 89-0614

PLAN SHOWING THE PROPOSED LOCATION OF
Coseka Resources Limited

WELLSITE and ROADWAY

IN L.S.D. 6 SEC. 31 TWP. 14 RGE. 27 W. 3 M.

Subject to change by mutual agreement with the lease
consideration to be applied on any alternative site.



ACREAGE

Approximate Well Site = 2.00 acres
 Approximate Access Road = 2.50 acres
 Approximate Camp Site = 0.00 acres
 Total = 4.50 acres

--- DENOTES 640 ACRE GAS SPACING

I/We have no objection to the E.R.C.B. issuing a Drilling Licence.
Accepted this 25 day of October, A.D. 1989

WITNESS : [Signature]

[Signature]

WITNESS : _____

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR ... P.O. Box 81, GOLDEN PRAIRIE, Saskatchewan, S0N 0Y0

LESSEE ... 1200, 521 - 3rd Avenue S.W., CALGARY, Alberta, T2P 4A9

Time of the essence

5. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

6. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

7. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so

requires, and all covenants shall be construed as being joint and several

the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, wife of the above (or within) named do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of in so far as may be necessary to give effect to this lease

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written. (Note: Strike out the part that does not apply.)

COSEKA RESOURCES LIMITED

Signed, sealed and delivered by the above named Lessee in the presence of

Thomas M. Broch
Robert Jones

Signed, sealed and delivered by the above named Lessor in the presence of

[Signature]

W. Hagel
WILLIAM HAGEL

CERTIFICATE

I, Judge of the District Court for (or as the case may be), do hereby certify that I have examined wife of the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for the purpose of relinquishing her rights in the homestead in favour of in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)

CANADA
PROVINCE OF SASKATCHEWAN

AFFIDAVIT OF EXECUTION

To Wit:

I, of
in the Province of Saskatchewan, make oath and say:

1. THAT I was personally present and did see
named in the within instrument, who is personally known to me to be the person named therein, duly sign, seal and execute the same for the
purposes named therein.

2. THAT the same was executed at in the Province of Saskatchewan,
and that I am the subscribing witness thereto.

3. THAT I know the said
and he (or she) is, in my belief, of the full age of eighteen years.

SWORN before me at

In the Province of Saskatchewan, this

day of, A.D. 19

A Commissioner for Oaths in and for the Province of
Saskatchewan

My Appointment Expires December 31st, 19

CONSENT BY OCCUPANT, VENDOR, MORTGAGEE OR OTHER INTERESTED PARTY:

I, (we) of
in the Province of having an
interest in the within lands by virtue of an Agreement or Instrument dated the day of A.D.

19..... DO HEREBY AGREE that all my (our) rights, interests and estate which are, or may be, affected by the above Surface Lease shall be
fully bound by all the terms and conditions thereof both now and henceforth.

DATED at in the Province of this

day of A.D. 19

Witness

CANADA
PROVINCE OF SASKATCHEWAN

AFFIDAVIT OF EXECUTION

To Wit:

I, **PHILIP GAZDAG** of **CITY OF MEDICINE HAT**
ALBERTA
~~XXXXXXXXXX~~ **LAND AGENT** make oath and say:

1. THAT I was personally present and did see **WILLIAM HAGEL**
named in the within instrument, who is (are) personally known to me to be the person(s) named therein, duly sign, seal and execute the same
for the purposes named therein.

2. THAT the same was executed at **DISTRICT OF GOLDEN PRAIRIE** in the Province of Saskatchewan,
and that I am the subscribing witness thereto.

3. THAT I know the said **WILLIAM HAGEL**
and he (or she) is (or they are each), in my belief, of the full age of eighteen years.

SWORN before me at **CITY OF MEDICINE HAT**

In the Province of ~~Saskatchewan~~ **ALBERTA**, this **30**

day of **October**, A.D. 19 **89**

A Commissioner for Oaths in ~~the Province of~~ Province of
Saskatchewan **WITHOUT**

My Appointment Expires December 31st, 19 **90**.

DOMINION OF CANADA
PROVINCE OF SASKATCHEWAN

HOMESTEAD AFFIDAVIT

To Wit:

I, **WILLIAM HAGEL** of **GOLDEN PRAIRIE**
in the Province of Saskatchewan, **FARMER** make oath and say as follows:
(Occupation)

1. I am the Lessor named in the within lease, and I say that no part of the land described in the said lease is my homestead, or has been
my homestead at any time.

~~I am the Lessor named in the within lease, and I say that I have no wife.~~

~~I am the Lessor named in the within lease, and I say that my wife does not reside in Saskatchewan and has not resided therein
at any time since the marriage.~~

SWORN before me at **DISTRICT OF GOLDEN PRAIRIE**

In the Province of Saskatchewan, this **28**

day of **October**, A.D. 19 **89**

A Commissioner for Oaths in and for the Province of
Saskatchewan

My Appointment Expires December 31st, 19 **89**.

Province of Saskatchewan

The Land Titles Act

TO THE REGISTRAR of the SWIFT CURRENT

Land Registration District

TAKE NOTICE that X COSEKA RESOURCES LIMITED
of the City of Calgary, in the Province of Alberta

CLAIMING AN INTEREST ~~as~~^{XX} and an estate by virtue of a Saskatchewan Surface Lease dated October 28, 1989, covering a wellsite and access road (approximately 4.85 acres) between William Hagel as Lessor and the Caveator as Lessee, a copy of which Saskatchewan Surface Lease is marked Exhibit "A" and forms a part of this Caveat.

IN THE FOLLOWING LAND, that is to say;

the North West, South East and South West Quarters of Section Thirty (30), and the South West Quarter of Section Thirty One (31), Township Fourteen (14), Range Twenty Seven (27), West of the Third Meridian (W3M), Saskatchewan, 640 acres

EXCEPT: out of the South East Quarter of Section Thirty (30), 7.90 acres and out of the South West Quarter of Section Thirty (30), 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.

MINERALS IN THE CROWN

being lands described in Certificate of Title, 85SC06898

standing in the register in the name of William Hagel

FORBID THE REGISTRATION of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except subject to the claim herein set forth.

Coseka Resources Limited.

1200 Eau Claire Place II

521 Third Avenue S.W.

MY ADDRESS is Calgary, Alberta T2P 4A9

and my address for service of notices and processes in Saskatchewan is

c/o MacPherson, Leslie and Tyreman

2161 Scarth Street

Regina, Saskatchewan S4P 2H8

DATED the 12th day of December

A.D. 1989

COSEKA RESOURCES LIMITED, as
Agent for the Caveator



Robin Anderson, Land Secretary

Attached To and Forming
Part of This Document

OVERLAY

The preceding page contains an overlay.

The following page reveals the portion of the
page overlaid.

This page is for information only and does not form part of the document.

Province of Saskatchewan

The Land Titles Act

TO THE REGISTRAR of the SWIFT CURRENT

Land Registration District

TAKE NOTICE that X COSEKA RESOURCES LIMITED
of the City of Calgary, in the Province of Alberta

CLAIMING AN INTEREST ^{XX} and an estate by virtue of a Saskatchewan
Surface Lease dated October 28, 1989, covering a wellsite and access

Attached To
Part of Th.

being lands described in Certificate of Title, 85SC06898
standing in the register in the name of William Hagel

FORBID THE REGISTRATION of any transfer or other instrument affecting such land or the granting
of a certificate of title thereto except subject to the claim herein set forth.

Coseka Resources Limited.
1200 Eau Claire Place II
521 Third Avenue S.W.
MY ADDRESS is Calgary, Alberta T2P 4A9

and my address for service of notices and processes in Saskatchewan is
c/o MacPherson, Leslie and Tyreman
2161 Scarth Street

Regina, Saskatchewan S4P 2H8
DATED the 12th day of December A.D. 1989
COSEKA RESOURCES LIMITED, as
Agent for the Caveator


Robin Anderson, Land Secretary

CANADA
PROVINCE OF SASKATCHEWAN

TO WIT:

I, Robin Anderson

of the City of Calgary

in the Province of Alberta, AGENT for the within named caveator, make oath and say:

1. THAT the allegations in the within caveat are true in substance and in fact, to the best of my knowledge, information and belief.

2. THAT the claim mentioned in the within caveat is not, to the best of my knowledge, information and belief, founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in section 151 of The Land Titles Act.

SWORN before me at the City
of Calgary
in the Province of Alberta
this 12th day of December
A.D. 19 89

R. Anderson

Robin Anderson

A.J. Matovich

A Commissioner for Oaths Without the
Province of Saskatchewan
My Appointment expires March 31, 19 91
A.J. Matovich

89SC22838

Dated _____ A.D. 19 _____

RECEIVED AT
RE
DEC 18 1989
SWIFT CURRENT LAND TITLES
OFFICE
(the Land)

Caveat

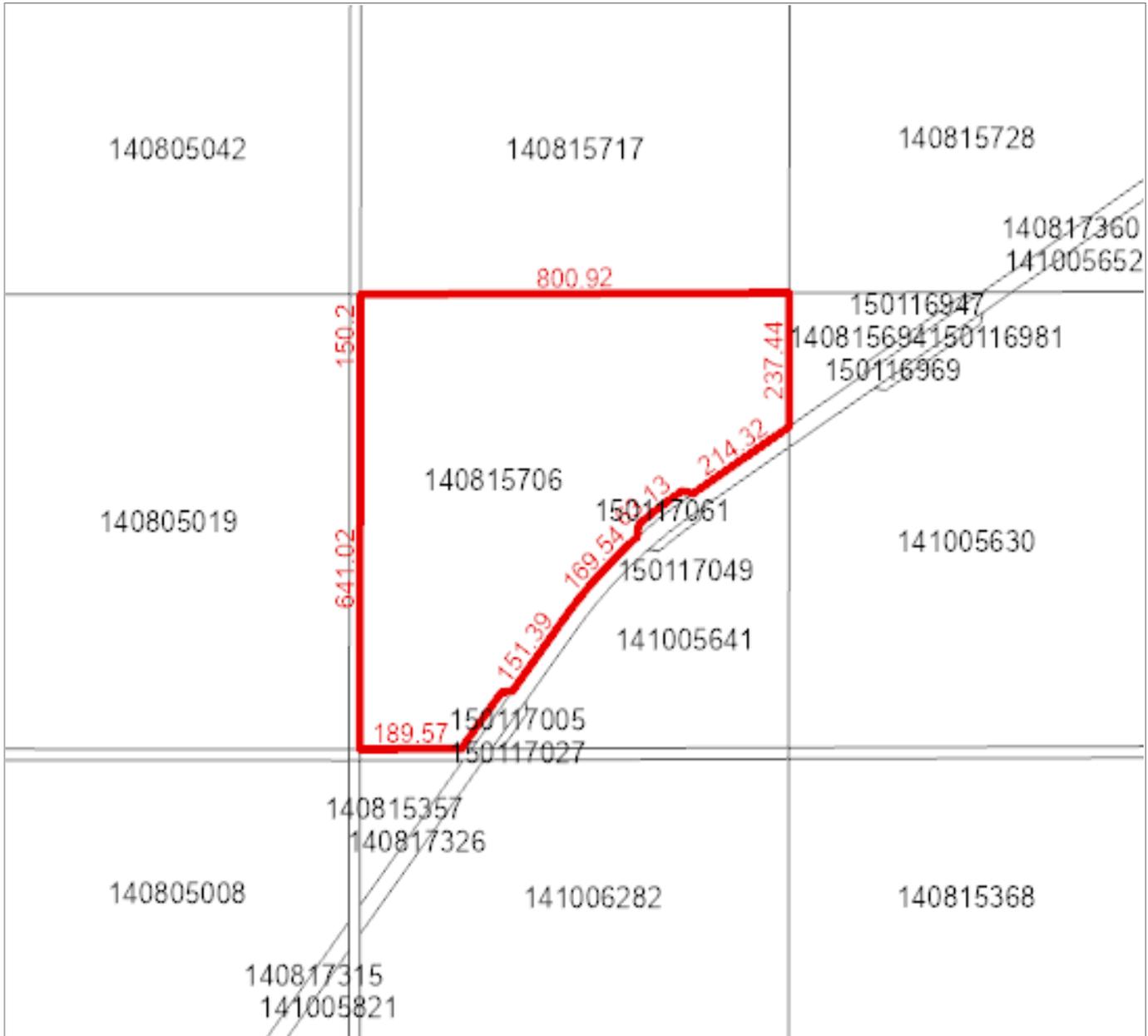
WILSON STRICKER

I certify that the within instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the 18 day of Dec
A.D. 19 89 as Number 89SC22838
Cubletsky Oct
Registrar
S.C.L.R.D.



Surface Parcel Number: 140815706

REQUEST DATE: Mon Jan 26 10:58:53 GMT-06:00 2026



Owner Name(s) : Blakley, Charlene, Hagel, William, Ziebart, Brenda

Municipality : RM OF BIG STICK NO. 141

Area : 44.577 hectares (110.15 acres)

Title Number(s) : 152733786

Converted Title Number : 85SC06898

Parcel Class : Parcel (Generic)

Ownership Share : 1:1

Land Description : SW 30-14-27-3 Ext 1

Source Quarter Section : SW-30-14-27-3

Commodity/Unit : Not Applicable

Province of Saskatchewan Land Titles Registry Title

Title #: 152733797 **As of:** 26 Jan 2026 12:42:30
Title Status: Active **Last Amendment Date:** 09 Mar 2020 14:05:52.266
Parcel Type: Surface **Issued:** 09 Mar 2020 14:05:51.766
Parcel Value: \$119,250.00 CAD
Title Value: \$119,250.00 CAD **Municipality:** RM OF BIG STICK NO. 141
Converted Title: 85SC06898
Previous Title and/or Abstract #: 118672858

William Hagel, Charlene Blakley and Brenda Ziebart are the registered owners, as joint tenants, of Surface Parcel #141005641

Reference Land Description: SW Sec 30 Twp 14 Rge 27 W 3 Extension 2
As described on Certificate of Title 85SC06898 which describes this parcel and other parcel(s) with the same land description tied to this one.

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

Interest #:
187429731 CNV Caveat

Value: N/A
Reg'd: 12 Dec 1984 00:25:22
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

As to SW 1/4 of 30
Holder:
CANADIAN NATURAL RESOURCES LIMITED
2100, 855 - 2ND ST SW
CALGARY, Alberta, Canada T2P 4J8
Client #: 138904667

Int. Register #: 106446281
Converted Instrument #: 84SC15219

Interest #:
187429742 CNV Caveat

Value: N/A
Reg'd: 21 Dec 1984 00:26:01
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

As to SW 1/4 30
Holder:
CANADIAN NATURAL RESOURCES LIMITED
2100, 855 - 2ND ST SW
CALGARY, Alberta, Canada T2P 4J8
Client #: 138904667

Int. Register #: 106446292
Converted Instrument #: 84SC15609

Interest #:
187429753

CNV Caveat

Value: N/A
Reg'd: 11 Sep 1985 00:17:57
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

As to NW & S 1/2 of 30

Holder:
CANADIAN NATURAL RESOURCES LIMITED
2100, 855 - 2ND ST SW
CALGARY, Alberta, Canada T2P 4J8
Client #: 138904667

Int. Register #: 106446270
Converted Instrument #: 85SC10772

Interest #:
187429764

CNV Caveat

Value: N/A
Reg'd: 11 Sep 1985 00:17:57
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

As to NW & S 1/2 of 30

Holder:
CANADIAN NATURAL RESOURCES LIMITED
2100, 855 - 2ND ST SW
CALGARY, Alberta, Canada T2P 4J8
Client #: 138904667

Int. Register #: 106446247
Converted Instrument #: 85SC10773

Interest #:
187429775

CNV Easement

Value: N/A
Reg'd: 20 Sep 1985 00:18:46
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

As to NW 1/4 & S 1/2 of 30

Holder:
CANADIAN NATURAL RESOURCES LIMITED
2100, 855 - 2ND ST SW
CALGARY, Alberta, Canada T2P 4J8
Client #: 138904667

Int. Register #: 106446258
Converted Instrument #: 85SC11262

Interest #:
187429786

CNV Caveat

Value: N/A
Reg'd: 13 Jan 1986 00:00:33
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A

Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

SW 1/4 of 30

Holder:
CANADIAN NATURAL RESOURCES LIMITED
2100, 855 - 2ND ST SW
CALGARY, Alberta, Canada T2P 4J8
Client #: 138904667

Int. Register #: 106446304
Converted Instrument #: 86SC00330

Interest #:
187429797

CNV Caveat

Value: N/A
Reg'd: 18 Dec 1989 00:38:04
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

Holder:
Coseka Resources Limited
MLT Aikins LLP #1500-1874 Scarth Street
Regina, Saskatchewan, Canada S4P 4E9
Client #: 111058073

Int. Register #: 106446269
Converted Instrument #: 89SC22838

Addresses for Service:

Name	Address
Owner: William Hagel Client #: 135935680	411 Belfast Street SE Medicine Hat, Alberta, Canada T1A 0S5
Owner: Charlene Blakley Client #: 135935691	577 - 20th Street NE Medicine Hat, Alberta, Canada T1C 1H3
Owner: Brenda Ziebart Client #: 135935736	163 Stratton Road SE Medicine Hat, Alberta, Canada T1B 4P4

Notes:

Under The Planning and Development Act, 2007, the title for this parcel and parcels 140815706 may not be transferred or, in certain circumstances, mortgaged or leased separately without the approval of the appropriate planning authority. If you believe this restriction does not apply to this parcel, please contact 1-866 ASK-ISC1 to have the restriction reviewed.

Parcel Class Code: Parcel (Generic)



Instrument Work Sheet

84 - SC — 15219

Fees	Inst. <u>Ed. Caveat</u>
Total Fees <u>700</u>	From <u>Tri Cities Land</u>
Amt. Rec'd <u>acct.</u>	Address <u>Med. Nat.</u>
Balance _____	Their Reference <u>SW 30-14-27 W3</u>

Is Dup. C. of T. with Instrument? NO In Office? yes Being Returned to above Addressee? NO

Is Instrument Registrable? yes Titles Affected 73-SC-14149(a) - SW30

Encumbrances		Certificates, Notices, Required	
Title	General Register	Type	Quantity
		Abstract	
		G.R.C.	
		Uncertified Copy	<u>1</u>
		Cert. Copy	<u>yes</u>
		Notices	<u>1</u>

Remarks:

14843

ED Initials

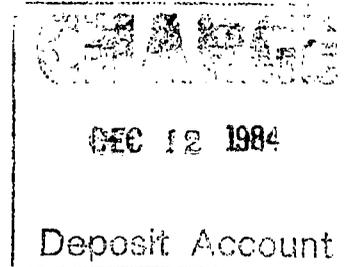
902 - 16 Street S.W.
Medicine Hat, Alberta T1A 8A4



Telephone (403) 529-1231
(403) 529-1257

December 7, 1984

LAND TITLES OFFICE
350 Cheadle Street West
SWIFT CURRENT, Saskatchewan
S9H 4G3



Dear Sir or Madam:

Re: NORTH CANADIAN OILS LIMITED
Registration of Easements
SW $\frac{1}{4}$ 30-14-27-W3M, SE $\frac{1}{4}$ 26-14-28-W3M, SE $\frac{1}{4}$ 25-14-28-W3M, SW $\frac{1}{4}$ 25-14-28-W3M,
SW $\frac{1}{4}$ 7-15-27-W3M, W $\frac{1}{2}$ 6-15-27-W3M, NE $\frac{1}{4}$ 1-15-28-W3M and NW $\frac{1}{4}$ 1 & NE $\frac{1}{4}$ 2 15-28-W3M
Our Files: MH-378-84-3, 7, 8, 9, 12, 13, 14 and 15

Further to the above, please find enclosed herewith Saskatchewan Caveats for each of the above described lands, in duplicate, which we would request you register for the Easements.

Upon completion of registration, we would appreciate receiving one copy of the duly registered Caveats, together with the current uncertified copies of Certificates of Title, showing the Easements registered.

We trust you will find the enclosed to be in order. However, should you have any questions, please do not hesitate to contact the writer.

Yours truly,
TRI CITIES LAND SERVICES LTD.

Aloria Grandin

for DARCY EDWARDS,
Manager

/rf
Encls.

Province of Saskatchewan

The Land Titles Act

TO THE REGISTRAR of the SWIFT CURRENT Land Registration District

TAKE NOTICE that ~~X~~ NORTH CANADIAN OILS LIMITED,
of the City of Calgary, in the Province of Alberta

CLAIMING AN INTEREST ~~asx~~ under and by virtue of an Easement dated November 6th, A.D. 1984, made between WILLIAM HAGEL, being the registered owner of the hereinafter described lands as Grantor and the Caveator herein as Grantee, wherein the Grantor granted and leased to the Caveator a certain portion of the hereinafter described lands for the purposes and upon the terms and conditions, all as more particularly set forth in the said Easement.

IN THE FOLLOWING LAND, that is to say:

The South West Quarter of Section Thirty (30),
in Township Fourteen (14),
in Range Twenty Seven (27),
West of the Third Meridian, in the Province of Saskatchewan, in the Dominion of Canada, containing One Hundred and Sixty (160) acres, more or less, according to Dominion Government Survey thereof,

EXCEPTING: Out of the said South West Quarter of said Section Thirty (30), Five and Thirteen Hundredths (5.13) acres, more or less, taken for Right of Way and Extra Widths of the Canadian Pacific Railway, as shown on a Plan of Record in the Land Titles Office for the Swift Current Land Registration District as No. BU 6666,
MINERALS IN THE CROWN.

(As more particularly described on Certificate of Title No. 73-SC-14149(a)).

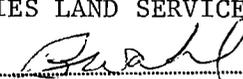
FORBID THE REGISTRATION of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except subject to the claim herein set forth.

MY ADDRESS is: 10th Floor, Bradie Building, 630 - 6th Avenue South West,
Calgary, Alberta T2P 0S8

and my address for service of notices and processes in Saskatchewan is
Balfour, Moss, Milliken, Laschuk, Kyle & Vancise
1850 Cornwall Street.
Regina, Saskatchewan S4P 2K3

DATED this 7th day of December A.D. 19 84

NORTH CANADIAN OILS LIMITED, as per its agent:
TRI CITIES LAND SERVICES LTD.


BILL WAHL,
AGENT FOR THE CAVEATOR

CANADA
 PROVINCE OF SASKATCHEWAN
 TO WIT:

I, **BILL WAHL** of the City
 of Medicine Hat in the Province of Alberta
 Agent for the within named caveator, make oath and say:

1. That the allegations in the within caveat are true in substance and in fact, to the best of my knowledge, information and belief.

2. That the claim mentioned in the within caveat is not to the best of my knowledge, information and belief founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in section 151 of *The Land Titles Act*.

SWORN before me at the City of
 Medicine Hat in the Province of Saskatchewan
 the 7th day of December 19 84

Gloria Greenstein
 A Commissioner for Oaths in and for the Province of Saskatchewan without

My Appointment expires December 31, 1986.
 GLORIA GREENSTEIN.

Bill Wahl
 BILL WAHL

84SC15219

Dated December 7th A.D. 1984

NORTH CANADIAN REGISTERED AT
 DEC 12 1984
 RE SWIFT CURRENT LAND TITLES
 OFFICE
 SW¹/₄ 30-14-27-W3M

CAVEAT

Commercial Printers. Ltd., Regina, Sask.

TRI CITIES LAND SERVICES LTD.
 902 - 16th Street South West
 MEDICINE HAT, Alberta
 T1A 8A4

I certify that the within instrument is duly
 Entered and Registered in the Land Titles
 Office for the Swift Current Land Registration
 District at Swift Current in the Province of
 Saskatchewan on the 12 day of Dec
 A.D. 1984 as Number 84SC 15219
G. Kopynski
 Registrar
 S.O.L.R.O.



Instrument Work Sheet

84 - SC — 15609

Fees	Inst. <u>As a mat</u>
Total Fees <u>7.00</u>	From <u>Meridian Lane - Bira Ltd</u>
Amt. Rec'd <u>act</u>	Address <u>Coalgate</u>
Balance _____	Their Reference <u>SW 30-14-27 W3</u>

Is Dup. C. of T. with Instrument? no In Office? no Being Returned to above Addressee? no

Is Instrument Registrable? yes Titles Affected 73-56-14149(a) - SW 3

Encumbrances		Certificates, Notices, Required	
		Type	Quantity
	General Register	Abstract	
		G.R.C.	
		Uncertified Copy	1
		Cert. Copy	
		Notices	1

Remarks:

EXHIBIT "A"

File: MH-375-84-4

93

7169

SURFACE LEASE

This lease made in triplicate this 24th day of October, 1984.

Between:

WILLIAM HAGEL of Golden Prairie in the Province of Saskatchewan Farmer (hereinafter called the "Lessor"), and NORTH CANADIAN OILS LIMITED of Calgary in the Province of Alberta (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated lying and being in the Province of Saskatchewan and described as follows:

The South West Quarter of Section THIRTY (30) in Township FOURTEEN (14) Range TWENTY SEVEN (27) West of the THIRD Meridian in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s) 73-SC-14.149(a) of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:

Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site for the drilling of a well for oil, gas, water and/or related hydrocarbons and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

(a) for the first year the sum of [redacted] dollars, (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:

- (i) Compensation for capital damage [redacted]
(ii) Rent [redacted]

Payment in subsequent years by lessee

(b) for each subsequent year the sum of [redacted] dollars payable annually in advance on the anniversary of the date hereof in each year during the currency hereof.

The Lessee shall have the right from time to time and at any time upon forty-five (45) days' notice to that effect to the Lessor to surrender any portion of the demised premises, by giving notice to the Lessor to that effect and the Lessee shall deliver or mail to the Lessor a sketch or plan of the portion or portions of the demised premises retained, and this lease shall, with respect to the lands so surrendered, terminate at the expiration of the current year of the term; PROVIDED, HOWEVER, that during the term of this lease the annual rental shall not be less than [redacted] Dollars [redacted].

2. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

(a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

(b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

(c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

3. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration of forty-five days after a written notice to that effect has been given to the Lessee by registered mail addressed to the Lessee's address herein provided, unless the Lessee has in the meantime remedied such default or breach of covenant, promise or undertaking but remedying such default shall not prejudice any other right or remedy to which the Lessor is otherwise entitled under this lease.

Digging of pits for mud and sludge and destruction of weeds

(c) The Lessee shall dig pits or have adequate metal reservoirs and shall deposit therein the mud and sludge resulting from drilling operations and shall not permit the same to escape unto the Lessor's land adjoining the demised premises and the Lessee shall take all necessary precautions to keep down and destroy all noxious weeds on the well site and roadway. At the termination of the use and occupation of the demised premises as hereinafter provided or upon the discontinuance of the use of any portion thereof for the purpose hereunder the Lessee shall deliver up the demised premises or portion thereof, as the case may be, in the same condition as far as may be reasonably practicable to do so as that existing immediately prior to entry thereon for the use thereof by the Lessee.

Abandonment and restoration

(d) Upon abandonment of the well the Lessee shall cause such well to be plugged and all excavations in connection therewith to be filled in compliance with the laws and regulations of Saskatchewan in that regard.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

4. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years up on request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the arbitration provisions of the petroleum and natural gas regulations at the time in force shall apply.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, material and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by depositing to the Lessor's credit in the

at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR Box 81, Golden Prairie, Saskatchewan, S0N 0Y0
LESSEE 10th Floor, Bradie Building, 630 - 6th Ave. S.W., Calgary, Alberta T2P 0S8

Time of the essence

5. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

6. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

7. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so requires, and all covenants shall be construed as being joint and several.

NORTH CANADIAN OILS LIMITED, the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, ... wife of the above (or within) named ... do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of ... in so far as may be necessary to give effect to this lease

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written. (Note: Strike out the part that does not apply.)

Signed, sealed and delivered by the above named Lessee in the presence of

NORTH CANADIAN OILS LIMITED Per: [Signature] SENIOR VICE PRESIDENT OPERATIONS LAND APPROVED

Signed, sealed and delivered by the above named Lessor in the presence of

Per: [Signature] ASSISTANT SECRETARY WILLIAM HAGEL

[Signature]

CERTIFICATE

I, ..., Judge of the District Court for ..., (or as the case may be), do hereby certify that I have examined ..., wife of ... the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for the purpose of relinquishing her rights in the homestead in favour of ... in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

I, DARCY EDWARDS of the City
of Medicine Hat in the Province of Alberta
..... Landman , make oath and say as follows:
(Occupation)

1. That I was personally present and did see WILLIAM HAGEL
named in the within (or annexed) lease, who is personally known to me to be the person named therein, duly sign
and execute the same for the purposes named therein.

2. That the same was executed at the Village of Golden Prairie
in the Province of Saskatchewan on the 24th day of
..... October in the year 19 84 and that I am the subscribing witness thereto.

3. That I know the said WILLIAM HAGEL , and in my belief he is
of the full age of eighteen years.

Sworn before me at the ... City of
.. Medicine Hat in the Province of
.. Alberta this 25th
day of October 19 84

Darcy Edwards
.....
DARCY EDWARDS

Gloria Greenstein
A Commissioner for Oaths without the AFFIDAVIT
Province of Sask. My Appointment
expires December 31, 1986. } GLORIA GREENSTEIN
CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

I, WILLIAM HAGEL of the District
of Golden Prairie in the Province of Saskatchewan
..... Farmer , make oath and say as follows:
(Occupation)

1. I am the Lessor ~~(or the agent acting under Power of Attorney in my favour dated the~~
~~day of~~ 19 granted by the Lessor) named in the within (or annexed)
lease, and I say that no part of the said land is my homestead ~~(or the homestead of the Lessor)~~, or has been my home-
stead ~~(or the homestead of the Lessor, as the case may be)~~ at any time.

OR

~~1. I am the Lessor (or the agent acting under Power of Attorney in my favour dated the~~
day of 19 , granted by the Lessor) named in the within (or annexed)
lease and I say that I have (or such Lessor has) no wife.

OR

~~1. I am the Lessor (or the agent acting under Power of Attorney in my favour dated the~~
day of 19 , granted by the Lessor) named in the within (or annexed)
lease, and I say that my wife (or the wife of the Lessor) does not reside in Saskatchewan and has not resided therein at
~~any time since the marriage.~~

Sworn before me at the ... Village of
.. Golden Prairie in the Province of
.. Saskatchewan this 24th
day of ... October 19 84

W. Hagel
.....
WILLIAM HAGEL

Darcy Edwards
.....
Registrar, Commissioner, (or as the case may be).
DARCY EDWARDS



PLAN SHOWING THE PROPOSED
WELLSITE LOCATION OF

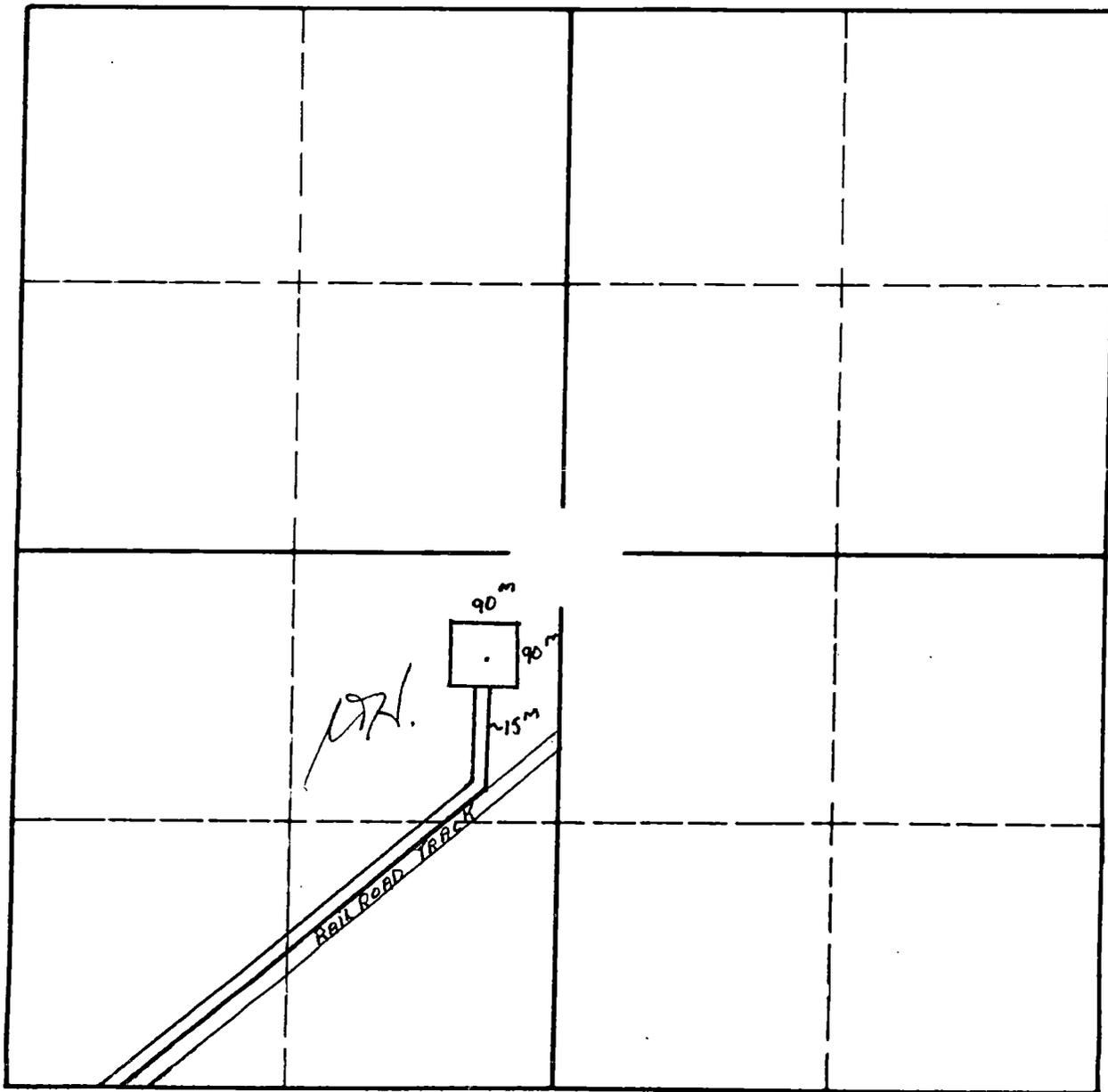
NORTH CANADIAN OILS LIMITED

902 - 16 Street S.W
Medicine Hat, Alberta
T1A 8A4
Telephone (403) 529-1231

IN

LSD. D6 SEC. 30 TWP. 14 RGE. 27 W. 3 MER.

Subject to change by mutual agreement prior to drilling, with the lease consideration to be applied on any alternative site.

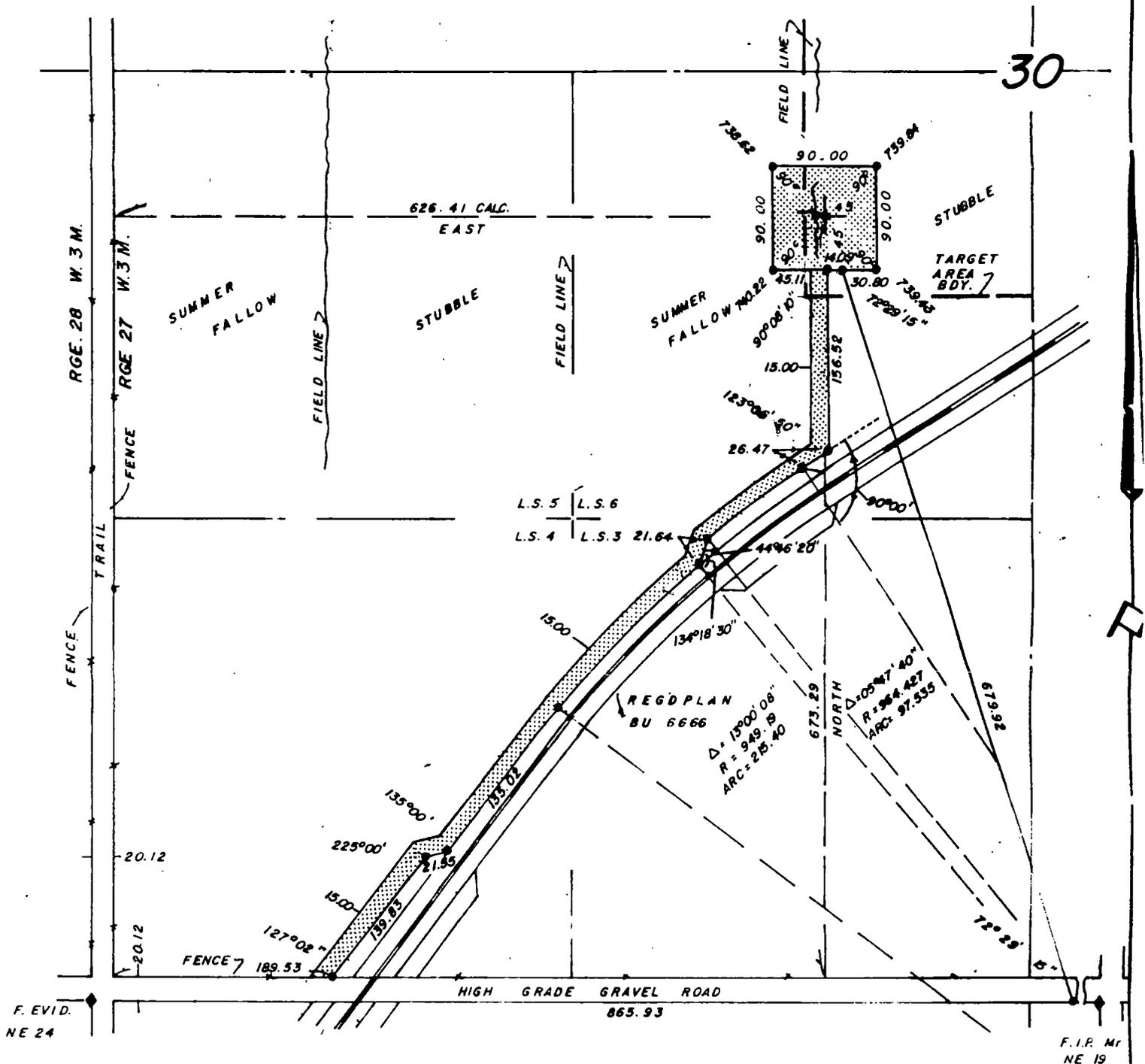


NCO HATTON 6 · 30 · 14 · 27

Well Site and Access Road

L.S. 6 , Sec. 30 , Tp. 14 , Rg. 27 , W. 3 M.

Scale: 1:5000



I certify that the survey represented by this plan is correct and true to the best of my knowledge and was completed on the 23rd day of October, A.D. 1984.

ELEVATION: 738.96 Ground

CO-ORDINATES: 673.29N. of S. Bdry. } Sec. 30
626.41 E. of W. Bdry.

AREAS:

Well Site: 0.810 ha (2.00 ac.)
Access Road: 1.221 ha (3.02 ac.)
Total: 2.031 ha (5.02 ac.)



B. E. Hovius
Saskatchewan Land Surveyor

Neil Howard
Witness

MS-47-84-4

MIDWEST SURVEYS (SASK.) LIMITED

Operator:

NORTH CANADIAN OILS LIMITED

Maureen D. [Signature]
Jean L. [Signature]
ASSISTANT SECRETARY

Portion referred to shown thus
Survey monuments found shown thus
Iron pins 1.5cm x 38.1cm planted shown thus
Fir posts 5.0cm x 5.0cm x 38.1cm planted shown thus

Province of Saskatchewan

The Land Titles Act

TO THE REGISTRAR of the Swift Current Land Registration District

TAKE NOTICE that K North Canadian Oils Limited
of the City of Calgary, in the Province of Alberta

CLAIMING AN INTEREST ~~xxx~~ in the undermentioned lands by virtue of a Surface Lease dated October 24, 1984, between William Hagel of Golden Prairie, in the Province of Saskatchewan, as Lessor and North Canadian Oils Limited as Lessee, a copy of which is attached hereto and made a part hereof and is identified as Exhibit "A";

IN THE FOLLOWING LAND, that is to say:

The South West Quarter of Section Thirty (30) in Township Fourteen (14) Range Twenty Seven (27) West of the Third Meridian,

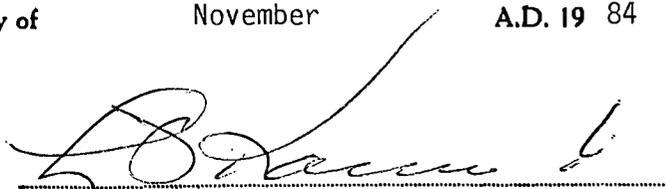
EXCEPTING: Out of the said South West Quarter of said Section Thirty (30), Five and Thirteen Hundredths (5.13) acres, more or less, taken for a Right of Way and Extra Widths of the Canadian Pacific Railway as shown on the Plan of Record in the Land Titles Office for the Swift Current Land Registration District as No. BU 6666.
Minerals of the Crown.

being lands described in Certificate of Title No. 73-SC-14149(a),
standing in the register in the name of William Hagel.

FORBID THE REGISTRATION of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except subject to the claim herein set forth.

MY ADDRESS is: 10th Floor, 630 - 6th Avenue SW
 Calgary, Alberta T2P 0S8
and my address for service of notices and processes in Saskatchewan is
 Balfour, Moss, Milliken, Laschuk, Kyle & Vancise
 1850 Cornwall Street
 Regina, Saskatchewan S4P 2K3

DATED this 30th day of November A.D. 19 84


Agent of the Caveator



Instrument Work Sheet

85 - SC - 10772

Fees	Inst. <u>Cancel</u>
Total Fees <u>5.00</u>	From <u>Western Land Service</u>
Amt. Rec'd <u>a/c</u>	Address <u>Calgary</u>
Balance _____	Their Reference <u>NW 5 1/2 30-14-27 W3</u>

Is Dup. C. of T. with Instrument? no In Office? yes Being Returned to above Addressee? no

Is Instrument Registrable? yes Titles Affected 855006898 - NW 5 1/2 30

Encumbrances		Certificates, Notices, Required	
Title		Type	Quantity
	General Register	Abstract	
		G.R.C.	
		Uncertified Copy	
		Cert. Copy	
		Notices	<u>yes</u>

Remarks:

AD Initials

EXHIBIT "A"

SASKATCHEWAN SURFACE LEASE

This lease made in triplicate this 23rd day of July, 19 85
 Between: William Nagel
 of Golden Prairie
 in the Province of Saskatchewan
 (hereinafter called the "Lessor") (Occupation)
North Canadian Oils Limited and Calgary
 of Alberta
 in the Province of Alberta
 (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated, lying and being in the Province of Saskatchewan and described as follows:

The North West (NW $\frac{1}{4}$), South East (SE $\frac{1}{4}$) in Section **Thirty (30)**
and South West Quarters (SW $\frac{1}{4}$)
 in Township **Fourteen (14)** in Range **Twenty Seven (27)**
 West of the **Third (3rd)** Meridian
 in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s) **853006898**
 of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:
 Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site

Patroleum and/or Natural Gas

for the drilling of a well for and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

- (a) for the first year the sum of _____ dollars,
 (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:
- (i) Compensation for capital damage _____ dollars
 - (ii) Rent _____ dollars

Payment in subsequent years by lessee

(b) for each subsequent year the sum of _____ dollars
 payable annually in advance on the anniversary of the date hereof in each year during the currency hereof:

3. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

(a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

(b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

(c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

4. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration of forty-five days after a written notice to that effect has been given to the Lessee by registered mail addressed to the Lessee's address herein provided, unless the Lessee has in the meantime remedied such default or breach of covenant, promise or undertaking but remedying such default shall not prejudice any other right or remedy to which the Lessor is otherwise entitled under this lease.

Digging of pits for mud and sludge and destruction of weeds

(c) The Lessee shall dig pits or have adequate metal reservoirs and shall deposit therein the mud and sludge resulting from drilling operations and shall not permit the same to escape unto the Lessor's land adjoining the demised premises and the Lessee shall take all necessary precautions to keep down and destroy all noxious weeds on the well site and roadway. At the termination of the use and occupation of the demised premises as hereinafter provided or upon the discontinuance of the use of any portion thereof for the purpose hereunder the Lessee shall deliver up the demised premises or portion thereof, as the case may be, in the same condition as far as may be reasonably practicable to do so as that existing immediately prior to entry thereon for the use thereof by the Lessee.

Abandonment and restoration

(d) Upon abandonment of the well the Lessee shall cause such well to be plugged and all excavations in connection therewith to be filled in compliance with the laws and regulations of Saskatchewan in that regard.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required.

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

5. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years upon request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the same shall be determined by the Board of Arbitration appointed pursuant to The Surface Rights Acquisition and Compensation Act 1968.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, materials and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by depositing to the Lessor's credit in the at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR Box 81, Golden Prairie, Saskatchewan .. SON .. OYO
LESSEE 10th Floor, 530 - 6th Ave. S.W., Calgary, Alberta .. T2P .. US8

Time of the essence

6. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

7. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

8. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so requires, and all covenants shall be construed as being joint and several North Canadian Oils Limited the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, wife of the above (or within) named do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of, in so far as may be necessary to give effect to this lease.

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written.
(Note: Strike out the part that does not apply.)

Signed, sealed and delivered by the above named Lessor in the presence of

_____ *[Signature]*

[Signature: W. Hagel]
WILLIAM HAGEL
NORTH CANADIAN OILS LIMITED



Signed, sealed and delivered by the above named Lessee in the presence of

CERTIFICATE

I,, Judge of the District Court for (or as the case may be), do hereby certify that I have examined

....., wife of the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for the purpose of relinquishing her rights in

the homestead in favour of, in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

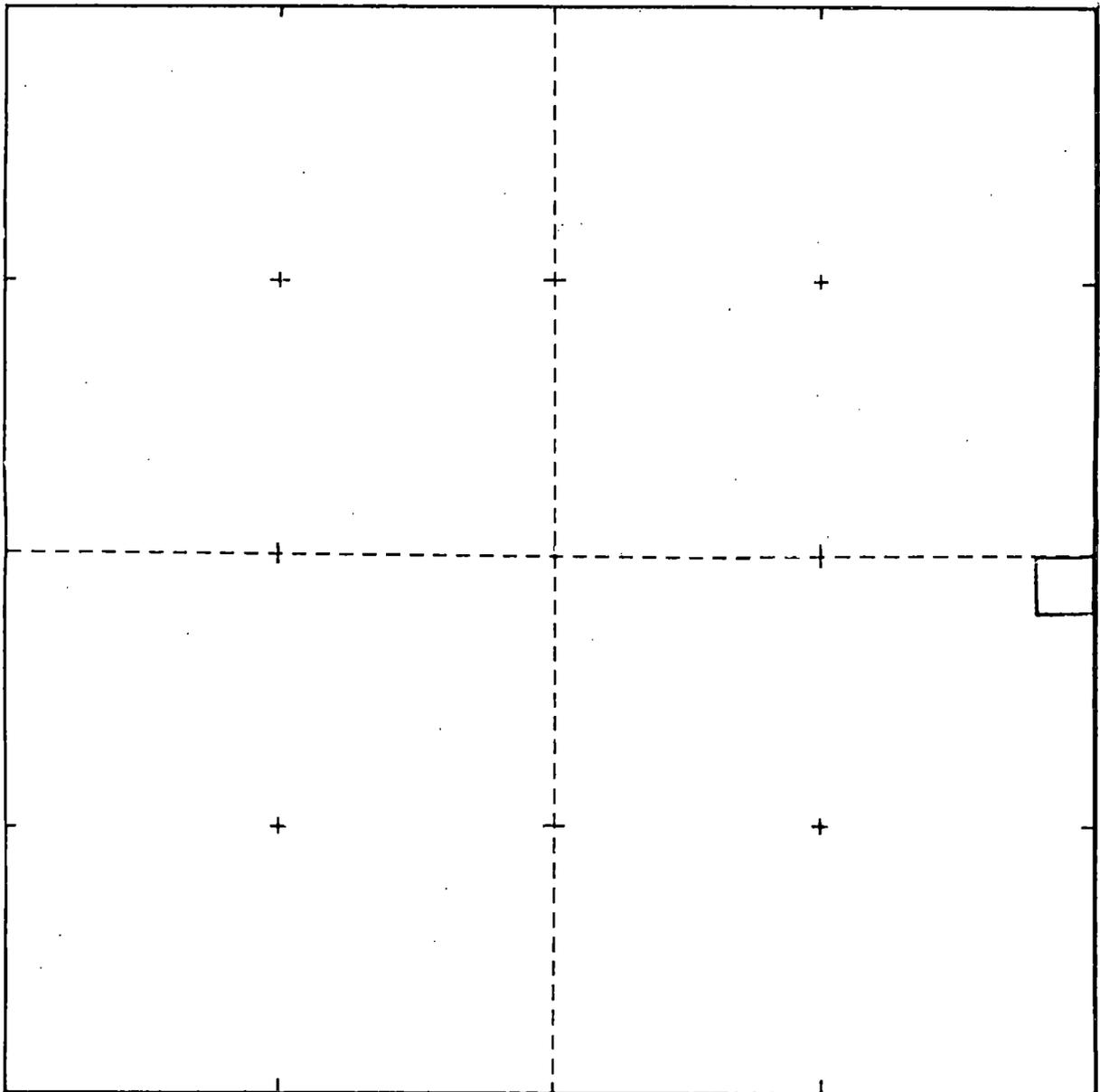
(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)

SKETCH PLAN

PROPOSED LOCATION OF

WELLSITE AND ACCESS ROAD

SE^{1/4} SEC. 30, TWP. 14, RGE. 27 WEST 3rd M.



quarter section - 1:5000

scale

section - 1:10000

APPROXIMATE AREA REQUIRED

WELLSITE = 2.00 ACRES

ROADWAY = ----- ACRES

TOTAL = 2.00 ACRES

PIPELINE = ----- ACRES

1 metre - 3.28 feet

804.67 metres - 2640 feet

WIS/84

Acknowledged as attached
to and forming part of a
SASKATCHEWAN SURFACE LEASE

dated July 23, 1985 A.D.

WILLIAM HAGEL

W. Hagel

Kent Ray

witness

C A V E A T

TO THE REGISTRAR OF THE SWIFT CURRENT LAND REGISTRATION DISTRICT:

TAKE NOTICE THAT NORTH CANADIAN OILS LIMITED, A body corporate with head office at Calgary, claiming an interest in and to the undermentioned lands under and by virtue of a Surface Lease dated July 23, A. D. 1985, a copy of which said Surface Lease is attached hereto and marked Exhibit "A", and made between WILLIAM HAGEL of Golden Prairie, in the Province of Saskatchewan as Lessor and the Caveator as Lessee, whereby for the consideration and subject to the covenants and agreements therein set forth and contained, the said WILLIAM HAGEL did lease to the said NORTH CANADIAN OILS LIMITED certain parts or portions of the undermentioned lands as in the said Surface Lease described as follows:

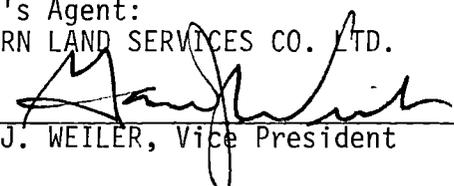
The North West, South East and South West Quarters of Section Thirty (30), in Township Fourteen (14), in Range Twenty-seven (27), West of the Third Meridian, in the Province of Saskatchewan, in the Dominion of Canada, containing Six-Hundred and Forty⁴⁸⁰ (640) acres more or less, Excepting: out of the South East Quarter 7.90 acres and out of the South West Quarter 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.
Minerals in the Crown.

standing in the register in the name of WILLIAM HAGEL, of Golden Prairie, Saskatchewan, forbids the registration of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except to the claim herein set forth.

Address in Saskatchewan - Balfour, Moss, Milliken, Laschuk,
Kyle & Vancise
1850 Cornwall Street
Regina, Saskatchewan
S4P 2K3

Dated this 9th day of September, A. D. 1985.

NORTH CANADIAN OILS LIMITED
By it's Agent:
WESTERN LAND SERVICES CO. LTD.


GARY J. WEILER, Vice President

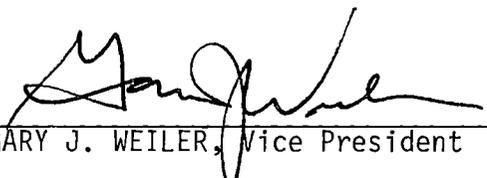
A F F I D A V I T

CANADA)
PROVINCE OF ALBERTA) I, GARY J. WEILER, of the City of Calgary, in the
TO WIT:) Province of Alberta, Vice President of Western Land
Services Co. Ltd.,
Agent for the Caveator
MAKE OATH AND SAY:

1. THAT the allegations in the above Caveat are true in substance and in fact, to the best of my knowledge, information and belief.

2. THAT the claim mentioned in the above Caveat is not to the best of my knowledge, information and belief founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in Section 151 of the Land Titles Act.

SWORN before me at the City of
Calgary, in the Province of
Alberta, this 9th day of September
A. D. 1985.


GARY J. WEILER, Vice President


A Commissioner for Oaths without the Province of Saskatchewan
My Commission Expires December 31, 1989
SANDRA FAY CLARK

85SC10772

RECEIVED AT
SEP 11 1985
SWIFT CURRENT LAND TITLES
OFFICE

I certify that the within Instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the 11 day of Sept
A.D. 1985 as Number 85SC10772

Colleen M. Q. Registrar
S.C.L.R.O.



Instrument Work Sheet

85 - SC - 10773

Fees	Inst. <u>Caveat</u>
Total Fees <u>5.00</u>	From <u>Western Land Services</u>
Amt. Rec'd <u>a/c</u>	Address <u>Calgary</u>
Balance _____	Their Reference <u>NW 1/2 30-14-27W3</u>

Is Dup. C. of T. with Instrument? NO In Office? yes Being Returned to above Addressee? NO

Is Instrument Registrable? yes Titles Affected 85SC06898 - NW 1/2 30

Encumbrances		Certificates, Notices, Required	
		Type	Quantity
Title	General Register	Abstract	
		G.R.C.	
		Uncertified Copy	
		Cert. Copy	
		Notices	

Remarks:

 Initials

EXHIBIT 'A'

File No. C(3) 20414-14
14 of 30, 14-27-3

SASKATCHEWAN SURFACE LEASE

This lease made in triplicate this 23rd day of July, 19 85

Between: Willina Hagel of Golden Prairie

in the Province of Saskatchewan (hereinafter called the "Lessor") and (Occupation)

North Canadian Oils Limited of Calgary

in the Province of Alberta (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated, lying and being in the Province of Saskatchewan and described as follows:

The North West (NW), South East (SE) and South West (SW) Quarters in Section Thirty (30) and Township Fourteen (14) in Range Twenty Seven (27) Third (3rd) Meridian

West of the 658006898 of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s)

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:

Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site Petroleum and/or Natural Gas

for the drilling of a well for and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

(a) for the first year the sum of _____ dollars, (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:

- (i) Compensation for capital damage _____ dollars
- (ii) Rent _____ dollars

Payment in subsequent years by lessee

(b) for each subsequent year the sum of _____ dollars payable annually in advance on the anniversary of the date hereof in each year during the currency hereof:

3. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

(a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

(b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

(c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

4. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration of forty-five days after a written notice to that effect has been given to the Lessee by registered mail addressed to the Lessee's address herein provided, unless the Lessee has in the meantime remedied such default or breach of covenant, promise or undertaking but remedying such default shall not prejudice any other right or remedy to which the Lessor is otherwise entitled under this lease.

Digging of pits for mud and sludge and destruction of weeds

(c) The Lessee shall dig pits or have adequate metal reservoirs and shall deposit therein the mud and sludge resulting from drilling operations and shall not permit the same to escape unto the Lessor's land adjoining the demised premises and the Lessee shall take all necessary precautions to keep down and destroy all noxious weeds on the well site and roadway. At the termination of the use and occupation of the demised premises as hereinafter provided or upon the discontinuance of the use of any portion thereof for the purpose hereunder the Lessee shall deliver up the demised premises or portion thereof, as the case may be, in the same condition as far as may be reasonably practicable to do so as that existing immediately prior to entry thereon for the use thereof by the Lessee.

Abandonment and restoration

(d) Upon abandonment of the well the Lessee shall cause such well to be plugged and all excavations in connection therewith to be filled in compliance with the laws and regulations of Saskatchewan in that regard.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required.

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

5. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years upon request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the same shall be determined by the Board of Arbitration appointed pursuant to The Surface Rights Acquisition and Compensation Act 1968.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, materials and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by depositing to the Lessor's credit in the at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR **Box 81, Golden Prairie, Saskatchewan S0N 0Y0**
LESSEE **10th Floor, 630 - 6th Ave. S.W., Calgary, Alberta T2P 0S8**

Time of the essence

6. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

7. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

8. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so requires, and all covenants shall be construed as being joint and several **North Canadian Oils Limited** the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, wife of the above (or within) named do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of in so far as may be necessary to give effect to this lease.

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written.

(Note: Strike out the part that does not apply.)

Signed, sealed and delivered by the above named Lessor in the presence of

.....
.....

.....
WILLIAM HAGEL
NORTH CANADIAN OILS LIMITED



Signed, sealed and delivered by the above named Lessee in the presence of

.....
.....

CERTIFICATE

I, Judge of the District Court for (or as the case may be), do hereby certify that I have examined

..... wife of the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for the purpose of relinquishing her rights in

the homestead in favour of in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

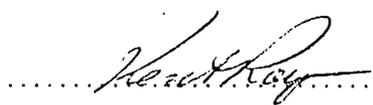
I, Kenton Russell Royer, of the City
of Medicine Hat in the Province of Alberta
Landman
(Occupation), make oath and say as follows:

1. That I was personally present and did see William Hugel,
named in the within (or annexed) lease, who is personally known to me to be the person named therein, duly sign
and execute the same for the purposes named therein.

2. That the same was executed at the District of Golden Prairie
in the Province of Saskatchewan on the 23rd day of
July in the Year 1985 and that I am the subscribing witness thereto.

3. That I know the said William Hugel, and in my belief he is
of the full age of nineteen years.

Sworn before me at the City of
Medicine Hat in the Province of
Alberta this 26th
day of July 1985



M. Eileen Layton EILEEN LAYTON
A Commissioner for Oaths in and for the Province of
Saskatchewan

My Appointment Expires Dec. 31st, 1986

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

I, William Hugel, of the District
of Golden Prairie in the Province of Saskatchewan
(Occupation), make oath and say as follows:

1. I am the Lessor named in the within lease, and I say that no part of the said land is my homestead (or the
homestead of the Lessor), or has been my homestead (or the homestead of the Lessor, as the case may be) at
any time.

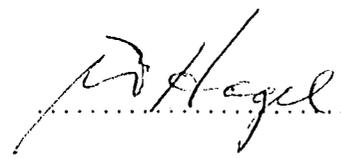
OR

~~XXXXXX I AM THE LESSOR NAMED IN THE WITHIN LEASE AND I SAY THAT NO PART OF THE SAID LAND IS MY HOMESTEAD (OR THE HOMESTEAD OF THE LESSOR), OR HAS BEEN MY HOMESTEAD (OR THE HOMESTEAD OF THE LESSOR, AS THE CASE MAY BE) AT ANY TIME. XXXXXX~~

OR

~~XXXXXX I AM THE LESSOR NAMED IN THE WITHIN LEASE AND I SAY THAT NO PART OF THE SAID LAND IS MY HOMESTEAD (OR THE HOMESTEAD OF THE LESSOR), OR HAS BEEN MY HOMESTEAD (OR THE HOMESTEAD OF THE LESSOR, AS THE CASE MAY BE) AT ANY TIME. XXXXXX~~

Sworn before me at the District of
Golden Prairie in the Province of
Saskatchewan this 23rd
day of July 1985



Kenton Royer KENT ROYER
A Commissioner for Oaths in and for the Province of
Saskatchewan.

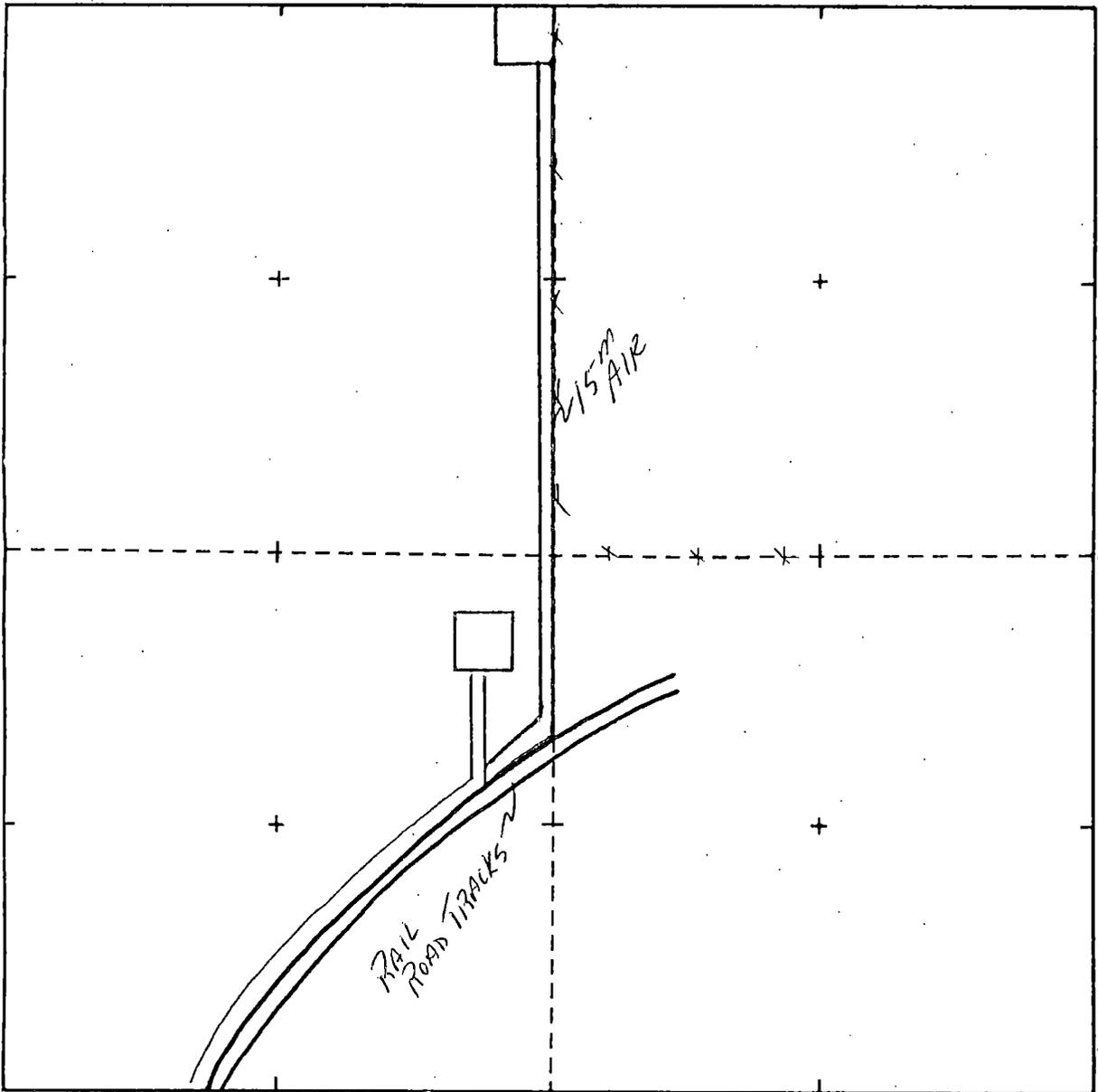
My Appointment Expires Dec. 31st, 1985

SKETCH PLAN

PROPOSED LOCATION OF

WELLSITE AND ACCESS ROAD

NW 1/4 SEC. 30, TWP. 14, RGE. 27 WEST 3rd M.



quarter section - 1:5000

scale

section - 1:10000

APPROXIMATE AREA REQUIRED

WELLSITE = 2.00 ACRES

ROADWAY = 4.23 ACRES

TOTAL = 6.23 ACRES

PIPELINE = ACRES

Acknowledged as attached to and forming part of a SASKATCHEWAN SURFACE LEASE

dated July 23, 1985 A.D.

WILLIAM HAGEL

W. Hagel

x

Kent Ray

witness

1 metre - 3.28 feet

804.67 metres - 2640 feet

WIS/84

C A V E A T

TO THE REGISTRAR OF THE SWIFT CURRENT LAND REGISTRATION DISTRICT:

TAKE NOTICE THAT NORTH CANADIAN OILS LIMITED, A body corporate with head office at Calgary, claiming an interest in and to the undermentioned lands under and by virtue of a Surface Lease dated July 23, A. D. 1985, a copy of which said Surface Lease is attached hereto and marked Exhibit "A", and made between WILLIAM HAGEL of Golden Prairie, in the Province of Saskatchewan as Lessor and the Caveator as Lessee, whereby for the consideration and subject to the covenants and agreements therein set forth and contained, the said WILLIAM HAGEL did lease to the said NORTH CANADIAN OILS LIMITED certain parts or portions of the undermentioned lands as in the said Surface Lease described as follows:

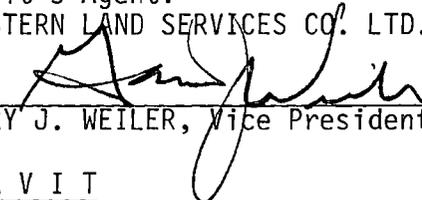
The North West, South East and South West Quarters of Section Thirty (30), in Township Fourteen (14), in Range Twenty-seven (27), West of the Third Meridian, in the Province of Saskatchewan, in the Dominion of Canada, containing Six Hundred and Forty (640) acres more or less, Excepting: out of the South East Quarter 7.90 acres and out of the South West Quarter 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.
Minerals in the Crown.

standing in the register in the name of WILLIAM HAGEL, of Golden Prairie, Saskatchewan, forbids the registration of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except to the claim herein set forth.

Address in Saskatchewan - Balfour, Moss, Milliken, Laschuk,
Kyle & Vancise
1850 Cornwall Street
Regina, Saskatchewan
S4P 2K3

Dated this 9th day of September, A. D. 1985.

NORTH CANADIAN OILS LIMITED
By it's Agent:
WESTERN LAND SERVICES CO. LTD.



GARY J. WEILER, Vice President

A F F I D A V I T

CANADA)
PROVINCE OF ALBERTA) I, GARY J. WEILER, of the City of Calgary, in the
TO WIT:) Province of Alberta, Vice President of Western Land
Services Co. Ltd.,
Agent for the Caveator
MAKE OATH AND SAY:

1. THAT the allegations in the above Caveat are true in substance and in fact, to the best of my knowledge, information and belief.

2. THAT the claim mentioned in the above Caveat is not to the best of my knowledge, information and belief founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in Section 151 of the Land Titles Act.

SWORN before me at the City of
Calgary, in the Province of
Alberta, this 9th day of September
A. D. 1985.



GARY J. WEILER, Vice President



A Commissioner for Oaths without the Province of Saskatchewan
My Commission Expires December 31, 1989
SANDRA FAY CLARK

85SC10773

RECEIVED AT
SEP 11 1985
SWIFT CURRENT LAND TITLES
OFFICE

I certify that the within instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the 21 day of Sept
A.D. 1985 as Number 85SC10773

W. Williams
Registrar
S.C.L.R.O.



Instrument Work Sheet

85 - SC — 11262

Fees	Inst. <u>Leasehold</u>
Total Fees <u>5.00</u>	From <u>Western Land Services Co Ltd</u>
Amt. Rec'd <u>Rec'd.</u>	Address <u>Calgary</u>
Balance _____	Their Reference <u>NW 5 1/2 30-14-27W.3</u>

Is Dup. C. of T. with Instrument? No In Office? yes Being Returned to above Addressee? No

Is Instrument Registrable? yes Titles Affected 85SC.06898 - NW 5 1/2 30

Encumbrances		Certificates, Notices, Required	
Title	General Register	Type	Quantity
	<u>Clear</u>	Abstract	
		G.R.C.	
		Uncertified Copy	
		Cert. Copy	
		Notices	

Remarks:

AD Initials

wls

TELEPHONES:
CALGARY (403) 266-3076
EDMONTON (403) 426-6220
REGINA (306) 757-0661
MEDICINE HAT (403) 527-7903

WESTERN LAND Services Co. Ltd.

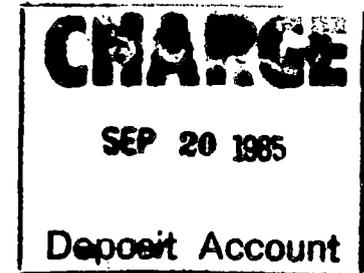
100 - 622 - 5th AVENUE S.W.
CALGARY, ALBERTA T2P 0M6

MAILING ADDRESS: P.O. BOX 6688
POSTAL STATION "D" T2P 2E6 CALGARY, ALBERTA

OUR FIEL: C(M) 20422

September 17, 1985

Land Titles Office
E. I. Wood Building
350 Cheadle Street West
Swift Current, Saskatchewan
S9H 4G3



Dear Sirs:

Re: Easements

- 2 NW $\frac{1}{4}$ & S $\frac{1}{2}$ 30-14-27 W3M
- 3 NE $\frac{1}{4}$ 30-14-27 W3M
- 4 E $\frac{1}{2}$ & NW $\frac{1}{4}$ of 6 and NE $\frac{1}{4}$ & S $\frac{1}{2}$ of 7, 15-27 W3M
- 5 NW $\frac{1}{4}$ 7-15-27 W3M

Please find enclosed four Easements, each in duplicate, covering the above noted lands which we ask that you register. Please return the duplicate registered copies to our office.

Fees in this matter may be deducted from our firm's deposit account.

Thank you for your assistance in this matter.

Yours truly,

WESTERN LAND SERVICES CO. LTD.

Gary J. Weller
Vice President

GJW:sfc
Enclosures



SURFACE LEASES — EASEMENTS — P & NG LEASES — DAMAGE SETTLEMENTS
PLANT SITES — CONSULTANTS — CROWN SALES & FILINGS — APPRAISALS

AGENTS TO INDUSTRY



Easement

I, William Hagel of Golden Prairie, in the Province of Saskatchewan, hereinafter called the "Grantor", being the registered owner of an estate in fee simple, subject however to such encumbrances, liens and interests as may be notified by memorandum underwritten in all that certain tract of land more particularly described as follows, namely:

The North West, South East and South West Quarters of Section Thirty (30), in Township Fourteen (14), Range Twenty Seven (27), West of the Third Meridian, Saskatchewan, containing 480 acres more or less.

Except: Out of the South East Quarter of Section Thirty (30), 7.90 acres and out of the South West Quarter of Section Thirty (30), 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.

Minerals in the Crown.

in the Province of Saskatchewan as described in Certificate of Title No. 85SC06898 registered in the Land Titles Office for the Swift Current Land Registration District, hereinafter called the said lands.

In consideration of the sum of Ten (\$10.00) Dollars (receipt of which is hereby acknowledged) paid to me by NORTH CANADIAN OILS LIMITED

hereinafter called the "Grantee", and in consideration of the covenants herein contained DO HEREBY GRANT, CONVEY, TRANSFER AND SET OVER to and unto the Grantee, its successors and assigns, a right-of-way across, over, under, on, and through the said lands to construct a pipeline or lines including all pipe or pipes, pumps, valves, drips, cleanout traps, meters, connections, cathodic protection apparatus, communications systems, poles and any other equipment and appurtenances that the Grantee shall deem necessary, which notwithstanding any rule of law or equity shall at all times remain the property of the Grantee even though attached to the land, together with the right, license, liberty and privilege to enter upon the said lands in order to conduct surveys, construct, operate, maintain, inspect, control, alter, improve, remove, reconstruct, replace and repair the said pipeline or lines and the said appurtenances thereto and hereby covenant and agree to the following terms and conditions:

- Should the Grantee not deposit with the Registrar of the appropriate Land Titles Office a Plan of Survey of the right-of-way 15 metres feet in width across the said lands on or before one year from the date hereof, or should the Grantee not forward to me a plan showing the said right-of-way across the said lands outlined in red thereon, on or before one year from the date hereof the Grantee shall thereupon execute and register such documents as may be necessary to effect a termination of its rights under this instrument.
- The Grantee having deposited or forwarded the plan as aforesaid, it shall cause to be registered such document as shall restrict this easement and the rights herein granted to the right-of-way shown upon such plan excepting the right of ingress and egress to and from the said right-of-way.
- The Grantee shall pay to the Grantor or to those interested in the said land by encumbrance or occupation a sum calculated at the rate of Six Hundred Dollars (\$ 600.00) per acre of right-of-way across the said lands as shown on such plan, within a reasonable time of the registration of the said plan or at the time a copy of the plan is forwarded to the Grantor.
- In addition to the monies payable under paragraph 3 hereof, the Grantee will pay to the Grantor compensation for all damages done to growing crops, fences, timber and livestock occurring as a result of the Grantee's operations and the Grantee will, as soon as weather and soil conditions permit, bury all pipelines and, insofar as it is practical to do so, restore the said lands to their condition prior to the Grantee's entry thereon.
- The Grantee will pay all rates and taxes that may be assessed and levied from time to time against its interest in the said lands or in connection with its operations thereon.
- The Grantor shall have the right to use and enjoy the right-of-way for any purpose except any use which would interfere with the rights herein granted to the Grantee and the Grantor shall not without the prior written consent of the Grantee first had and obtained excavate, drill, install, erect or permit to be excavated, drilled, installed or erected on or under the right-of-way any pit, well, pipeline, foundation, pavement, building or other structure or installation or do any mining, quarrying, drilling or other work or activity of any nature on, in or under the right-of-way and the Grantor will at all times control and if necessary cut down or root out all noxious weeds growing on the right-of-way.
- The Grantor hereby covenants with the Grantee for quiet enjoyment; and shall do all acts and execute all such further assurances as may be required to give effect to the within grant.
- This Easement Agreement shall be deemed to have created a covenant running with the land and these presents including all covenants and conditions herein contained shall extend to, be binding upon and enure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.
- For further clarification it is hereby declared that nothing herein shall be deemed to vest in the Grantee any title to mines, ores, metals, coal, slate, oil, gas or other minerals in or under the land comprising the right-of-way excepting only the parts thereof that are necessary to be dug, carried away or used in construction of the works of the Grantee.
- All notices and payments to be made hereunder may be made by a letter addressed to the parties at the addresses stated immediately following their signatures hereto or such other address as the Grantor and the Grantee may respectively from time to time designate in writing and any such notice shall be deemed to have been given to and received by the addressee three (3) days after mailing thereof, postage paid.
- The Grantee shall at any time or from time to time have the right to quit-claim or surrender by appropriate instrument, all or part of the right or interest acquired by it hereunder and the Grantee may, but shall not be obligated to, remove all or any installations, equipment or appurtenances which, under the provision hereof, the Grantee has installed or placed upon the easement herein granted, or part thereof which has been so surrendered.

IN WITNESS WHEREOF I, the Grantor, have hereunto set my hand and seal this 23rd day of July A.D. 1985

Signed by the said in the presence of

Grantor William Hagel Box 81, Golden Prairie, Saskatchewan Address SON OYO

Grantor _____ Address _____

Grantor _____ Address _____

Seal

Dandrews
WITNESS

NORTH CANADIAN OILS LIMITED

Per: [Signature]

Per: [Signature]
ITS ATTORNEY
10th Floor, Bradie Building
630 - 6th Avenue S.W.
Calgary, Alberta
T2P 0S8

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
TO WIT:

Kenton Russell Royer of Medicine Hat
in the Province of ~~Saskatchewan~~ Alberta
make oath and say:

- 1. That I am the right of way purchasing agent of the grantee named in the within easement.
2. That the lands described in the within instrument are required for the construction, maintenance and operation of an oil, gas, related hydrocarbons and/or water pipe line, and for the exercise of any rights and privileges arising under the within agreement.

SWORN before me at Medicine Hat
in the Province of ~~Saskatchewan~~ Alberta
this 29th day of July
A.D. 19 85.

M. Eileen Layton EILEEN LAYTON
A Commissioner for Oaths ~~in and for~~ without
the Province of Saskatchewan.
My appointment expires 31 December, 19 86.

CONSENT TO EASEMENT BY PURCHASER(S) AND/OR OCCUPANT(S)

I, (We) ... in the Province of ...
being the purchaser(s) and/or occupant(s) of the within lands by virtue of Agreement(s) dated the ... day of ...
A.D. 19 ... DO HEREBY AGREE that all my (our) rights, interest and estate which are, or may be,
affected by the above Easement shall be fully bound by all the terms and conditions thereof both now and henceforth.
DATED at ... in the Province of ... this ... day of ... A.D. 19 ...
(Witness) (Purchaser)
(Occupant)

AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF SASKATCHEWAN
TO WIT:

I, Kenton Russell Royer, of the ... City
of Medicine Hat in the Province of ~~Saskatchewan~~
Landman, make oath and say: Alberta

- 1. That I was personally present and did see William Hagel named in the within instrument, who is personally known to me to be the person named therein, duly sign and execute the same for the purpose named therein.
2. That the same was executed at District of Golden Prairie in the Province of Saskatchewan, and that I am the subscribing witness thereto.
3. That I know the said William Hagel and he is in my belief of the full age of twenty-one years.

SWORN before me at Medicine Hat
in the Province of ~~Saskatchewan~~ Alberta
this 29th day of July, A.D. 19 85.

M. Eileen Layton EILEEN LAYTON
A Commissioner for Oaths ~~in and for~~ without
the Province of Saskatchewan
My appointment expires December 31, 1986

855011262

Dated ... day of ... 19 ...
(Grantor)

RECEIVED AT
SEP 20 1985
SWIFT CURRENT LAND TITLES
OFFICE
Easement

I certify that the within instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the ... day of ...
A.D. 19 85 as Number ...
Registered
S.C.L.R.D.
WESTERN LAND SERVICES CO. LTD.

AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF SASKATCHEWAN
TO WIT:

I, ... of the ...
of ... in the Province of Saskatchewan,
make oath and say:

- 1. That I was personally present and did see ... named in the within instrument, who is personally known to me to be the person named therein, duly sign and execute the same for the purpose named therein.
2. That the same was executed at ... in the Province of Saskatchewan, and that I am the subscribing witness thereto.
3. That I know the said ... and he is in my belief of the full age of twenty-one years.

SWORN before me at ...
in the Province of Saskatchewan,
this ... day of ... A.D. 19 ...

A Commissioner for Oaths in and for the Province of Saskatchewan



Instrument Work Sheet

86 - SC — 00330

Fees	Inst. <u>Lease</u>
Total Fees <u>15.00</u>	From <u>Western Land Serv Co Ltd</u>
Amt. Rec'd <u>none</u>	Address <u>Calgary</u>
Balance _____	Their Reference <u>S.W. 30 - 14-27-3</u>

Is Dup. C. of T. with Instrument? no In Office? _____ Being Returned to above Addressee? _____

Is Instrument Registrable? 44 Titles Affected 85566898 SW-30

Encumbrances		Certificates, Notices, Required	
Title		Type	Quantity
	General Register	Abstract	
		G.R.C.	
		Uncertified Copy	
		Cert. Copy	
		Notices	1

Remarks:

C A V E A T

TO THE REGISTRAR OF THE SWIFT CURRENT LAND REGISTRATION DISTRICT:

TAKE NOTICE THAT NORTH CANADIAN OILS LIMITED, A body corporate with head office at Calgary, claiming an interest in and to the undermentioned lands under and by virtue of a Amendment to Surface Lease dated July 23, A. D. 1985, a copy of which said Amendment to Surface Lease is attached hereto and marked Exhibit "A", and made between WILLIAM HAGEL of Golden Praire, in the Province of Saskatchewan as Lessor and the Caveator as Lessee, whereby for the consideration and subject to the covenants and agreements therein set forth and contained, the said WILLIAM HAGEL did lease to the said NORTH CANADIAN OILS LIMITED certain parts or portions of the undermentioned lands as in the said Surface Lease described as follows:

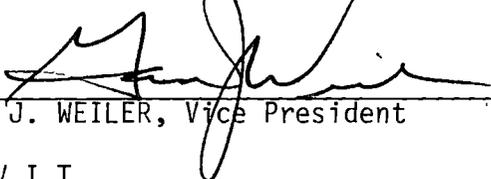
The South West Quarter of Section Thirty (30), in Township Fourteen (14), in Range Twenty-seven (27), West of the Third Meridian, in the Province of Saskatchewan, in the Dominion of Canada, containing 160 acres, more or less, Excepting: 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.
MINERALS IN THE CROWN.

standing in the register in the name of WILLIAM HAGEL, of Golden Prairie, Saskatchewan, forbids the registration of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except to the claim herein set forth.

Address in Saskatchewan - Balfour, Moss, Milliken, Laschuk Kyle
& Vancise
1850 Cornwall Street
Regina, Saskatchewan
S4P 2K3

Dated this 8th day of January, A. D. 1986.

NORTH CANADIAN OILS LIMITED
By it's Agent:
WESTERN LAND SERVICES CO. LTD.



GARY J. WEILER, Vice President

A F F I D A V I T

CANADA)
PROVINCE OF ALBERTA) I, GARY J. WEILER, of the City of Calgary, in the
TO WIT:) Province of Alberta, Vice President of Western Land
Services Co. Ltd.,
Agent for the Caveator
MAKE OATH AND SAY:

1. THAT the allegations in the above Caveat are true in substance and in fact, to the best of my knowledge, information and belief.

2. THAT the claim mentioned in the above Caveat is not to the best of my knowledge, information and belief founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in Section 151 of the Land Titles Act.

SWORN before me at the City of
Calgary, in the Province of
Alberta, this 8th day of January
A. D. 1986.



GARY J. WEILER, Vice President



A Commissioner for Oaths without the Province of Saskatchewan
My Commission Expires December 31, 1989
SANDRA FAY CLARK

THIS AGREEMENT made the 23rd day of July A.D. 1985.

BETWEEN:

William Hagel
Box 81
Golden Prairie, Saskatchewan
SON OYO

(hereinafter called the "Lessor")
OF THE FIRST PART

and

NORTH CANADIAN OILS LIMITED

(hereinafter called the "Lessee")
OF THE SECOND PART

WHEREAS the Lessee is the Lessee under a surface lease (the surface lease") a copy of which is hereunto annexed;

AND WHEREAS the Lessor is the successor in title to the Lessor named in the surface lease, and the parties have agreed to modify the surface lease as hereinafter set forth.

WITNESSETH that the Parties hereto hereby covenant and agree to and with one another as follows:

1. The Lessee shall pay to the Lessor the sum of _____ Dollars (\$~~2000.00~~) for disturbance caused by drilling operations for a second well on the demised premises as set forth in the surface lease. The Lessor accepts the said sum as full and sufficient payment and represents that the Lessor is in possession of the lands covered by the surface lease and is the person entitled to receive the said payment.
2. Commencing on the 24th day of October, 1985, the rent payable under the surface lease shall be _____ Dollars (\$~~2000.00~~) per annum payable annually in advance on the anniversary date of each year of the term.
3. Clause 5 (a) of the said Surface Lease is hereby amended to read as follows:
"Review of rent every three years upon request by either party
(a) Notwithstanding anything contained in this Lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable to any other matter in connection therewith, the arbitration provisions of the Surface Rights Acquisition and Compensation Act, 1968 shall apply."
4. The Lessor agrees to the surface lease being amended for the inclusion of an additional area as shown on the sketch plan attached hereto and initialled by the Lessor.
5. Except as amended hereby, the surface lease is in all respects ratified and confirmed.

IN WITNESS WHEREOF the parties have executed and delivered these presents as of the day and year first above written.



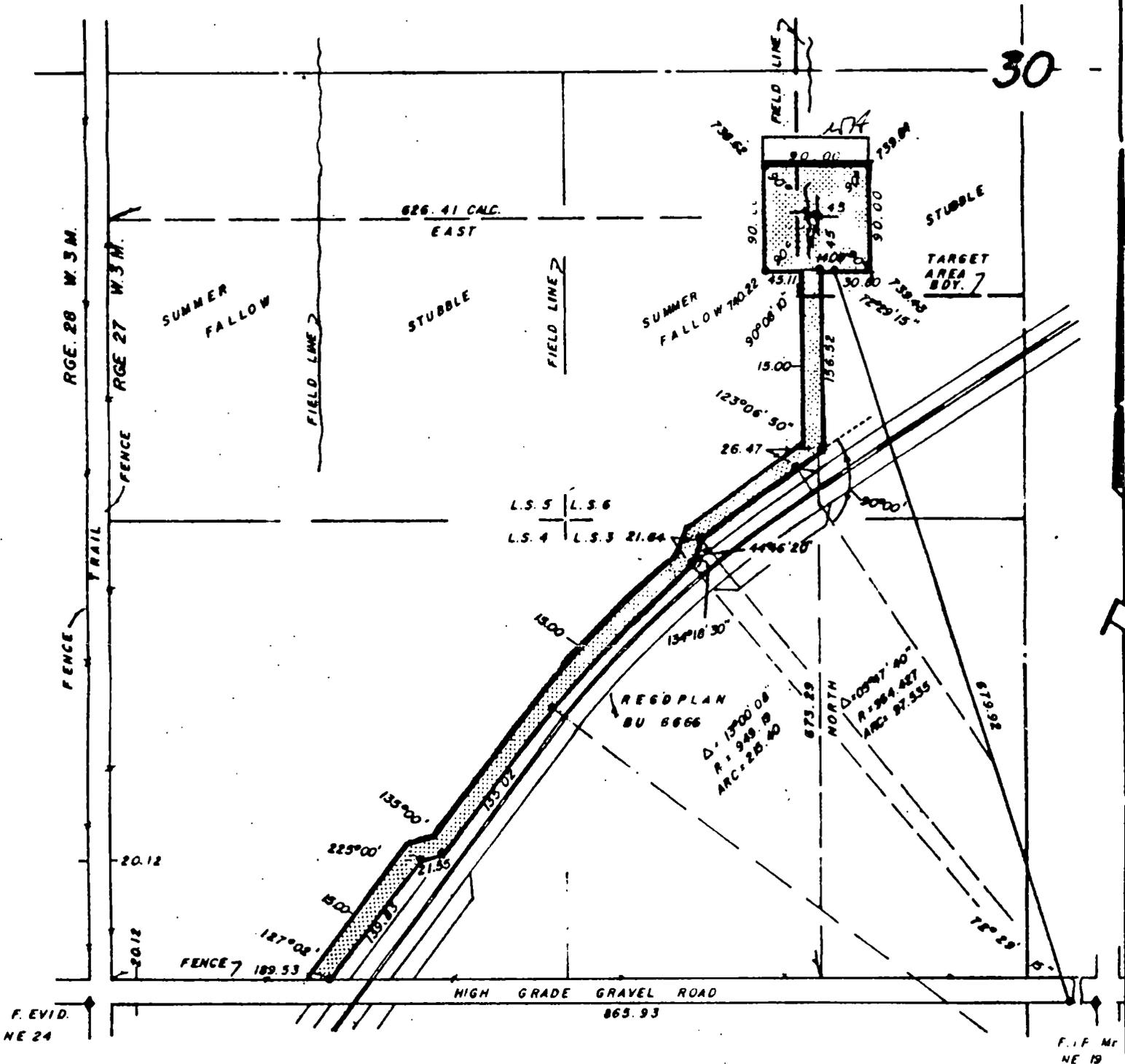

WILLIAM HAGEL
NORTH CANADIAN OILS LIMITED

PER: _____
PER: _____

NCO HATTON 6 · 30 · 14 · 27

Well Site and Access Road L.S. 6 , Sec. 30 , Tp. 14 , Rg. 27 , W. 3 M.

Scale: 1:5000



I certify that the survey represented by this plan is correct and true to the best of my knowledge and was completed on the 23rd day of October, A.D. 1984.

B. E. Hovius
Saskatchewan Land Surveyor

Paul Howard
Witness

MIDWEST SURVEYS

MS-47-84-4

MIDWEST SURVEYS (SASK.) LIMITED

Operator:

NORTH CANADIAN OILS LIMITED

ELEVATION 738.96 Ground

CO-ORDINATES: 673.29N. of S. Bdry. } Sec. 30
626.41 E. of W. Bdry.

AREAS:

Well Site: 0.810 ha (2.00 ac.)
Access Road: 1.221 ha (3.02 ac.)
Total: 2.031 ha (5.02 ac.)

Portion referred to shown thus 
Survey monuments found shown thus 
Iron pins 1.5 cm x 38.1 cm planted shown thus 
Fir posts 5.0 cm x 5.0 cm x 38.1 cm planted shown thus 

SURFACE LEASE

This lease made in triplicate this 24th day of October, 1984.

Between:

WILLIAM HAGEL of Golden Prairie in the Province of Saskatchewan, Farmer (hereinafter called the "Lessor"), and NORTH CANADIAN OILS LIMITED of Calgary in the Province of Alberta (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated lying and being in the Province of Saskatchewan and described as follows:

The South West Quarter of Section THIRTY (30) in Township FOURTEEN (14) Range TWENTY SEVEN (27) West of the THIRD Meridian in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s) 73-SC-14149(a) of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:

Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site for the drilling of a well for oil, gas, water and/or related hydrocarbons and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

(a) for the first year the sum of [redacted] dollars, (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:

- (i) Compensation for capital damage [redacted] (\$) [redacted]
(ii) Rent [redacted] (\$) [redacted]

Payment in subsequent years by lessee

(b) for each subsequent year the sum of [redacted] dollars payable annually in advance on the anniversary of the date hereof in each year during the currency hereof.

The Lessee shall have the right from time to time and at any time upon forty-five (45) days' notice to that effect to the Lessor to surrender any portion of the demised premises, by giving notice to the Lessor to that effect and the Lessee shall deliver or mail to the Lessor a sketch or plan of the portion or portions of the demised premises retained, and this lease shall, with respect to the lands so surrendered, terminate at the expiration of the current year of the term; PROVIDED, HOWEVER, that

during the term of this lease the annual rental shall not be less than [redacted] Dollars (\$ [redacted]).

2. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

(a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

(b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

(c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

3. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration of forty-five days after a written notice to that effect has been given to the Lessee by registered mail addressed to the Lessee's address herein provided, unless the Lessee has in the meantime remedied such default or breach of covenant, promise or undertaking but remedying such default shall not prejudice any other right or remedy to which the Lessor is otherwise entitled under this lease.

Digging of pits for mud and sludge and destruction of weeds

(c) The Lessee shall dig pits or have adequate metal reservoirs and shall deposit therein the mud and sludge resulting from drilling operations and shall not permit the same to escape unto the Lessor's land adjoining the demised premises and the Lessee shall take all necessary precautions to keep down and destroy all noxious weeds on the well site and roadway. At the termination of the use and occupation of the demised premises as hereinafter provided or upon the discontinuance of the use of any portion thereof for the purpose hereunder the Lessee shall deliver up the demised premises or portion thereof, as the case may be, in the same condition as far as may be reasonably practicable to do so as that existing immediately prior to entry thereon for the use thereof by the Lessee.

Abandonment and restoration

(d) Upon abandonment of the well the Lessee shall cause such well to be plugged and all excavations in connection therewith to be filled in compliance with the laws and regulations of Saskatchewan in that regard.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

4. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years up on request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the arbitration provisions of the petroleum and natural gas regulations at the time in force shall apply.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, material and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by depositing to the Lessor's credit in the at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

I, DARCY EDWARDS of the City
of Medicine Hat in the Province of Alberta
..... Landman make oath and say as follows:
(Occupation)

1. That I was personally present and did see WILLIAM HAGEL
named in the within (or annexed) lease, who is personally known to me to be the person named therein, duly sign
and execute the same for the purposes named therein.

2. That the same was executed at the Village of Golden Prairie
in the Province of Saskatchewan on the 24th day of
..... October in the year 19 84 and that I am the subscribing witness thereto.

3. That I know the said WILLIAM HAGEL and in my belief he is
of the full age of eighteen years.

Sworn before me at the ... City of
.. Medicine Hat in the Province of
.. Alberta this 25th
day of October 19 84

Darcy Edwards
DARCY EDWARDS

Gloria Greenstein
A Commissioner for Oaths without the AFFIDAVIT
Province of Sask. My Appointment
expires December 31, 1986. } GLORIA GREENSTEIN
CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

I, WILLIAM HAGEL of the District
of Golden Prairie in the Province of Saskatchewan
..... Farmer make oath and say as follows:
(Occupation)

1. I am the Lessor (~~or the agent acting under Power of Attorney in my favour dated the~~
~~day of~~ 19 granted by the Lessor) named in the within (or annexed)
lease, and I say that no part of the said land is my homestead (~~or the homestead of the Lessor~~), or has been my home-
stead (~~or the homestead of the Lessor, as the case may be~~) at any time.

OR

~~1. I am the Lessor (or the agent acting under Power of Attorney in my favour dated the
day of 19 granted by the Lessor) named in the within (or annexed)
lease and I say that I have (or such Lessor has) no wife.~~

OR

~~1. I am the Lessor (or the agent acting under Power of Attorney in my favour dated the
day of 19 granted by the Lessor) named in the within (or annexed)
lease, and I say that my wife (or the wife of the Lessor) does not reside in Saskatchewan and has not resided therein at
any time since the marriage.~~

Sworn before me at the ... Village of
.. Golden Prairie in the Province of
.. Saskatchewan this 24th
day of October 19 84

W. Hagel
WILLIAM HAGEL

Darcy Edwards
Registrar, Commissioner, (or as the case may be).

DARCY EDWARDS

- IN AND A COMMISSIONER FOR OATHS
WITHOUT THE PROVINCE OF SASKATCHEWAN.
MY APPOINTMENT EX JS DECEMBER 31 1987.

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR Box 81, Golden Prairie, Saskatchewan, S0N 0Y0
LESSEE 10th Floor, Bradie Building, 630 - 6th Ave. S.W., Calgary, Alberta T2P 0S8

Time of the essence

5. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

6. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

7. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so requires, and all covenants shall be construed as being joint and several.

NORTH CANADIAN OILS LIMITED

the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, ... wife of the above

(or within) named do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of

in so far as may be necessary to give effect to this lease

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written.

(Note: Strike out the part that does not apply.)

Signed, sealed and delivered by the above named Lessee in the presence of

NORTH CANADIAN OILS LIMITED

Per: [Signature] SENIOR VICE PRESIDENT OPERATIONS



Per: [Signature] ASSISTANT SECRETARY

Signed, sealed and delivered by the above named Lessor in the presence of

[Signature]

[Signature] WILLIAM HAGEL



CERTIFICATE

I, ..., Judge of the District Court for

(or as the case may be), do hereby certify that I have examined

wife of

the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for

the purpose of relinquishing her rights in the homestead in favour of

in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)



PLAN SHOWING THE PROPOSED
WELLSITE LOCATION OF

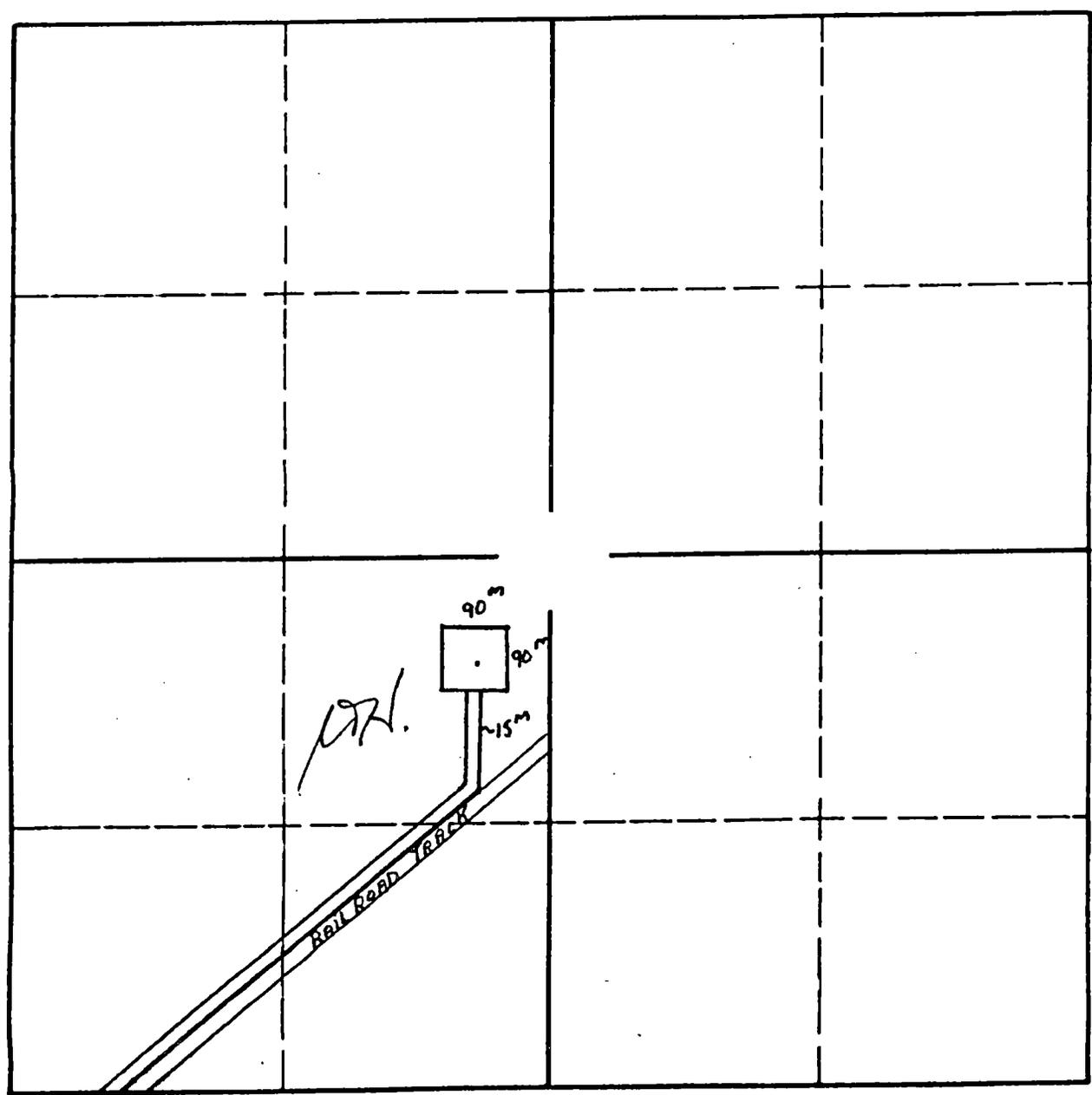
NORTH CANADIAN OILS LIMITED

902 - 16 Street S.W.
Medicine Hat, Alberta
T1A 8A4
Telephone (403) 529-1231

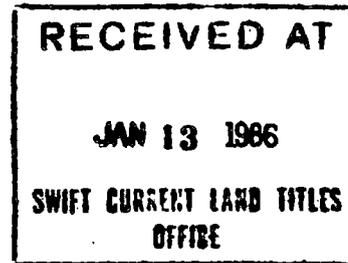
IN

LSD. D6 SEC. 30 TWP. 14 RGE. 27 W. 3 MER.

Subject to change by mutual agreement prior to drilling, with the lease consideration to be applied on any alternative site.



86SC00330



I certify that the within Instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the 13 day of Jan
A.D. 1986 as Number 86SC00330

H. Harpinski Registrar
S.C.L.R.O.

SASKATCHEWAN LAND TITLES OFFICE
INSTRUMENT WORK SHEET

89SC22838

FEEES	Inst. <i>Convey</i>
Total Fees	From <i>Convey</i>
Amt. Rec'd <i>acct</i>	Address <i>Calgary</i>
Balance	Their Reference

Is Dup. C. of T. with Instrument? *No* In Office? Being Returned to above Addressee?

Is Instrument Registrable? Titles Affected *85-6898*

ENCUMBRANCES		CERTIFICATES, NOTICES, REQUIRED	
Title	General Register	Type	Quantity
		Abstract	
		G.R.C.	
		Cert. of Chge.	
		Other Cert.	
		Notices	1

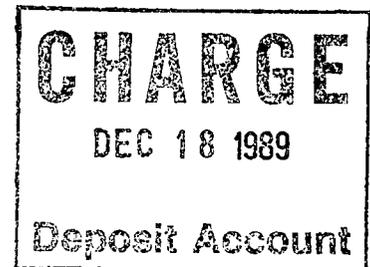
Remarks:

..... *[Signature]* Initials



December 14, 1989

Province of Saskatchewan
Land Titles Office
350 Cheadle Street West
Swift Current, Saskatchewan
S9H 4G3



Gentlemen:

Re: REGISTRATION OF CAVEATS
Our Files: 50,073, 50,074

We enclose, in duplicate, the subject documents for registration and would ask that you return one registered copy for our files and charge the fee to our account No. 01-03-1514.

Yours truly,

COSEKA RESOURCES LIMITED

Robin Anderson
Land Secretary

/ra
Enclosure

File: 50,073

SURFACE LEASE

This lease made in triplicate this 28 day of October 19 89

Between:

WILLIAM HAGEL of GOLDEN PRAIRIE in the Province of SASKATCHEWAN (hereinafter called the "Lessor") and COSEKA RESOURCES LIMITED of CITY OF CALGARY in the Province of ALBERTA A BODY CORPORATE (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated lying and being in the Province of Saskatchewan and described as follows:

THE SOUTH WEST QUARTER OF SECTION THIRTY ONE (31) in Township FOURTEEN (14) Range TWENTY SEVEN (27) West of the THIRD (3) Meridian in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s) 85SC06898 of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:

Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site for the drilling of a well for oil, gas, water and/or related hydrocarbons and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

(a) for the first year the sum of FOUR THOUSAND NINE HUNDRED SEVENTY FIVE dollars, (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:

(i) Compensation for capital damage TWO THOUSAND SEVEN HUNDRED (\$ 2,700.00)

(ii) Rent TWO THOUSAND TWO HUNDRED SEVENTY FIVE (\$ 2,275.00)

Payment in subsequent years by lessee

(b) for each subsequent year the sum of TWO THOUSAND TWO HUNDRED SEVENTY FIVE dollars payable annually in advance on the anniversary of the date hereof in each year during the currency hereof.

The Lessee shall have the right from time to time and at any time upon six (6) months' notice to that effect to the Lessor to surrender any portion of the demised premises, by giving notice to the Lessor to that effect and the Lessee shall deliver or mail to the Lessor a sketch or plan of the portion or portions of the demised premises retained, and this lease shall, with respect to the lands so surrendered, terminate at the expiration of the current year of the term.

2. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

(a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

(b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

(c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

3. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration

In consideration of the sum of One Dollar (\$1.00), (receipt of which is hereby acknowledged), paid to me.

If the demised premises covered by this Surface Lease are not entered upon, except for survey purposes, within six (6) months of the date of this Lease, the Lessee shall pay to the Lessor the sum of Three Hundred Dollars for the right to survey and all other inconveniences and the said Lease shall terminate. However, should the Lessee enter the demised premises to drill or should the Lessee make payment of the full initial consideration in the amount of \$ 4975.02, as previously set out, within the six (6) month period, then the Lessee shall have full rights on the demised premises pursuant to the terms of the said Surface Lease.

REVIEW OF RENTAL: Annual Rental ~~provided~~ for herein shall be subject to review in accordance with the Surface Rights Act, Chapter S-27.1, Section 27.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

4. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years upon request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the arbitration provisions of the petroleum and natural gas regulations at the time in force shall apply.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, material and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by

depositing to the Lessor's credit in the

at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.

CLM

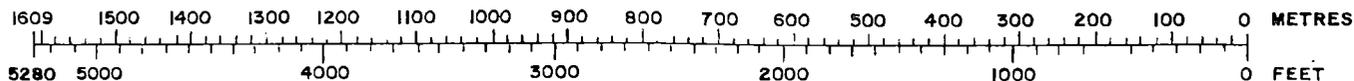
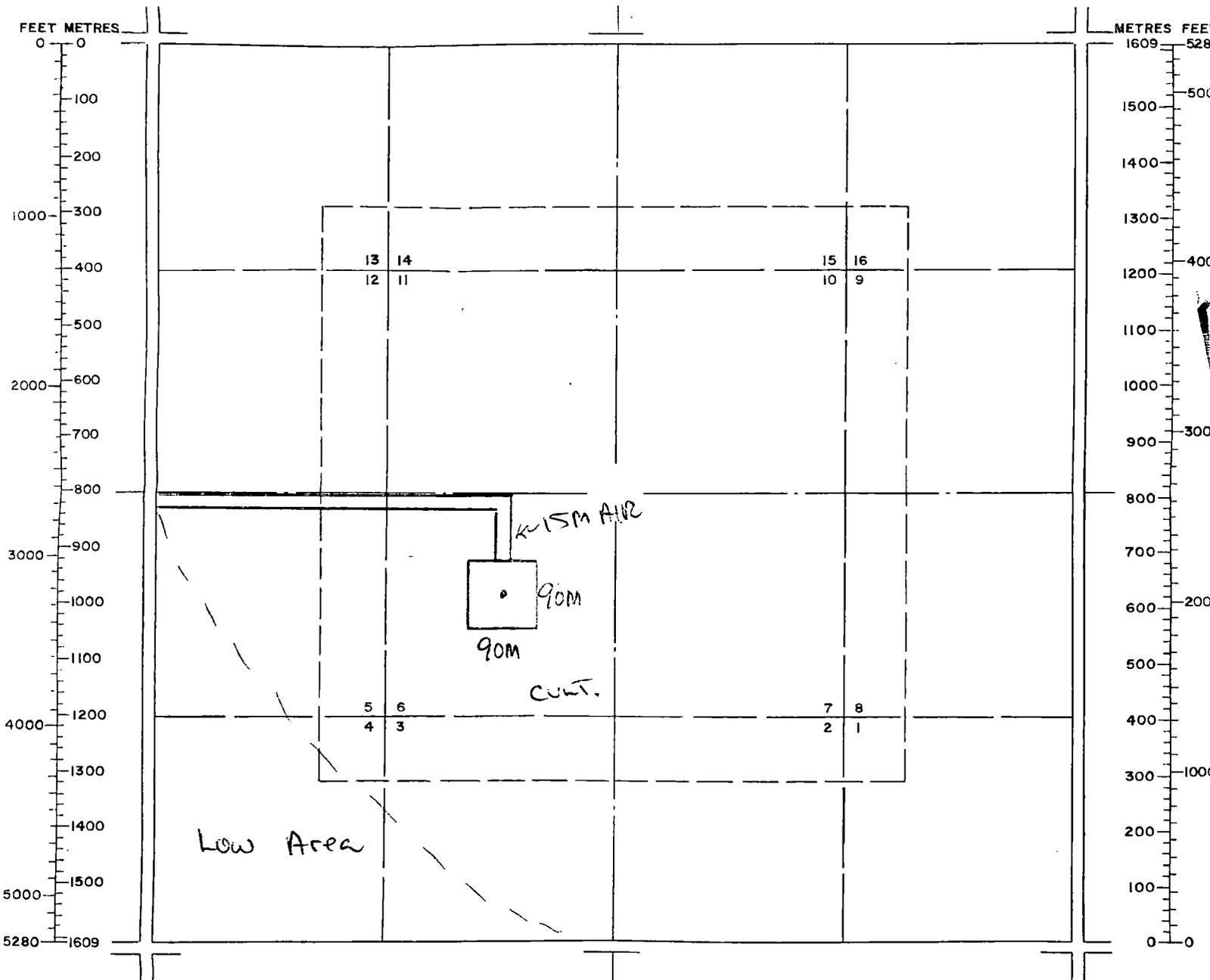
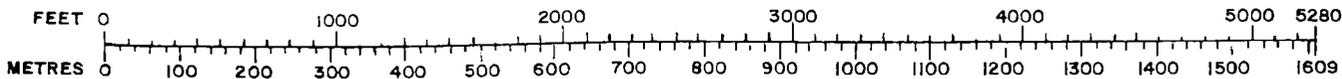
FILE NO. : 89-0614

PLAN SHOWING THE PROPOSED LOCATION OF
Coseka Resources Limited

WELLSITE and ROADWAY

IN L.S.D. 6 SEC. 31 TWP. 14 RGE. 27 W. 3 M.

Subject to change by mutual agreement with the lease
consideration to be applied on any alternative site.



ACREAGE

Approximate Well Site = 2.00 acres
 Approximate Access Road = 2.50 acres
 Approximate Camp Site = 0.00 acres
 Total = 4.50 acres

--- DENOTES 640 ACRE GAS SPACING

I/We have no objection to the E.R.C.B. issuing a Drilling Licence.
Accepted this 25 day of October, A.D. 1989

WITNESS : [Signature]

[Signature]

WITNESS : _____

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR... P.O. Box 81, GOLDEN PRAIRIE, Saskatchewan, S0N 0Y0

LESSEE... 1200, 521 - 3rd Avenue S.W., CALGARY, Alberta, T2P 4A9

Time of the essence

5. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

6. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

7. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so

requires, and all covenants shall be construed as being joint and several

the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, wife of the above (or within) named do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of in so far as may be necessary to give effect to this lease

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written. (Note: Strike out the part that does not apply.)

COSEKA RESOURCES LIMITED

Signed, sealed and delivered by the above named Lessee in the presence of

Thomas M. Broch
Robert Jones

Signed, sealed and delivered by the above named Lessor in the presence of

[Signature]

W. Hagel
WILLIAM HAGEL

CERTIFICATE

I, Judge of the District Court for (or as the case may be), do hereby certify that I have examined wife of the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for the purpose of relinquishing her rights in the homestead in favour of in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)

CANADA
PROVINCE OF SASKATCHEWAN

AFFIDAVIT OF EXECUTION

To Wit:

I, of
in the Province of Saskatchewan, make oath and say:

1. THAT I was personally present and did see
named in the within instrument, who is personally known to me to be the person named therein, duly sign, seal and execute the same for the
purposes named therein.

2. THAT the same was executed at in the Province of Saskatchewan,
and that I am the subscribing witness thereto.

3. THAT I know the said
and he (or she) is, in my belief, of the full age of eighteen years.

SWORN before me at

In the Province of Saskatchewan, this

day of, A.D. 19

A Commissioner for Oaths in and for the Province of
Saskatchewan

My Appointment Expires December 31st, 19

CONSENT BY OCCUPANT, VENDOR, MORTGAGEE OR OTHER INTERESTED PARTY:

I, (we) of
in the Province of having an

interest in the within lands by virtue of an Agreement or Instrument dated the day of A.D.

19..... DO HEREBY AGREE that all my (our) rights, interests and estate which are, or may be, affected by the above Surface Lease shall be
fully bound by all the terms and conditions thereof both now and henceforth.

DATED at in the Province of this

day of A.D. 19

Witness

CANADA
PROVINCE OF SASKATCHEWAN

AFFIDAVIT OF EXECUTION

To Wit:

I, **PHILIP GAZDAG** of **CITY OF MEDICINE HAT**
ALBERTA **LAND AGENT**
~~XXXXXXXXXX~~ in the Province of ~~Saskatchewan~~, make oath and say:

1. THAT I was personally present and did see **WILLIAM HAGEL**
named in the within instrument, who is (are) personally known to me to be the person(s) named therein, duly sign, seal and execute the same
for the purposes named therein.

2. THAT the same was executed at **DISTRICT OF GOLDEN PRAIRIE** in the Province of Saskatchewan,
and that I am the subscribing witness thereto.

3. THAT I know the said **WILLIAM HAGEL**
and he (or she) is (or they are each), in my belief, of the full age of eighteen years.

SWORN before me at **CITY OF MEDICINE HAT**

In the Province of ~~Saskatchewan~~, this **30**

day of **October**, A.D. 19 **89**

A Commissioner for Oaths in ~~the~~ Province of
Saskatchewan **WITHOUT**

My Appointment Expires December 31st, 19 **90**.

DOMINION OF CANADA
PROVINCE OF SASKATCHEWAN

HOMESTEAD AFFIDAVIT

To Wit:

I, **WILLIAM HAGEL** of **GOLDEN PRAIRIE**
in the Province of Saskatchewan, **FARMER** make oath and say as follows:
(Occupation)

1. I am the Lessor named in the within lease, and I say that no part of the land described in the said lease is my homestead, or has been
my homestead at any time.

~~I am the Lessor named in the within lease, and I say that I have no wife.~~

~~I am the Lessor named in the within lease, and I say that my wife does not reside in Saskatchewan and has not resided therein
at any time since the marriage.~~

SWORN before me at **DISTRICT OF GOLDEN PRAIRIE**

In the Province of Saskatchewan, this **28**

day of **October**, A.D. 19 **89**

A Commissioner for Oaths in and for the Province of
Saskatchewan

My Appointment Expires December 31st, 19 **89**.

Province of Saskatchewan

The Land Titles Act

TO THE REGISTRAR of the SWIFT CURRENT

Land Registration District

TAKE NOTICE that X COSEKA RESOURCES LIMITED
of the City of Calgary, in the Province of Alberta

CLAIMING AN INTEREST ~~as~~^{XX} and an estate by virtue of a Saskatchewan Surface Lease dated October 28, 1989, covering a wellsite and access road (approximately 4.85 acres) between William Hagel as Lessor and the Caveator as Lessee, a copy of which Saskatchewan Surface Lease is marked Exhibit "A" and forms a part of this Caveat.

IN THE FOLLOWING LAND, that is to say;

the North West, South East and South West Quarters of Section Thirty (30), and the South West Quarter of Section Thirty One (31), Township Fourteen (14), Range Twenty Seven (27), West of the Third Meridian (W3M), Saskatchewan, 640 acres

EXCEPT: out of the South East Quarter of Section Thirty (30), 7.90 acres and out of the South West Quarter of Section Thirty (30), 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.

MINERALS IN THE CROWN

being lands described in Certificate of Title, 85SC06898

standing in the register in the name of William Hagel

FORBID THE REGISTRATION of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except subject to the claim herein set forth.

Coseka Resources Limited.

1200 Eau Claire Place II

521 Third Avenue S.W.

MY ADDRESS is Calgary, Alberta T2P 4A9

and my address for service of notices and processes in Saskatchewan is

c/o MacPherson, Leslie and Tyreman

2161 Scarth Street

Regina, Saskatchewan S4P 2H8

DATED the 12th day of December

A.D. 1989

COSEKA RESOURCES LIMITED, as
Agent for the Caveator



Robin Anderson, Land Secretary

Attached To and Forming
Part of This Document

OVERLAY

The preceding page contains an overlay.

The following page reveals the portion of the
page overlaid.

This page is for information only and does not form part of the document.

Province of Saskatchewan

The Land Titles Act

TO THE REGISTRAR of the SWIFT CURRENT

Land Registration District

TAKE NOTICE that X COSEKA RESOURCES LIMITED
of the City of Calgary, in the Province of Alberta

CLAIMING AN INTEREST ^{XX} and an estate by virtue of a Saskatchewan
Surface Lease dated October 28, 1989, covering a wellsite and access

Attached To
Part of Th.

being lands described in Certificate of Title, 85SC06898
standing in the register in the name of William Hagel

FORBID THE REGISTRATION of any transfer or other instrument affecting such land or the granting
of a certificate of title thereto except subject to the claim herein set forth.

Coseka Resources Limited.
1200 Eau Claire Place II
521 Third Avenue S.W.
MY ADDRESS is Calgary, Alberta T2P 4A9

and my address for service of notices and processes in Saskatchewan is
c/o MacPherson, Leslie and Tyreman
2161 Scarth Street

Regina, Saskatchewan S4P 2H8
DATED the 12th day of December A.D. 1989
COSEKA RESOURCES LIMITED, as
Agent for the Caveator


Robin Anderson, Land Secretary

CANADA
PROVINCE OF SASKATCHEWAN

TO WIT:

I, Robin Anderson

of the City of Calgary

in the Province of Alberta, AGENT for the within named caveator, make oath and say:

1. THAT the allegations in the within caveat are true in substance and in fact, to the best of my knowledge, information and belief.

2. THAT the claim mentioned in the within caveat is not, to the best of my knowledge, information and belief, founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in section 151 of The Land Titles Act.

SWORN before me at the City
of Calgary
in the Province of Alberta
this 12th day of December
A.D. 19 89

R. Anderson

Robin Anderson

A.J. Matovich

A Commissioner for Oaths Without the
Province of Saskatchewan
My Appointment expires March 31, 19 91
A.J. Matovich

89SC22838

Dated _____ A.D. 19 _____

RECEIVED AT
RE
DEC 18 1989
SWIFT CURRENT LAND TITLES
OFFICE
(the Land)

Caveat

WILSON STRONG

I certify that the within instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the 18 day of Dec
A.D. 19 89 as Number 89SC22838
Cubletsky Oct
Registrar
S.C.L.R.D.



Surface Parcel Number: 141005641

REQUEST DATE: Mon Jan 26 12:42:00 GMT-06:00 2026



Owner Name(s) : Blakley, Charlene, Hagel, William, Ziebart, Brenda

Municipality : RM OF BIG STICK NO. 141

Area : 16.879 hectares (41.71 acres)

Title Number(s) : 152733797

Converted Title Number : 85SC06898

Parcel Class : Parcel (Generic)

Ownership Share : 1:1

Land Description : SW 30-14-27-3 Ext 2

Source Quarter Section : SW-30-14-27-3

Commodity/Unit : Not Applicable

Municipality Name: RM OF BIG STICK (RM)

Assessment ID Number : 141-000630400

PID: 1558048



Civic Address:

Legal Location: Qtr SW Sec 30 Tp 14 Rg 27 W 3 Sup 00

Supplementary: EXCEPT: RR

Title Acres: 152.00

School Division: 211

Neighbourhood: 141-100

Overall PUSE: 2000

Call Back Year:

Reviewed: 07-Nov-2023

Change Reason: Reinspection

Year / Frozen ID: 2025/-32560

Predom Code:

Method in Use: C.A.M.A. - Cost

AGRICULTURAL ARABLE LAND

Acres	Land Use	Productivity Determining Factors	Economic and Physical Factors	Rating	
64.00	K - [CULTIVATED]	Soil association 1 FX - [FOX VALLEY] Soil texture 1 CL - [CLAY LOAM] Soil profile 1 OR10 - [CHERN-ORTH (CA 9-12)]	Topography T2 - Gentle Slopes Stones (qualities) S2 - Slight Man made hazard RR/RD: Railroad/Road Rate: 0.94	\$/ACRE Final	1,711.44 45.52
85.00	K - [CULTIVATED]	Soil association 2 AD - [ARDILL] Soil texture 3 CL - [CLAY LOAM] Soil texture 4 Soil profile 2 OR10 - [CHERN-ORTH (CA 9-12)] Top soil depth 3-5	Topography T1 - Level / Nearly Level Stones (qualities) S2 - Slight Man made hazard RR/RD: Railroad/Road Rate: 0.94	\$/ACRE Final	1,798.30 47.83
		Soil association 1 FX - [FOX VALLEY] Soil texture 1 CL - [CLAY LOAM] Soil profile 1 OR10 - [CHERN-ORTH (CA 9-12)]			
		Soil association 2 AD - [ARDILL] Soil texture 3 CL - [CLAY LOAM] Soil texture 4 Soil profile 2 OR12 - [CHERN-ORTH (CA 12+)] Top soil depth 3-5			

AGRICULTURAL WASTE LAND

Acres	Waste Type
3	WS & WN

Assessed & Taxable/Exempt Values (Summary)

Description	Appraised Values	Adjust Reason	Liability Subdivision	Tax Class	Percentage of value	Taxable	Adjust Reason	Exempt	Adjust Reason	Tax Status
Agricultural	\$262,400		1	Other Agricultural	55%	\$144,320				Taxable
Total of Assessed Values:	\$262,400				Total of Taxable/Exempt Values:	\$144,320				

Municipality Name: RM OF BIG STICK (RM)

Assessment ID Number : 141-000630400

PID: 1558048

Interest #:
187429865

CNV Easement

Value: N/A
Reg'd: 20 Sep 1985 00:18:46
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

As to NW 1/4 & S 1/2 of 30

Holder:
 CANADIAN NATURAL RESOURCES LIMITED
 2100, 855 - 2ND ST SW
 CALGARY, Alberta, Canada T2P 4J8
Client #: 138904667

Int. Register #: 106446258
Converted Instrument #: 85SC11262

Interest #:
187429876

CNV Caveat

Value: N/A
Reg'd: 18 Dec 1989 00:38:04
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

Holder:
 Coseka Resources Limited
 MLT Aikins LLP #1500-1874 Scarth Street
 Regina, Saskatchewan, Canada S4P 4E9
Client #: 111058073

Int. Register #: 106446269
Converted Instrument #: 89SC22838

Addresses for Service:

Name	Address
Owner: William Hagel Client #: 135935680	411 Belfast Street SE Medicine Hat, Alberta, Canada T1A 0S5
Owner: Charlene Blakley Client #: 135935691	577 - 20th Street NE Medicine Hat, Alberta, Canada T1C 1H3
Owner: Brenda Ziebart Client #: 135935736	163 Stratton Road SE Medicine Hat, Alberta, Canada T1B 4P4

Notes:

Under The Planning and Development Act, 2007, the title for this parcel and parcels 141005630 may not be transferred or, in certain circumstances, mortgaged or leased separately without the approval of the appropriate planning authority. If you believe this restriction does not apply to this parcel, please contact 1-866 ASK-ISC1 to have the restriction reviewed.

Parcel Class Code: Parcel (Generic)



Instrument Work Sheet

85 - SC - 10772

Fees	Inst. <u>Cancel</u>
Total Fees <u>5.00</u>	From <u>Western Land Service</u>
Amt. Rec'd <u>a/c</u>	Address <u>Calgary</u>
Balance _____	Their Reference <u>NW 5 1/2 30-14-27 W3</u>

Is Dup. C. of T. with Instrument? no In Office? yes Being Returned to above Addressee? no

Is Instrument Registrable? yes Titles Affected 855006898 - NW 5 1/2 30

Encumbrances		Certificates, Notices, Required	
Title		Type	Quantity
	General Register	Abstract	
		G.R.C.	
		Uncertified Copy	
		Cert. Copy	
		Notices	<u>yes</u>

Remarks:

AD Initials

EXHIBIT "A"

SASKATCHEWAN SURFACE LEASE

This lease made in triplicate this 23rd day of July, 19 85
 Between: William Hagel
 of Golden Prairie
 in the Province of Saskatchewan
 (hereinafter called the "Lessor") (Occupation)
North Canadian Oils Limited and Calgary
 of Alberta
 in the Province of (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated, lying and being in the Province of Saskatchewan and described as follows:

The North West (NW $\frac{1}{4}$), South East (SE $\frac{1}{4}$) in Section **Thirty (30)**
and South West Quarters (SW $\frac{1}{4}$)
 in Township **Fourteen (14)** in Range **Twenty Seven (27)**
 West of the **Third (3rd)** Meridian
 in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s) **853006898**
 of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:
 Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site

Patroleum and/or Natural Gas

for the drilling of a well for and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

- (a) for the first year the sum of _____ dollars, (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:
 - (i) Compensation for capital damage _____ dollars
 - (ii) Rent _____ dollars

Payment in subsequent years by lessee

- (b) for each subsequent year the sum of _____ dollars payable annually in advance on the anniversary of the date hereof in each year during the currency hereof:

3. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

- (a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

- (b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

- (c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

4. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration of forty-five days after a written notice to that effect has been given to the Lessee by registered mail addressed to the Lessee's address herein provided, unless the Lessee has in the meantime remedied such default or breach of covenant, promise or undertaking but remedying such default shall not prejudice any other right or remedy to which the Lessor is otherwise entitled under this lease.

Digging of pits for mud and sludge and destruction of weeds

(c) The Lessee shall dig pits or have adequate metal reservoirs and shall deposit therein the mud and sludge resulting from drilling operations and shall not permit the same to escape unto the Lessor's land adjoining the demised premises and the Lessee shall take all necessary precautions to keep down and destroy all noxious weeds on the well site and roadway. At the termination of the use and occupation of the demised premises as hereinafter provided or upon the discontinuance of the use of any portion thereof for the purpose hereunder the Lessee shall deliver up the demised premises or portion thereof, as the case may be, in the same condition as far as may be reasonably practicable to do so as that existing immediately prior to entry thereon for the use thereof by the Lessee.

Abandonment and restoration

(d) Upon abandonment of the well the Lessee shall cause such well to be plugged and all excavations in connection therewith to be filled in compliance with the laws and regulations of Saskatchewan in that regard.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required.

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

5. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years upon request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the same shall be determined by the Board of Arbitration appointed pursuant to The Surface Rights Acquisition and Compensation Act 1968.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, materials and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by depositing to the Lessor's credit in the at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR Box 81, Golden Prairie, Saskatchewan .. SON .. OYO ..
LESSEE 10th Floor, 530 - 6th Ave. S.W., Calgary, Alberta .. T2P .. U5B ..

Time of the essence

6. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

7. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

8. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so requires, and all covenants shall be construed as being joint and several North Canadian Oils Limited the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, wife of the above (or within) named do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of, in so far as may be necessary to give effect to this lease.

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written.
(Note: Strike out the part that does not apply.)

Signed, sealed and delivered by the above named Lessor in the presence of

_____ *[Signature]*

[Signature]
WILLIAM HAGEL
NORTH CANADIAN OILS LIMITED



Signed, sealed and delivered by the above named Lessee in the presence of

CERTIFICATE

I,, Judge of the District Court for, (or as the case may be), do hereby certify that I have examined

....., wife of the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for the purpose of relinquishing her rights in

the homestead in favour of, in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

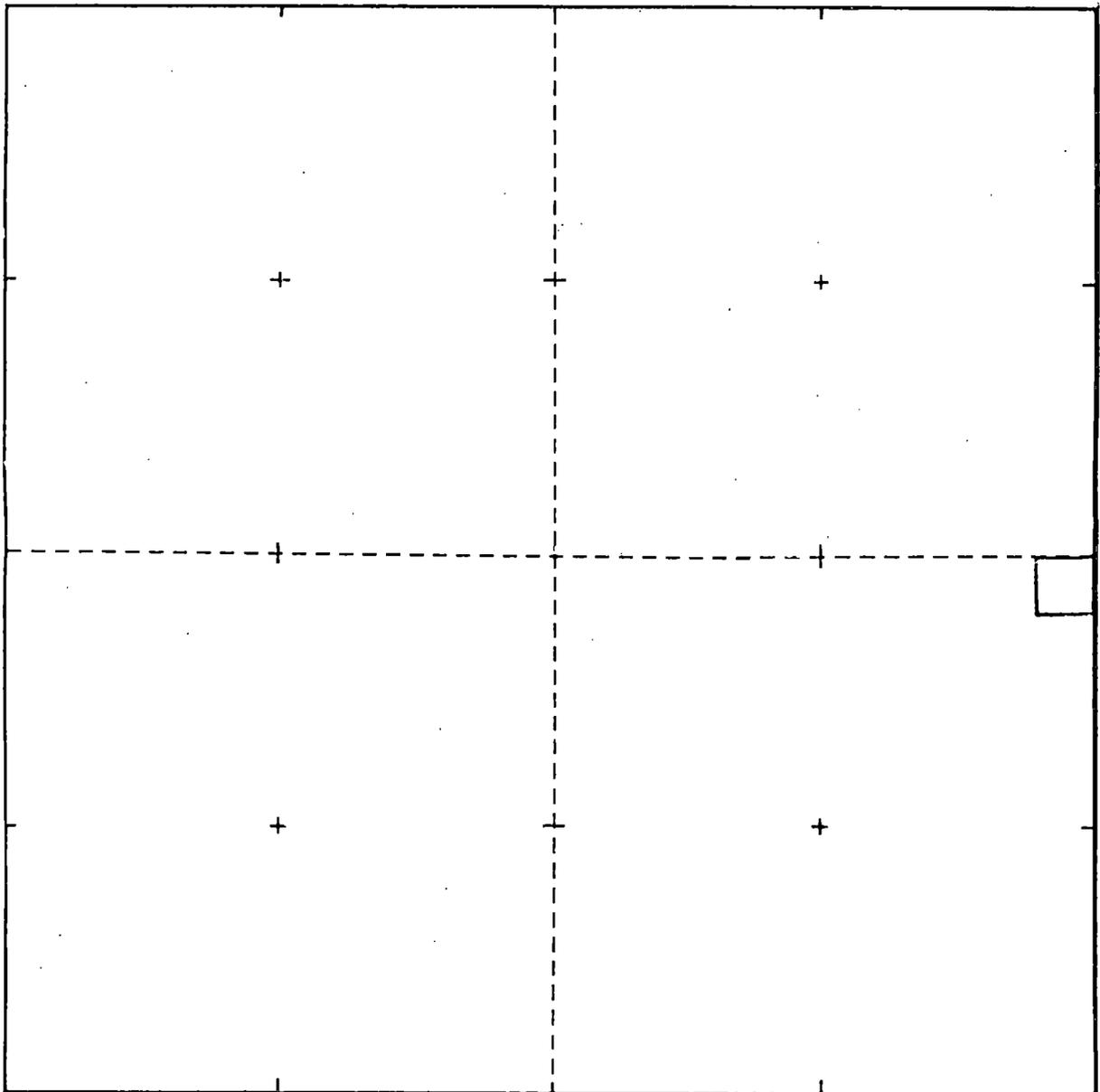
(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)

SKETCH PLAN

PROPOSED LOCATION OF

WELLSITE AND ACCESS ROAD

SE^{1/4} SEC. 30, TWP. 14, RGE. 27 WEST 3rd M.



quarter section - 1:5000

scale

section - 1:10000

APPROXIMATE AREA REQUIRED

WELLSITE = 2.00 ACRES

ROADWAY = ----- ACRES

TOTAL = 2.00 ACRES

PIPELINE = ----- ACRES

1 metre - 3.28 feet

804.67 metres - 2640 feet

WIS/84

Acknowledged as attached to and forming part of a SASKATCHEWAN SURFACE LEASE

dated July 23, 1985 A.D.

WILLIAM HAGEL *W. Hagel*

Ken Ray
witness

C A V E A T

TO THE REGISTRAR OF THE SWIFT CURRENT LAND REGISTRATION DISTRICT:

TAKE NOTICE THAT NORTH CANADIAN OILS LIMITED, A body corporate with head office at Calgary, claiming an interest in and to the undermentioned lands under and by virtue of a Surface Lease dated July 23, A. D. 1985, a copy of which said Surface Lease is attached hereto and marked Exhibit "A", and made between WILLIAM HAGEL of Golden Prairie, in the Province of Saskatchewan as Lessor and the Caveator as Lessee, whereby for the consideration and subject to the covenants and agreements therein set forth and contained, the said WILLIAM HAGEL did lease to the said NORTH CANADIAN OILS LIMITED certain parts or portions of the undermentioned lands as in the said Surface Lease described as follows:

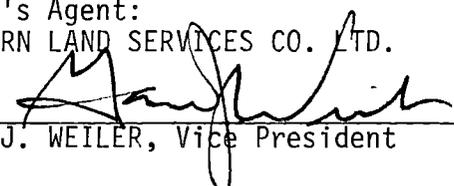
The North West, South East and South West Quarters of Section Thirty (30), in Township Fourteen (14), in Range Twenty-seven (27), West of the Third Meridian, in the Province of Saskatchewan, in the Dominion of Canada, containing Six-Hundred and Forty (640) acres more or less, Excepting: out of the South East Quarter 7.90 acres and out of the South West Quarter 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.
Minerals in the Crown.

standing in the register in the name of WILLIAM HAGEL, of Golden Prairie, Saskatchewan, forbids the registration of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except to the claim herein set forth.

Address in Saskatchewan - Balfour, Moss, Milliken, Laschuk,
Kyle & Vancise
1850 Cornwall Street
Regina, Saskatchewan
S4P 2K3

Dated this 9th day of September, A. D. 1985.

NORTH CANADIAN OILS LIMITED
By it's Agent:
WESTERN LAND SERVICES CO. LTD.

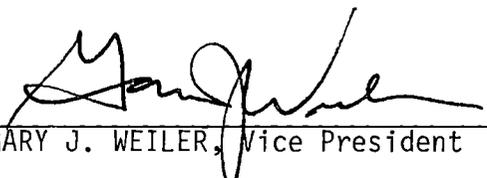

GARY J. WEILER, Vice President

A F F I D A V I T

CANADA)
PROVINCE OF ALBERTA) I, GARY J. WEILER, of the City of Calgary, in the
TO WIT:) Province of Alberta, Vice President of Western Land
Services Co. Ltd.,
Agent for the Caveator
MAKE OATH AND SAY:

- 1. THAT the allegations in the above Caveat are true in substance and in fact, to the best of my knowledge, information and belief.
- 2. THAT the claim mentioned in the above Caveat is not to the best of my knowledge, information and belief founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in Section 151 of the Land Titles Act.

SWORN before me at the City of
Calgary, in the Province of
Alberta, this 9th day of September
A. D. 1985.


GARY J. WEILER, Vice President


A Commissioner for Oaths without the Province of Saskatchewan
My Commission Expires December 31, 1989
SANDRA FAY CLARK

85SC10772

RECEIVED AT
SEP 11 1985
SWIFT CURRENT LAND TITLES
OFFICE

I certify that the within Instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the 11 day of Sept
A.D. 1985 as Number 85SC10772

Colleen M. Q. Registrar
S.C.L.R.O.



Instrument Work Sheet

85 - SC - 10773

Fees	Inst. <u>Caveat</u>
Total Fees <u>5.00</u>	From <u>Western Land Services</u>
Amt. Rec'd <u>a/c</u>	Address <u>Calgary</u>
Balance _____	Their Reference <u>NW 1/2 30-14-27W3</u>

Is Dup. C. of T. with Instrument? NO In Office? yes Being Returned to above Addressee? NO

Is Instrument Registrable? yes Titles Affected 85SC06898 - NW 1/2 30

Encumbrances		Certificates, Notices, Required	
		Type	Quantity
Title	General Register	Abstract	
		G.R.C.	
		Uncertified Copy	
		Cert. Copy	
		Notices	<u>1/2</u>

Remarks:

 Initials

EXHIBIT 'A'

File No. C(3) 20414-14
14 of 30, 14-27-3

SASKATCHEWAN SURFACE LEASE

This lease made in triplicate this 23rd day of July, 19 85

Between: Willina Hagel of Golden Prairie

in the Province of Saskatchewan (hereinafter called the "Lessor") and (Occupation)

North Canadian Oils Limited of Calgary

in the Province of Alberta (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated, lying and being in the Province of Saskatchewan and described as follows:

The North West (NW), South East (SE) and South West (SW) Quarters in Section Thirty (30) in Township Fourteen (14) in Range Twenty Seven (27) Third (3rd) Meridian

West of the 658006898 of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s) of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:

Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site Petroleum and/or Natural Gas

for the drilling of a well for and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

(a) for the first year the sum of _____ dollars, (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:

(i) Compensation for capital damage _____

(ii) Rent _____ dollars

Payment in subsequent years by lessee

(b) for each subsequent year the sum of _____ dollars

payable annually in advance on the anniversary of the date hereof in each year during the currency hereof:

3. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

(a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

(b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

(c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

4. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration of forty-five days after a written notice to that effect has been given to the Lessee by registered mail addressed to the Lessee's address herein provided, unless the Lessee has in the meantime remedied such default or breach of covenant, promise or undertaking but remedying such default shall not prejudice any other right or remedy to which the Lessor is otherwise entitled under this lease.

Digging of pits for mud and sludge and destruction of weeds

(c) The Lessee shall dig pits or have adequate metal reservoirs and shall deposit therein the mud and sludge resulting from drilling operations and shall not permit the same to escape unto the Lessor's land adjoining the demised premises and the Lessee shall take all necessary precautions to keep down and destroy all noxious weeds on the well site and roadway. At the termination of the use and occupation of the demised premises as hereinafter provided or upon the discontinuance of the use of any portion thereof for the purpose hereunder the Lessee shall deliver up the demised premises or portion thereof, as the case may be, in the same condition as far as may be reasonably practicable to do so as that existing immediately prior to entry thereon for the use thereof by the Lessee.

Abandonment and restoration

(d) Upon abandonment of the well the Lessee shall cause such well to be plugged and all excavations in connection therewith to be filled in compliance with the laws and regulations of Saskatchewan in that regard.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required.

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

5. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years upon request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the same shall be determined by the Board of Arbitration appointed pursuant to The Surface Rights Acquisition and Compensation Act 1968.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, materials and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by depositing to the Lessor's credit in the at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR **Box 81, Golden Prairie, Saskatchewan S0N 0Y0**
LESSEE **10th Floor, 630 - 6th Ave. S.W., Calgary, Alberta T2P 0S8**

Time of the essence

6. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

7. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

8. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so requires, and all covenants shall be construed as being joint and several **North Canadian Oils Limited** the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, wife of the above (or within) named do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of in so far as may be necessary to give effect to this lease.

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written.

(Note: Strike out the part that does not apply.)

Signed, sealed and delivered by the above named Lessor in the presence of

.....
.....

.....
WILLIAM HAGEL
NORTH CANADIAN OILS LIMITED



Signed, sealed and delivered by the above named Lessee in the presence of

.....
.....

CERTIFICATE

I, Judge of the District Court for (or as the case may be), do hereby certify that I have examined

..... wife of the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for the purpose of relinquishing her rights in

the homestead in favour of in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

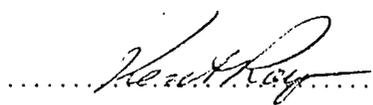
I, Kenton Russell Royer, of the City
of Medicine Hat in the Province of Alberta
Landman, make oath and say as follows:
(Occupation)

1. That I was personally present and did see William Hugel,
named in the within (or annexed) lease, who is personally known to me to be the person named therein, duly sign
and execute the same for the purposes named therein.

2. That the same was executed at the District of Golden Prairie
in the Province of Saskatchewan on the 23rd day of
July in the Year 1985 and that I am the subscribing witness thereto.

3. That I know the said William Hugel, and in my belief he is
of the full age of nineteen years.

Sworn before me at the City of
Medicine Hat in the Province of
Alberta this 26th
day of July 1985



M. Eileen Layton EILEEN LAYTON
A Commissioner for Oaths without the Province of
Saskatchewan
My Appointment Expires Dec. 31st, 1986

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

I, William Hugel, of the District
of Golden Prairie in the Province of Saskatchewan
, make oath and say as follows:
(Occupation)

1. I am the Lessor named in the within lease, and I say that no part of the said land is my homestead (or the
homestead of the Lessor), or has been my homestead (or the homestead of the Lessor, as the case may be) at
any time.

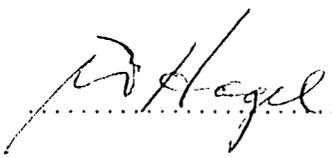
OR

~~XXXXXX I AM THE LESSOR NAMED IN THE WITHIN LEASE AND I SAY THAT NO PART OF THE SAID LAND IS MY HOMESTEAD (OR THE HOMESTEAD OF THE LESSOR, AS THE CASE MAY BE) AT ANY TIME XXXXXX~~

OR

~~XXXXXX I AM THE LESSOR NAMED IN THE WITHIN LEASE AND I SAY THAT NO PART OF THE SAID LAND IS MY HOMESTEAD (OR THE HOMESTEAD OF THE LESSOR, AS THE CASE MAY BE) AT ANY TIME XXXXXX~~

Sworn before me at the District of
Golden Prairie in the Province of
Saskatchewan this 23rd
day of July 1985



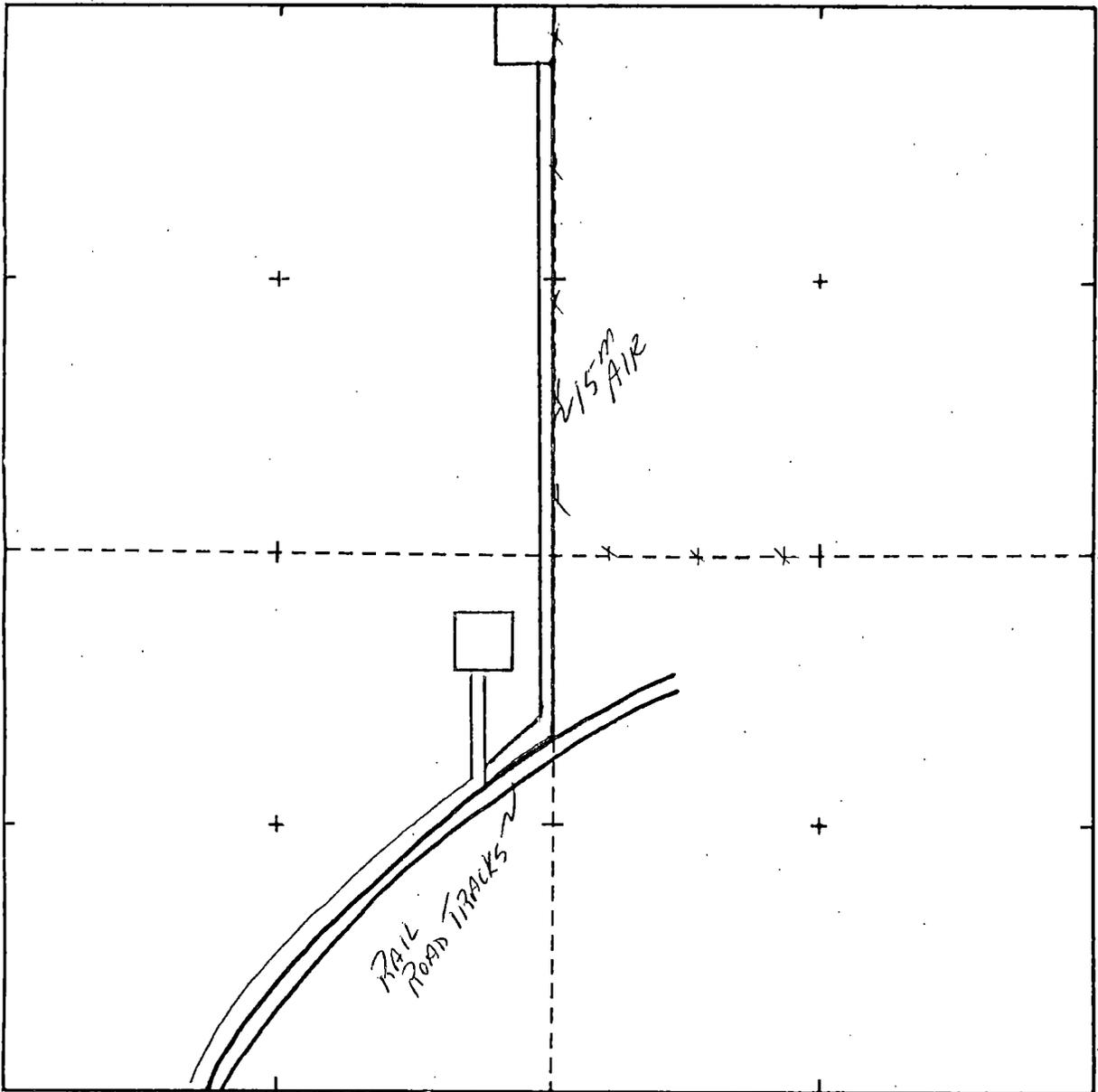
Kenton Royer KENT ROYER
A Commissioner for Oaths in and for the Province of
Saskatchewan.
My Appointment Expires Dec. 31st, 1985

SKETCH PLAN

PROPOSED LOCATION OF

WELLSITE AND ACCESS ROAD

NW 1/4 SEC. 30, TWP. 14, RGE. 27 WEST 3rd M.



quarter section - 1:5000

scale

section - 1:10000

APPROXIMATE AREA REQUIRED

WELLSITE = 2.00 ACRES

ROADWAY = 4.23 ACRES

TOTAL = 6.23 ACRES

PIPELINE = ACRES

Acknowledged as attached to and forming part of a SASKATCHEWAN SURFACE LEASE

dated July 23, 1985 A.D.

WILLIAM HAGEL

W. Hagel

x

Kent Ray

witness

1 metre - 3.28 feet

804.67 metres - 2640 feet

WIS/84

C A V E A T

TO THE REGISTRAR OF THE SWIFT CURRENT LAND REGISTRATION DISTRICT:

TAKE NOTICE THAT NORTH CANADIAN OILS LIMITED, A body corporate with head office at Calgary, claiming an interest in and to the undermentioned lands under and by virtue of a Surface Lease dated July 23, A. D. 1985, a copy of which said Surface Lease is attached hereto and marked Exhibit "A", and made between WILLIAM HAGEL of Golden Prairie, in the Province of Saskatchewan as Lessor and the Caveator as Lessee, whereby for the consideration and subject to the covenants and agreements therein set forth and contained, the said WILLIAM HAGEL did lease to the said NORTH CANADIAN OILS LIMITED certain parts or portions of the undermentioned lands as in the said Surface Lease described as follows:

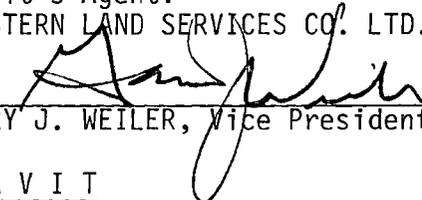
The North West, South East and South West Quarters of Section Thirty (30), in Township Fourteen (14), in Range Twenty-seven (27), West of the Third Meridian, in the Province of Saskatchewan, in the Dominion of Canada, containing Six Hundred and Forty (640) acres more or less, Excepting: out of the South East Quarter 7.90 acres and out of the South West Quarter 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.
Minerals in the Crown.

standing in the register in the name of WILLIAM HAGEL, of Golden Prairie, Saskatchewan, forbids the registration of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except to the claim herein set forth.

Address in Saskatchewan - Balfour, Moss, Milliken, Laschuk,
Kyle & Vancise
1850 Cornwall Street
Regina, Saskatchewan
S4P 2K3

Dated this 9th day of September, A. D. 1985.

NORTH CANADIAN OILS LIMITED
By it's Agent:
WESTERN LAND SERVICES CO. LTD.



GARY J. WEILER, Vice President

A F F I D A V I T

CANADA)
PROVINCE OF ALBERTA) I, GARY J. WEILER, of the City of Calgary, in the
TO WIT:) Province of Alberta, Vice President of Western Land
Services Co. Ltd.,
Agent for the Caveator
MAKE OATH AND SAY:

1. THAT the allegations in the above Caveat are true in substance and in fact, to the best of my knowledge, information and belief.

2. THAT the claim mentioned in the above Caveat is not to the best of my knowledge, information and belief founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in Section 151 of the Land Titles Act.

SWORN before me at the City of
Calgary, in the Province of
Alberta, this 9th day of September
A. D. 1985.



GARY J. WEILER, Vice President



A Commissioner for Oaths without the Province of Saskatchewan
My Commission Expires December 31, 1989
SANDRA FAY CLARK

85SC10773

RECEIVED AT
SEP 11 1985
SWIFT CURRENT LAND TITLES
OFFICE

I certify that the within instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the 21 day of Sept
A.D. 1985 as Number 85SC10773

W. Williams
Registrar
S.C.L.R.O.



Instrument Work Sheet

85 - SC — 11262

Fees	Inst. <u>Leasehold</u>
Total Fees <u>5.00</u>	From <u>Western Land Services Co Ltd</u>
Amt. Rec'd <u>Rec'd.</u>	Address <u>Calgary</u>
Balance _____	Their Reference <u>NW 5 1/2 30-14-27W.3</u>

Is Dup. C. of T. with Instrument? No In Office? yes Being Returned to above Addressee? No

Is Instrument Registrable? yes Titles Affected 85SC.06898 - NW 5 1/2 30

Encumbrances		Certificates, Notices, Required	
Title	General Register	Type	Quantity
	<u>Clear</u>	Abstract	
		G.R.C.	
		Uncertified Copy	
		Cert. Copy	
		Notices	

Remarks:

AD Initials

wls

TELEPHONES:
CALGARY (403) 266-3076
EDMONTON (403) 426-6220
REGINA (306) 757-0661
MEDICINE HAT (403) 527-7903

WESTERN LAND Services Co. Ltd.

100 - 622 - 5th AVENUE S.W.
CALGARY, ALBERTA T2P 0M6

MAILING ADDRESS: P.O. BOX 6688
POSTAL STATION "D" T2P 2E6 CALGARY, ALBERTA

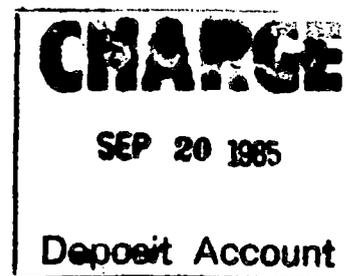
OUR FIEL: C(M) 20422

September 17, 1985

Land Titles Office
E. I. Wood Building
350 Cheadle Street West
Swift Current, Saskatchewan
S9H 4G3

Dear Sirs:

Re: Easements
-2 NW $\frac{1}{4}$ & S $\frac{1}{2}$ 30-14-27 W3M
-3 NE $\frac{1}{4}$ 30-14-27 W3M
-4 E $\frac{1}{2}$ & NW $\frac{1}{4}$ of 6 and NE $\frac{1}{4}$ & S $\frac{1}{2}$ of 7, 15-27 W3M
-5 NW $\frac{1}{4}$ 7-15-27 W3M



Please find enclosed four Easements, each in duplicate, covering the above noted lands which we ask that you register. Please return the duplicate registered copies to our office.

Fees in this matter may be deducted from our firm's deposit account.

Thank you for your assistance in this matter.

Yours truly,

WESTERN LAND SERVICES CO. LTD.


Gary J. Weller
Vice President

GJW:sfc
Enclosures



SURFACE LEASES — EASEMENTS — P & NG LEASES — DAMAGE SETTLEMENTS
PLANT SITES — CONSULTANTS — CROWN SALES & FILINGS — APPRAISALS

AGENTS TO INDUSTRY



Easement

I, William Hagel of Golden Prairie, in the Province of Saskatchewan, hereinafter called the "Grantor", being the registered owner of an estate in fee simple, subject however to such encumbrances, liens and interests as may be notified by memorandum underwritten in all that certain tract of land more particularly described as follows, namely:

The North West, South East and South West Quarters of Section Thirty (30), in Township Fourteen (14), Range Twenty Seven (27), West of the Third Meridian, Saskatchewan, containing 480 acres more or less.

Except: Out of the South East Quarter of Section Thirty (30), 7.90 acres and out of the South West Quarter of Section Thirty (30), 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.

Minerals in the Crown.

in the Province of Saskatchewan as described in Certificate of Title No. 85SC06898 registered in the Land Titles Office for the Swift Current Land Registration District, hereinafter called the said lands.

In consideration of the sum of Ten (\$10.00) Dollars (receipt of which is hereby acknowledged) paid to me by NORTH CANADIAN OILS LIMITED

hereinafter called the "Grantee", and in consideration of the covenants herein contained DO HEREBY GRANT, CONVEY, TRANSFER AND SET OVER to and unto the Grantee, its successors and assigns, a right-of-way across, over, under, on, and through the said lands to construct a pipeline or lines including all pipe or pipes, pumps, valves, drips, cleanout traps, meters, connections, cathodic protection apparatus, communications systems, poles and any other equipment and appurtenances that the Grantee shall deem necessary, which notwithstanding any rule of law or equity shall at all times remain the property of the Grantee even though attached to the land, together with the right, license, liberty and privilege to enter upon the said lands in order to conduct surveys, construct, operate, maintain, inspect, control, alter, improve, remove, reconstruct, replace and repair the said pipeline or lines and the said appurtenances thereto and hereby covenant and agree to the following terms and conditions:

- Should the Grantee not deposit with the Registrar of the appropriate Land Titles Office a Plan of Survey of the right-of-way 15 metres feet in width across the said lands on or before one year from the date hereof, or should the Grantee not forward to me a plan showing the said right-of-way across the said lands outlined in red thereon, on or before one year from the date hereof the Grantee shall thereupon execute and register such documents as may be necessary to effect a termination of its rights under this instrument.
- The Grantee having deposited or forwarded the plan as aforesaid, it shall cause to be registered such document as shall restrict this easement and the rights herein granted to the right-of-way shown upon such plan excepting the right of ingress and egress to and from the said right-of-way.
- The Grantee shall pay to the Grantor or to those interested in the said land by encumbrance or occupation a sum calculated at the rate of Six Hundred Dollars (\$ 600.00) per acre of right-of-way across the said lands as shown on such plan, within a reasonable time of the registration of the said plan or at the time a copy of the plan is forwarded to the Grantor.
- In addition to the monies payable under paragraph 3 hereof, the Grantee will pay to the Grantor compensation for all damages done to growing crops, fences, timber and livestock occurring as a result of the Grantee's operations and the Grantee will, as soon as weather and soil conditions permit, bury all pipelines and, insofar as it is practical to do so, restore the said lands to their condition prior to the Grantee's entry thereon.
- The Grantee will pay all rates and taxes that may be assessed and levied from time to time against its interest in the said lands or in connection with its operations thereon.
- The Grantor shall have the right to use and enjoy the right-of-way for any purpose except any use which would interfere with the rights herein granted to the Grantee and the Grantor shall not without the prior written consent of the Grantee first had and obtained excavate, drill, install, erect or permit to be excavated, drilled, installed or erected on or under the right-of-way any pit, well, pipeline, foundation, pavement, building or other structure or installation or do any mining, quarrying, drilling or other work or activity of any nature on, in or under the right-of-way and the Grantor will at all times control and if necessary cut down or root out all noxious weeds growing on the right-of-way.
- The Grantor hereby covenants with the Grantee for quiet enjoyment; and shall do all acts and execute all such further assurances as may be required to give effect to the within grant.
- This Easement Agreement shall be deemed to have created a covenant running with the land and these presents including all covenants and conditions herein contained shall extend to, be binding upon and enure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.
- For further clarification it is hereby declared that nothing herein shall be deemed to vest in the Grantee any title to mines, ores, metals, coal, slate, oil, gas or other minerals in or under the land comprising the right-of-way excepting only the parts thereof that are necessary to be dug, carried away or used in construction of the works of the Grantee.
- All notices and payments to be made hereunder may be made by a letter addressed to the parties at the addresses stated immediately following their signatures hereto or such other address as the Grantor and the Grantee may respectively from time to time designate in writing and any such notice shall be deemed to have been given to and received by the addressee three (3) days after mailing thereof, postage paid.
- The Grantee shall at any time or from time to time have the right to quit-claim or surrender by appropriate instrument, all or part of the right or interest acquired by it hereunder and the Grantee may, but shall not be obligated to, remove all or any installations, equipment or appurtenances which, under the provision hereof, the Grantee has installed or placed upon the easement herein granted, or part thereof which has been so surrendered.

IN WITNESS WHEREOF I, the Grantor, have hereunto set my hand and seal this 23rd day of July A.D. 1985

Signed by the said in the presence of

Grantor William Hagel Box 81, Golden Prairie, Saskatchewan Address SON OYO

Grantor _____ Address _____

Grantor _____ Address _____

Seal

Dandrews
WITNESS

NORTH CANADIAN OILS LIMITED

Per: [Signature]

Per: [Signature]
ITS ATTORNEY
10th Floor, Bradie Building
630 - 6th Avenue S.W.
Calgary, Alberta
T2P 0S8

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
TO WIT:

Kenton Russell Royer of Medicine Hat
in the Province of ~~Saskatchewan~~ Alberta
make oath and say:

- 1. That I am the right of way purchasing agent of the grantee named in the within easement.
2. That the lands described in the within instrument are required for the construction, maintenance and operation of an oil, gas, related hydrocarbons and/or water pipe line, and for the exercise of any rights and privileges arising under the within agreement.

SWORN before me at Medicine Hat
in the Province of ~~Saskatchewan~~ Alberta
this 29th day of July
A.D. 19 85.

M. Eileen Layton EILEEN LAYTON
A Commissioner for Oaths ~~in and for~~ without
the Province of Saskatchewan.
My appointment expires 31 December, 19 86.

CONSENT TO EASEMENT BY PURCHASER(S) AND/OR OCCUPANT(S)

I, (We) ... in the Province of ...
being the purchaser(s) and/or occupant(s) of the within lands by virtue of Agreement(s) dated the ... day of ...
A.D. 19 ... DO HEREBY AGREE that all my (our) rights, interest and estate which are, or may be,
affected by the above Easement shall be fully bound by all the terms and conditions thereof both now and henceforth.
DATED at ... in the Province of ... this ... day of ... A.D. 19 ...
(Witness) (Purchaser)
(Occupant)

AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF SASKATCHEWAN
TO WIT:

I, Kenton Russell Royer, of the ... City
of Medicine Hat in the Province of ~~Saskatchewan~~
Landman, make oath and say: Alberta

- 1. That I was personally present and did see William Hagel named in the within instrument, who is personally known to me to be the person named therein, duly sign and execute the same for the purpose named therein.
2. That the same was executed at District of Golden Prairie in the Province of Saskatchewan, and that I am the subscribing witness thereto.
3. That I know the said William Hagel and he is in my belief of the full age of twenty-one years.

SWORN before me at Medicine Hat
in the Province of ~~Saskatchewan~~ Alberta
this 29th day of July, A.D. 19 85.

M. Eileen Layton EILEEN LAYTON
A Commissioner for Oaths ~~in and for~~ without
the Province of Saskatchewan
My appointment expires December 31, 1986

855011262

Dated ... day of ... 19 ... (Grantor)
RECEIVED AT SEP 20 1985 (Grantee)
SWIFT CURRENT LAND TITLES OFFICE
Easement

I certify that the within instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the ... day of ...
A.D. 19 85 as Number ...
Registered
S.C.L.R.D.
WESTERN LAND SERVICES CO. LTD.

AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF SASKATCHEWAN
TO WIT:

I, ... of the ...
of ... in the Province of Saskatchewan,
make oath and say:

- 1. That I was personally present and did see ... named in the within instrument, who is personally known to me to be the person named therein, duly sign and execute the same for the purpose named therein.
2. That the same was executed at ... in the Province of Saskatchewan, and that I am the subscribing witness thereto.
3. That I know the said ... and he is in my belief of the full age of twenty-one years.

SWORN before me at ...
in the Province of Saskatchewan,
this ... day of ... A.D. 19 ...

A Commissioner for Oaths in and for the Province of Saskatchewan

SASKATCHEWAN LAND TITLES OFFICE
INSTRUMENT WORK SHEET

89SC22838

FEEES	Inst. <i>Convey</i>
Total Fees	From <i>Convey</i>
Amt. Rec'd <i>acct</i>	Address <i>Calgary</i>
Balance	Their Reference

Is Dup. C. of T. with Instrument? *No* In Office? Being Returned to above Addressee?

Is Instrument Registrable? Titles Affected *85-6898*

ENCUMBRANCES		CERTIFICATES, NOTICES, REQUIRED	
Title	General Register	Type	Quantity
		Abstract	
		G.R.C.	
		Cert. of Chge.	
		Other Cert.	
		Notices	1

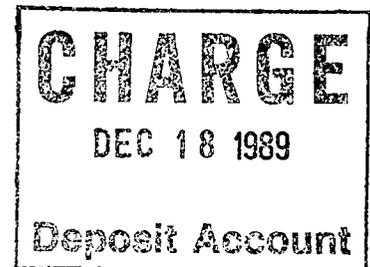
Remarks:

..... *[Signature]* Initials



December 14, 1989

Province of Saskatchewan
Land Titles Office
350 Cheadle Street West
Swift Current, Saskatchewan
S9H 4G3



Gentlemen:

Re: REGISTRATION OF CAVEATS
Our Files: 50,073, 50,074

We enclose, in duplicate, the subject documents for registration and would ask that you return one registered copy for our files and charge the fee to our account No. 01-03-1514.

Yours truly,

COSEKA RESOURCES LIMITED

Robin Anderson
Land Secretary

/ra
Enclosure

SURFACE LEASE

This lease made in triplicate this 28 day of October 19 89

Between:

WILLIAM HAGEL of GOLDEN PRAIRIE in the Province of SASKATCHEWAN (hereinafter called the "Lessor") and COSEKA RESOURCES LIMITED of CITY OF CALGARY in the Province of ALBERTA A BODY CORPORATE (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated lying and being in the Province of Saskatchewan and described as follows:

THE SOUTH WEST QUARTER OF SECTION THIRTY ONE (31) in Township FOURTEEN (14) Range TWENTY SEVEN (27) West of the THIRD (3) Meridian in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s) 85SC06898 of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:

Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site for the drilling of a well for oil, gas, water and/or related hydrocarbons and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

(a) for the first year the sum of FOUR THOUSAND NINE HUNDRED SEVENTY FIVE dollars, (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:

(i) Compensation for capital damage TWO THOUSAND SEVEN HUNDRED (\$ 2,700.00)

(ii) Rent TWO THOUSAND TWO HUNDRED SEVENTY FIVE (\$ 2,275.00)

Payment in subsequent years by lessee

(b) for each subsequent year the sum of TWO THOUSAND TWO HUNDRED SEVENTY FIVE dollars payable annually in advance on the anniversary of the date hereof in each year during the currency hereof.

The Lessee shall have the right from time to time and at any time upon six (6) months' notice to that effect to the Lessor to surrender any portion of the demised premises, by giving notice to the Lessor to that effect and the Lessee shall deliver or mail to the Lessor a sketch or plan of the portion or portions of the demised premises retained, and this lease shall, with respect to the lands so surrendered, terminate at the expiration of the current year of the term.

2. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

(a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

(b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

(c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

3. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration

In consideration of the sum of One Dollar (\$1.00), (receipt of which is hereby acknowledged), paid to me.

If the demised premises covered by this Surface Lease are not entered upon, except for survey purposes, within six (6) months of the date of this Lease, the Lessee shall pay to the Lessor the sum of Three Hundred Dollars for the right to survey and all other inconveniences and the said Lease shall terminate. However, should the Lessee enter the demised premises to drill or should the Lessee make payment of the full initial consideration in the amount of \$ 4975.02, as previously set out, within the six (6) month period, then the Lessee shall have full rights on the demised premises pursuant to the terms of the said Surface Lease.

REVIEW OF RENTAL: Annual Rental ~~provided~~ for herein shall be subject to review in accordance with the Surface Rights Act, Chapter S-27.1, Section 27.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

4. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years upon request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the arbitration provisions of the petroleum and natural gas regulations at the time in force shall apply.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, material and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

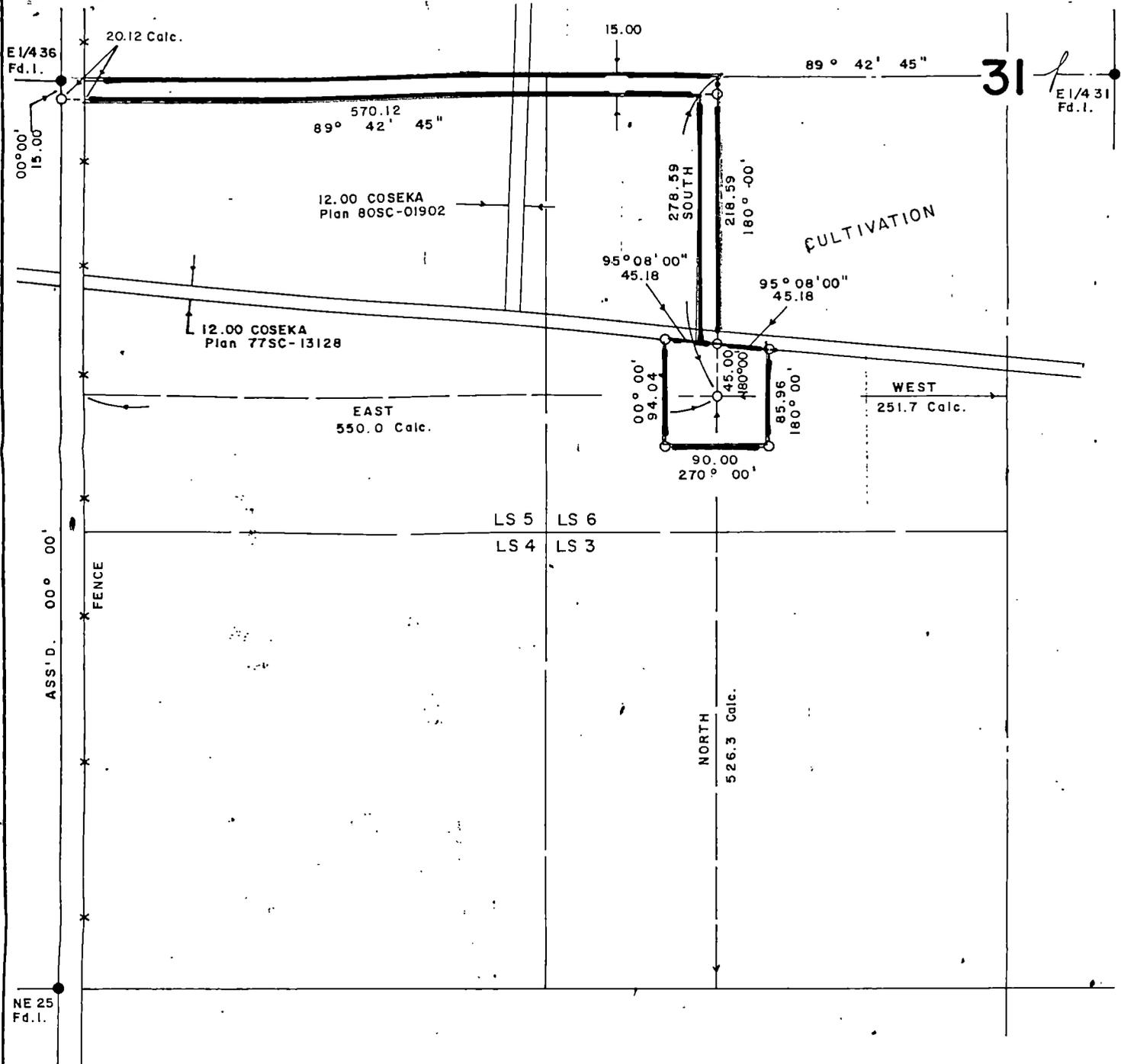
(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by

depositing to the Lessor's credit in the

at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.



PLAN SHOWING LOCATION OF
COSEKA ET AL HATTON 6-31-14-27
 IN LSD. 6 SEC. 31 TWP. 14 RGE. 27 W. 3 M.

SCALE · 1:5000

CO-ORDINATES · 526.3 N of S Bdy and
 550.0 E of W Bdy of Sec. 31-14-27 W. 3

I certify that the survey represented by this plan is correct
 and true to the best of my knowledge and was completed
 on the 30th day of October, AD 1989.

AREAS	ha	Ac	WELL SITE
Well Site	0.810	2.00	CORNER ELEVATIONS
Access Road	1.152	2.85	NE · 739.28
TOTAL	1.962	4.85	SE · 739.55
			SW · 737.94
			NW · 738.20

W. H. Jones *A. Sanderson*
 W. H. Jones SLS Witness

GROUND ELEVATION · 738.0
 For COSEKA RESOURCES LIMITED.

LEGEND
 Survey monument found shown thus ●
 30cm Iron Spike planted shown thus ○
 Portions referred to shown thus _____
 Distances are in metres and decimals thereof.

REVISION		

CLM

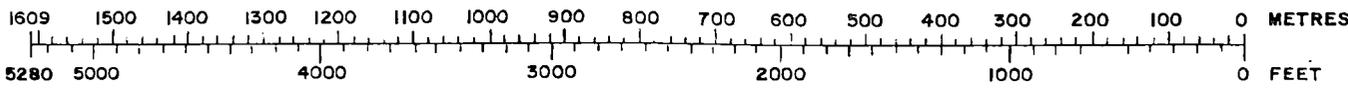
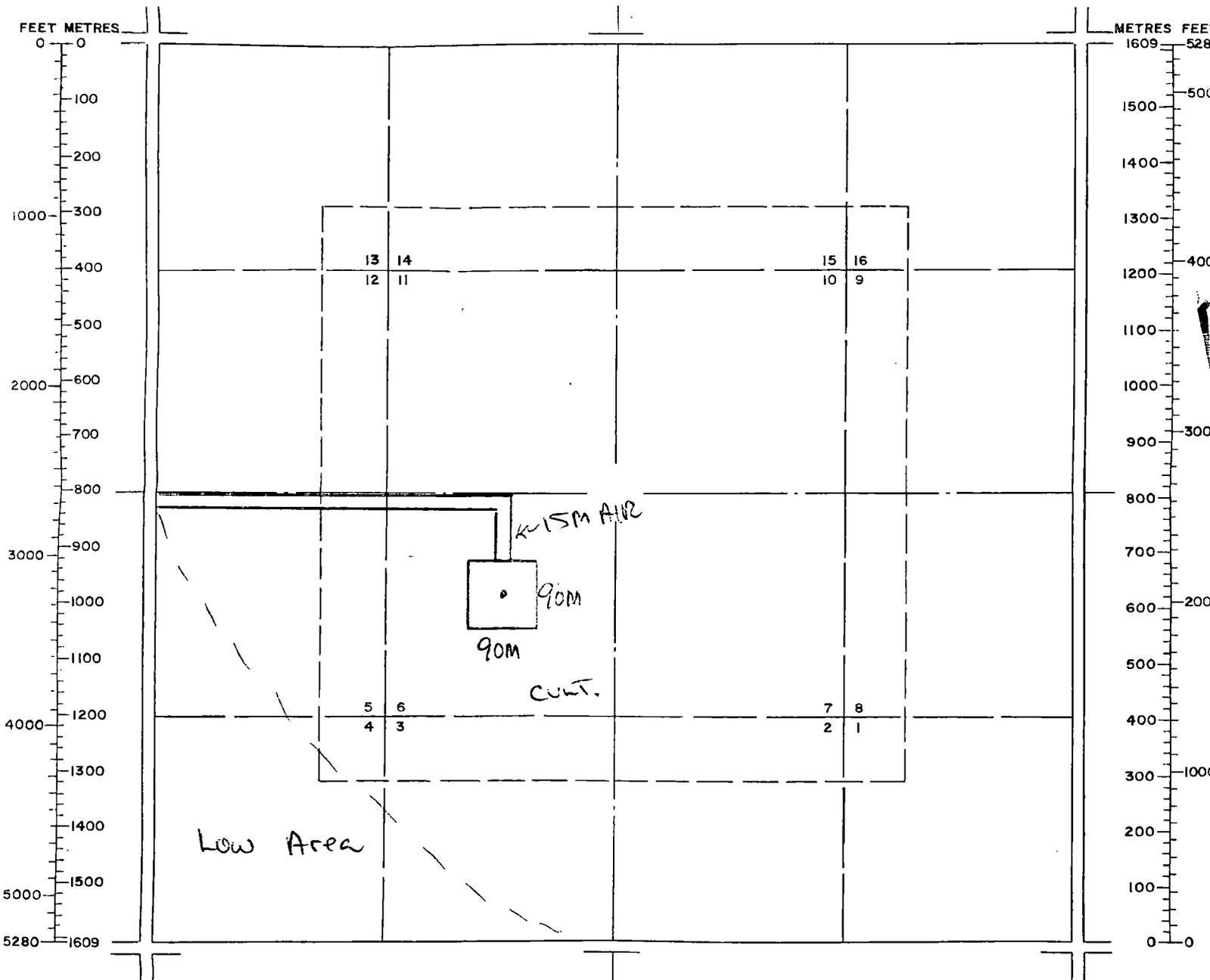
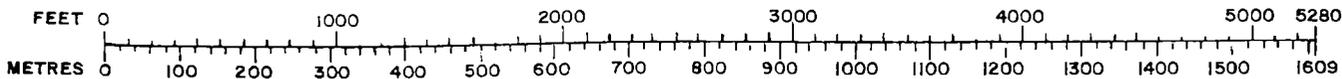
FILE NO. : 89-0614

PLAN SHOWING THE PROPOSED LOCATION OF
Coseka Resources Limited

WELLSITE and ROADWAY

IN L.S.D. 6 SEC. 31 TWP. 14 RGE. 27 W. 3 M.

Subject to change by mutual agreement with the lease
consideration to be applied on any alternative site.



ACREAGE

Approximate Well Site = 2.00 acres
 Approximate Access Road = 2.50 acres
 Approximate Camp Site = _____ acres
 Total = 4.50 acres

--- DENOTES 640 ACRE GAS SPACING

I/We have no objection to the E.R.C.B. issuing a Drilling Licence.
Accepted this 25 day of October, A.D. 1989

WITNESS : [Signature]

[Signature]

WITNESS : _____

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR... P.O. Box 81, GOLDEN PRAIRIE, Saskatchewan, S0N 0Y0

LESSEE... 1200, 521 - 3rd Avenue S.W., CALGARY, Alberta, T2P 4A9

Time of the essence

5. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

6. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

7. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so

requires, and all covenants shall be construed as being joint and several

the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, wife of the above (or within) named do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of in so far as may be necessary to give effect to this lease

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written. (Note: Strike out the part that does not apply.)

COSEKA RESOURCES LIMITED

Signed, sealed and delivered by the above named Lessee in the presence of

Thomas M. Broch
Robert Jones

Signed, sealed and delivered by the above named Lessor in the presence of

[Signature]

W. Hagel
WILLIAM HAGEL

CERTIFICATE

I, Judge of the District Court for (or as the case may be), do hereby certify that I have examined wife of the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for the purpose of relinquishing her rights in the homestead in favour of in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)

CANADA
PROVINCE OF SASKATCHEWAN

AFFIDAVIT OF EXECUTION

To Wit:

I, of
in the Province of Saskatchewan, make oath and say:

1. THAT I was personally present and did see
named in the within instrument, who is personally known to me to be the person named therein, duly sign, seal and execute the same for the
purposes named therein.

2. THAT the same was executed at in the Province of Saskatchewan,
and that I am the subscribing witness thereto.

3. THAT I know the said
and he (or she) is, in my belief, of the full age of eighteen years.

SWORN before me at

In the Province of Saskatchewan, this

day of, A.D. 19

A Commissioner for Oaths in and for the Province of
Saskatchewan

My Appointment Expires December 31st, 19

CONSENT BY OCCUPANT, VENDOR, MORTGAGEE OR OTHER INTERESTED PARTY:

I, (we) of
in the Province of having an
interest in the within lands by virtue of an Agreement or Instrument dated the day of A.D.

19..... DO HEREBY AGREE that all my (our) rights, interests and estate which are, or may be, affected by the above Surface Lease shall be
fully bound by all the terms and conditions thereof both now and henceforth.

DATED at in the Province of this

day of A.D. 19

Witness

CANADA
PROVINCE OF SASKATCHEWAN

AFFIDAVIT OF EXECUTION

To Wit:

I, **PHILIP GAZDAG** of **CITY OF MEDICINE HAT**
ALBERTA
~~XXXXXXXXXX~~ **LAND AGENT** make oath and say:

1. THAT I was personally present and did see **WILLIAM HAGEL**
named in the within instrument, who is (are) personally known to me to be the person(s) named therein, duly sign, seal and execute the same
for the purposes named therein.

2. THAT the same was executed at **DISTRICT OF GOLDEN PRAIRIE** in the Province of Saskatchewan,
and that I am the subscribing witness thereto.

3. THAT I know the said **WILLIAM HAGEL**
and he (or she) is (or they are each), in my belief, of the full age of eighteen years.

SWORN before me at **CITY OF MEDICINE HAT**

In the Province of ~~Saskatchewan~~ **ALBERTA**, this **30**

day of **October**, A.D. 19 **89**

A Commissioner for Oaths in ~~the Province of~~ **ALBERTA**
Saskatchewan

WITHOUT

My Appointment Expires December 31st, 19 **90**.

DOMINION OF CANADA
PROVINCE OF SASKATCHEWAN

HOMESTEAD AFFIDAVIT

To Wit:

I, **WILLIAM HAGEL** of **GOLDEN PRAIRIE**
in the Province of Saskatchewan, **FARMER** make oath and say as follows:
(Occupation)

1. I am the Lessor named in the within lease, and I say that no part of the land described in the said lease is my homestead, or has been
my homestead at any time.

~~I am the Lessor named in the within lease, and I say that I have no wife.~~

~~I am the Lessor named in the within lease, and I say that my wife does not reside in Saskatchewan and has not resided therein
at any time since the marriage.~~

SWORN before me at **DISTRICT OF GOLDEN PRAIRIE**

In the Province of Saskatchewan, this **28**

day of **October**, A.D. 19 **89**

A Commissioner for Oaths in and for the Province of
Saskatchewan

My Appointment Expires December 31st, 19 **89**.

Province of Saskatchewan

The Land Titles Act

TO THE REGISTRAR of the SWIFT CURRENT

Land Registration District

TAKE NOTICE that X COSEKA RESOURCES LIMITED
of the City of Calgary, in the Province of Alberta

CLAIMING AN INTEREST ~~as~~^{XX} and an estate by virtue of a Saskatchewan Surface Lease dated October 28, 1989, covering a wellsite and access road (approximately 4.85 acres) between William Hagel as Lessor and the Caveator as Lessee, a copy of which Saskatchewan Surface Lease is marked Exhibit "A" and forms a part of this Caveat.

IN THE FOLLOWING LAND, that is to say;

the North West, South East and South West Quarters of Section Thirty (30), and the South West Quarter of Section Thirty One (31), Township Fourteen (14), Range Twenty Seven (27), West of the Third Meridian (W3M), Saskatchewan, 640 acres

EXCEPT: out of the South East Quarter of Section Thirty (30), 7.90 acres and out of the South West Quarter of Section Thirty (30), 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.

MINERALS IN THE CROWN

being lands described in Certificate of Title, 85SC06898

standing in the register in the name of William Hagel

FORBID THE REGISTRATION of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except subject to the claim herein set forth.

Coseka Resources Limited.

1200 Eau Claire Place II

521 Third Avenue S.W.

MY ADDRESS is Calgary, Alberta T2P 4A9

and my address for service of notices and processes in Saskatchewan is

c/o MacPherson, Leslie and Tyreman

2161 Scarth Street

Regina, Saskatchewan S4P 2H8

DATED the 12th day of December

A.D. 1989

COSEKA RESOURCES LIMITED, as
Agent for the Caveator



Robin Anderson, Land Secretary

Attached To and Forming
Part of This Document

OVERLAY

The preceding page contains an overlay.

The following page reveals the portion of the
page overlaid.

This page is for information only and does not form part of the document.

Province of Saskatchewan

The Land Titles Act

TO THE REGISTRAR of the SWIFT CURRENT

Land Registration District

TAKE NOTICE that X COSEKA RESOURCES LIMITED
of the City of Calgary, in the Province of Alberta

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Attached To
Part of Th.

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Coseka Resources Limited.
1200 Eau Claire Place II
521 Third Avenue S.W.
MY ADDRESS is Calgary, Alberta T2P 4A9

and my address for service of notices and processes in Saskatchewan is
c/o MacPherson, Leslie and Tyreman
2161 Scarth Street

Regina, Saskatchewan S4P 2H8
DATED the 12th day of December A.D. 1989
COSEKA RESOURCES LIMITED, as
Agent for the Caveator


Robin Anderson, Land Secretary

CANADA
PROVINCE OF SASKATCHEWAN

TO WIT:

I, Robin Anderson

of the City of Calgary

in the Province of Alberta, AGENT for the within named caveator, make oath and say:

1. THAT the allegations in the within caveat are true in substance and in fact, to the best of my knowledge, information and belief.

2. THAT the claim mentioned in the within caveat is not, to the best of my knowledge, information and belief, founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in section 151 of The Land Titles Act.

SWORN before me at the City
of Calgary
in the Province of Alberta
this 12th day of December
A.D. 19 89

R. Anderson
Robin Anderson

A.J. Matovich
A Commissioner for Oaths Without the
Province of Saskatchewan
My Appointment expires March 31, 19 91
A.J. Matovich

89SC22838

Dated _____ A.D. 19 _____

RECEIVED AT
RE
DEC 18 1989
SWIFT CURRENT LAND TITLES
OFFICE
(the Land)

Caveat

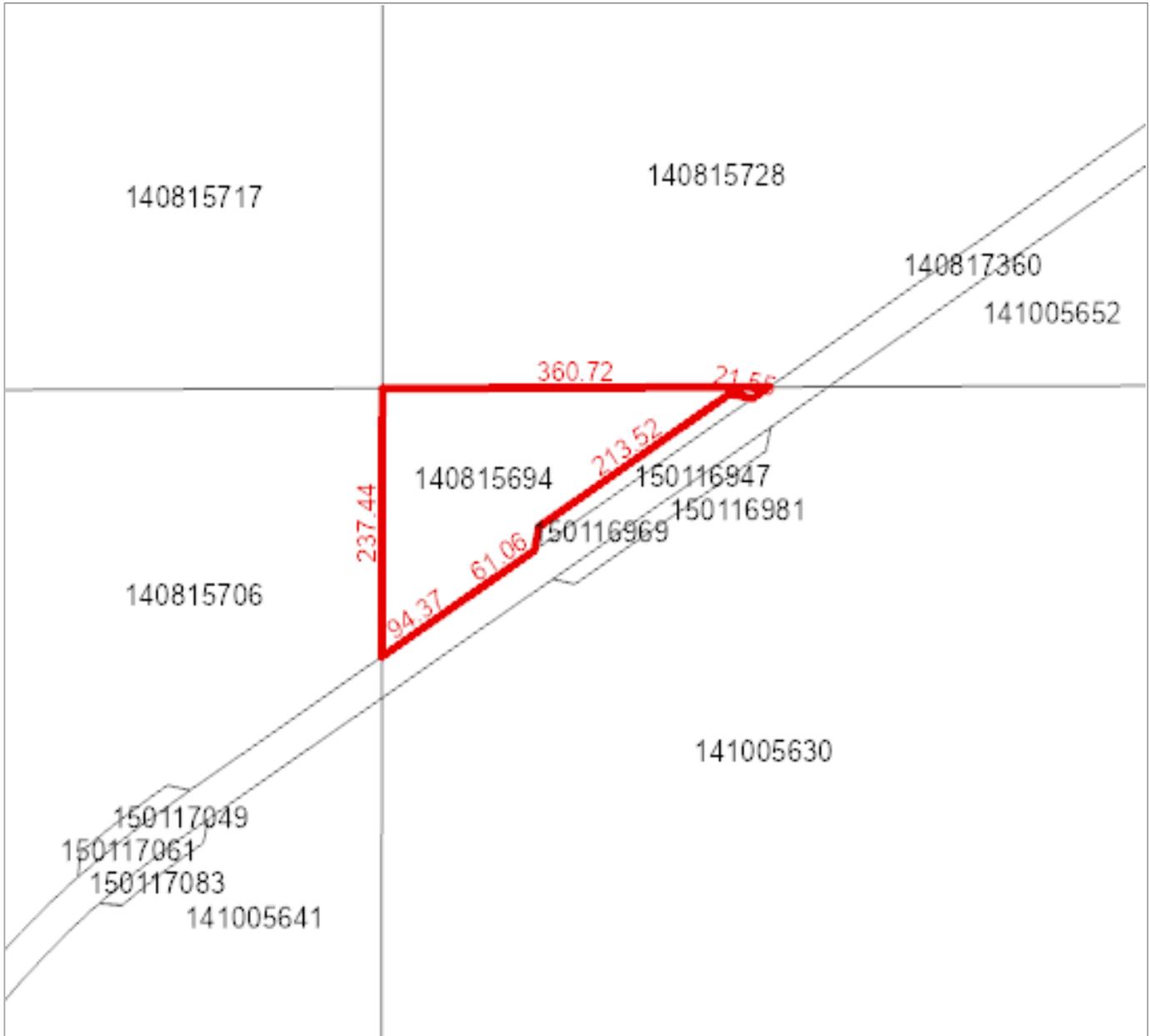
WILSON STRONG

I certify that the within instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the 18 day of Dec
A.D. 19 89 as Number 89SC22838
Cubletsky Oct
Registrar
S.C.L.R.D.



Surface Parcel Number: 140815694

REQUEST DATE: Mon Jan 26 10:02:18 GMT-06:00 2026



Owner Name(s) : Blakley, Charlene, Hagel, William, Ziebart, Brenda

Municipality : RM OF BIG STICK NO. 141

Area : 3.934 hectares (9.72 acres)

Title Number(s) : 152733810

Converted Title Number : 85SC06898

Parcel Class : Parcel (Generic)

Ownership Share : 1:1

Land Description : SE 30-14-27-3 Ext 1

Source Quarter Section : SE-30-14-27-3

Commodity/Unit : Not Applicable

Interest #:
187429821

CNV Easement

Value: N/A
Reg'd: 20 Sep 1985 00:18:46
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

As to NW 1/4 & S 1/2 of 30

Holder:
CANADIAN NATURAL RESOURCES LIMITED
2100, 855 - 2ND ST SW
CALGARY, Alberta, Canada T2P 4J8
Client #: 138904667

Int. Register #: 106446258
Converted Instrument #: 85SC11262

Interest #:
187429832

CNV Caveat

Value: N/A
Reg'd: 18 Dec 1989 00:38:04
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

Holder:
Coseka Resources Limited
MLT Aikins LLP #1500-1874 Scarth Street
Regina, Saskatchewan, Canada S4P 4E9
Client #: 111058073

Int. Register #: 106446269
Converted Instrument #: 89SC22838

Addresses for Service:

Name	Address
Owner: William Hagel Client #: 135935680	411 Belfast Street SE Medicine Hat, Alberta, Canada T1A 0S5
Owner: Charlene Blakley Client #: 135935691	577 - 20th Street NE Medicine Hat, Alberta, Canada T1C 1H3
Owner: Brenda Ziebart Client #: 135935736	163 Stratton Road SE Medicine Hat, Alberta, Canada T1B 4P4

Notes:

Under The Planning and Development Act, 2007, the title for this parcel and parcels 140815694 may not be transferred or, in certain circumstances, mortgaged or leased separately without the approval of the appropriate planning authority. If you believe this restriction does not apply to this parcel, please contact 1-866 ASK-ISC1 to have the restriction reviewed.

Parcel Class Code: Parcel (Generic)



Instrument Work Sheet

85 - SC - 10772

Fees	Inst. <u>Cancel</u>
Total Fees <u>5.00</u>	From <u>Western Land Service</u>
Amt. Rec'd <u>a/c</u>	Address <u>Calgary</u>
Balance _____	Their Reference <u>NW 5 1/2 30-14-27 W3</u>

Is Dup. C. of T. with Instrument? no In Office? yes Being Returned to above Addressee? no

Is Instrument Registrable? yes Titles Affected 855006898 - NW 5 1/2 30

Encumbrances		Certificates, Notices, Required	
Title		Type	Quantity
	General Register	Abstract	
		G.R.C.	
		Uncertified Copy	
		Cert. Copy	
		Notices	<u>yes</u>

Remarks:

AD Initials

EXHIBIT "A"

SASKATCHEWAN SURFACE LEASE

This lease made in triplicate this 23rd day of July, 19 85
 Between: William Nagel
 of Golden Prairie
 in the Province of Saskatchewan
 (hereinafter called the "Lessor") (Occupation)
North Canadian Oils Limited and Calgary
 of Alberta
 in the Province of (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated, lying and being in the Province of Saskatchewan and described as follows:

The North West (NW $\frac{1}{4}$), South East (SE $\frac{1}{4}$) in Section **Thirty (30)**
and South West Quarters (SW $\frac{1}{4}$) in Range **Twenty Seven (27)**
 in Township **Fourteen (14)** in Range **Third (3rd)** Meridian
 West of the **853006898** Meridian
 in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s) **853006898**
 of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:
 Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site

Patroleum and/or Natural Gas

for the drilling of a well for and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

- (a) for the first year the sum of _____ dollars, (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:
 - (i) Compensation for capital damage _____ dollars
 - (ii) Rent _____ dollars

Payment in subsequent years by lessee

- (b) for each subsequent year the sum of _____ dollars payable annually in advance on the anniversary of the date hereof in each year during the currency hereof:

3. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

- (a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

- (b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

- (c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

4. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration of forty-five days after a written notice to that effect has been given to the Lessee by registered mail addressed to the Lessee's address herein provided, unless the Lessee has in the meantime remedied such default or breach of covenant, promise or undertaking but remedying such default shall not prejudice any other right or remedy to which the Lessor is otherwise entitled under this lease.

Digging of pits for mud and sludge and destruction of weeds

(c) The Lessee shall dig pits or have adequate metal reservoirs and shall deposit therein the mud and sludge resulting from drilling operations and shall not permit the same to escape unto the Lessor's land adjoining the demised premises and the Lessee shall take all necessary precautions to keep down and destroy all noxious weeds on the well site and roadway. At the termination of the use and occupation of the demised premises as hereinafter provided or upon the discontinuance of the use of any portion thereof for the purpose hereunder the Lessee shall deliver up the demised premises or portion thereof, as the case may be, in the same condition as far as may be reasonably practicable to do so as that existing immediately prior to entry thereon for the use thereof by the Lessee.

Abandonment and restoration

(d) Upon abandonment of the well the Lessee shall cause such well to be plugged and all excavations in connection therewith to be filled in compliance with the laws and regulations of Saskatchewan in that regard.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required.

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

5. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years upon request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the same shall be determined by the Board of Arbitration appointed pursuant to The Surface Rights Acquisition and Compensation Act 1968.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, materials and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by depositing to the Lessor's credit in the at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR Box 81, Golden Prairie, Saskatchewan .. SON .. OYO
LESSEE 10th Floor, 530 - 6th Ave. S.W., Calgary, Alberta .. T2P .. U5B

Time of the essence

6. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

7. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

8. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so requires, and all covenants shall be construed as being joint and several North Canadian Oils Limited the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, wife of the above (or within) named do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of, in so far as may be necessary to give effect to this lease.

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written.
(Note: Strike out the part that does not apply.)

Signed, sealed and delivered by the above named Lessor in the presence of

_____ *[Signature]*

[Signature]
WILLIAM HAGEL
NORTH CANADIAN OILS LIMITED



Signed, sealed and delivered by the above named Lessee in the presence of

CERTIFICATE

I,, Judge of the District Court for, (or as the case may be), do hereby certify that I have examined

....., wife of the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for the purpose of relinquishing her rights in

the homestead in favour of, in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

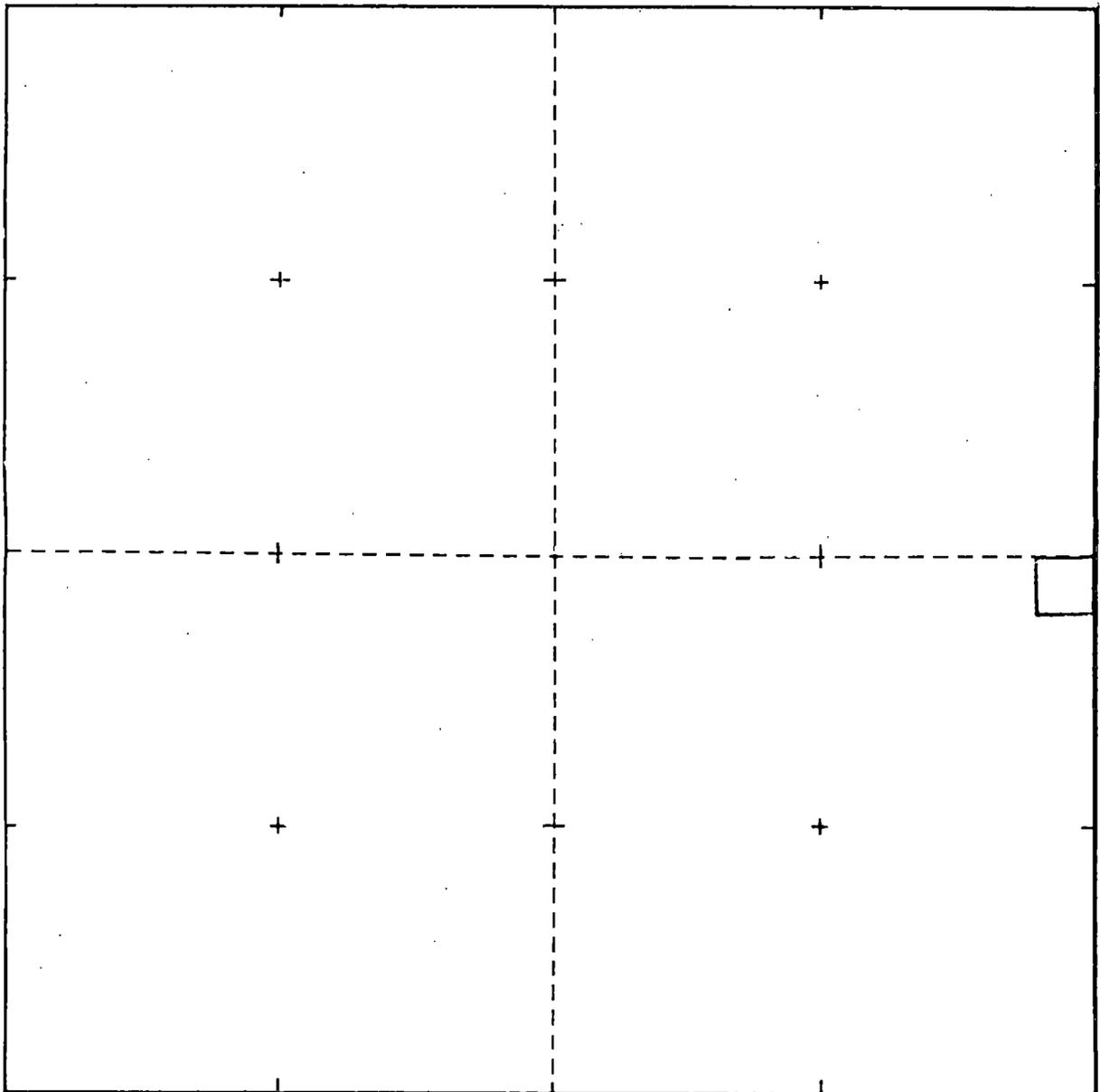
(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)

SKETCH PLAN

PROPOSED LOCATION OF

WELLSITE AND ACCESS ROAD

SE^{1/4} SEC. 30, TWP. 14, RGE. 27 WEST 3rd M.



quarter section - 1:5000

scale

section - 1:10000

APPROXIMATE AREA REQUIRED

WELLSITE = 2.00 ACRES

ROADWAY = ----- ACRES

TOTAL = 2.00 ACRES

PIPELINE = ----- ACRES

1 metre - 3.28 feet

804.67 metres - 2640 feet

WIS/84

Acknowledged as attached
to and forming part of a
SASKATCHEWAN SURFACE LEASE

dated July 23, 85 A.D. 19

WILLIAM HAGEL

witness

C A V E A T

TO THE REGISTRAR OF THE SWIFT CURRENT LAND REGISTRATION DISTRICT:

TAKE NOTICE THAT NORTH CANADIAN OILS LIMITED, A body corporate with head office at Calgary, claiming an interest in and to the undermentioned lands under and by virtue of a Surface Lease dated July 23, A. D. 1985, a copy of which said Surface Lease is attached hereto and marked Exhibit "A", and made between WILLIAM HAGEL of Golden Prairie, in the Province of Saskatchewan as Lessor and the Caveator as Lessee, whereby for the consideration and subject to the covenants and agreements therein set forth and contained, the said WILLIAM HAGEL did lease to the said NORTH CANADIAN OILS LIMITED certain parts or portions of the undermentioned lands as in the said Surface Lease described as follows:

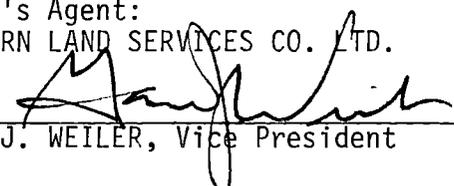
The North West, South East and South West Quarters of Section Thirty (30), in Township Fourteen (14), in Range Twenty-seven (27), West of the Third Meridian, in the Province of Saskatchewan, in the Dominion of Canada, containing Six-Hundred and Forty (640) acres more or less, Excepting: out of the South East Quarter 7.90 acres and out of the South West Quarter 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.
Minerals in the Crown.

standing in the register in the name of WILLIAM HAGEL, of Golden Prairie, Saskatchewan, forbids the registration of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except to the claim herein set forth.

Address in Saskatchewan - Balfour, Moss, Milliken, Laschuk,
Kyle & Vancise
1850 Cornwall Street
Regina, Saskatchewan
S4P 2K3

Dated this 9th day of September, A. D. 1985.

NORTH CANADIAN OILS LIMITED
By it's Agent:
WESTERN LAND SERVICES CO. LTD.


GARY J. WEILER, Vice President

A F F I D A V I T

CANADA)
PROVINCE OF ALBERTA) I, GARY J. WEILER, of the City of Calgary, in the
TO WIT:) Province of Alberta, Vice President of Western Land
Services Co. Ltd.,
Agent for the Caveator
MAKE OATH AND SAY:

1. THAT the allegations in the above Caveat are true in substance and in fact, to the best of my knowledge, information and belief.

2. THAT the claim mentioned in the above Caveat is not to the best of my knowledge, information and belief founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in Section 151 of the Land Titles Act.

SWORN before me at the City of
Calgary, in the Province of
Alberta, this 9th day of September
A. D. 1985.


GARY J. WEILER, Vice President


A Commissioner for Oaths without the Province of Saskatchewan
My Commission Expires December 31, 1989
SANDRA FAY CLARK

85SC10772

RECEIVED AT
SEP 11 1985
SWIFT CURRENT LAND TITLES
OFFICE

I certify that the within Instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the 11 day of Sept
A.D. 1985 as Number 85SC10772

Colleen M. Q. Registrar
S.C.L.R.O.



Instrument Work Sheet

85 - SC - 10773

Fees	Inst. <u>Caveat</u>
Total Fees <u>5.00</u>	From <u>Western Land Services</u>
Amt. Rec'd <u>a/c</u>	Address <u>Calgary</u>
Balance _____	Their Reference <u>NW 1/2 30-14-27W3</u>

Is Dup. C. of T. with Instrument? NO In Office? yes Being Returned to above Addressee? NO

Is Instrument Registrable? yes Titles Affected 85SC06898 - NW 1/2 30

Encumbrances		Certificates, Notices, Required	
		Type	Quantity
Title	General Register	Abstract	
		G.R.C.	
		Uncertified Copy	
		Cert. Copy	
		Notices	

Remarks:

SO Initials

EXHIBIT 'A'

File No. C(3) 20414-14
14 of 30, 14-27-3

SASKATCHEWAN SURFACE LEASE

This lease made in triplicate this 23rd day of July, 19 85

Between: Willina Hagel of Golden Prairie

in the Province of Saskatchewan (hereinafter called the "Lessor") and (Occupation)

North Canadian Oils Limited of Calgary

in the Province of Alberta (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated, lying and being in the Province of Saskatchewan and described as follows:

The North West (NW), South East (SE) and South West (SW) Quarters in Section Thirty (30) and Township Fourteen (14) in Range Twenty Seven (27) Third (3rd) Meridian

West of the 538006898 of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s) of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:

Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site Petroleum and/or Natural Gas

for the drilling of a well for and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

(a) for the first year the sum of _____ dollars, (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:

(i) Compensation for capital damage _____

(ii) Rent _____ dollars

Payment in subsequent years by lessee

(b) for each subsequent year the sum of _____ dollars

payable annually in advance on the anniversary of the date hereof in each year during the currency hereof:

3. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

(a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

(b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

(c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

4. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration of forty-five days after a written notice to that effect has been given to the Lessee by registered mail addressed to the Lessee's address herein provided, unless the Lessee has in the meantime remedied such default or breach of covenant, promise or undertaking but remedying such default shall not prejudice any other right or remedy to which the Lessor is otherwise entitled under this lease.

Digging of pits for mud and sludge and destruction of weeds

(c) The Lessee shall dig pits or have adequate metal reservoirs and shall deposit therein the mud and sludge resulting from drilling operations and shall not permit the same to escape unto the Lessor's land adjoining the demised premises and the Lessee shall take all necessary precautions to keep down and destroy all noxious weeds on the well site and roadway. At the termination of the use and occupation of the demised premises as hereinafter provided or upon the discontinuance of the use of any portion thereof for the purpose hereunder the Lessee shall deliver up the demised premises or portion thereof, as the case may be, in the same condition as far as may be reasonably practicable to do so as that existing immediately prior to entry thereon for the use thereof by the Lessee.

Abandonment and restoration

(d) Upon abandonment of the well the Lessee shall cause such well to be plugged and all excavations in connection therewith to be filled in compliance with the laws and regulations of Saskatchewan in that regard.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required.

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

5. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years upon request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the same shall be determined by the Board of Arbitration appointed pursuant to The Surface Rights Acquisition and Compensation Act 1968.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, materials and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by depositing to the Lessor's credit in the at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR **Box 81, Golden Prairie, Saskatchewan S0N 0Y0**
LESSEE **10th Floor, 630 - 6th Ave. S.W., Calgary, Alberta T2P 0S8**

Time of the essence

6. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

7. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

8. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so requires, and all covenants shall be construed as being joint and several **North Canadian Oils Limited** the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, wife of the above (or within) named do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of in so far as may be necessary to give effect to this lease.

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written.

(Note: Strike out the part that does not apply.)

Signed, sealed and delivered by the above named Lessor in the presence of

.....
.....

.....
WILLIAM HAGEL
NORTH CANADIAN OILS LIMITED



Signed, sealed and delivered by the above named Lessee in the presence of

.....
.....

CERTIFICATE

I, Judge of the District Court for (or as the case may be), do hereby certify that I have examined

..... wife of the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for the purpose of relinquishing her rights in

the homestead in favour of in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

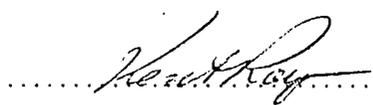
I, Kenton Russell Royer, of the City
of Medicine Hat in the Province of Alberta
Landman
(Occupation), make oath and say as follows:

1. That I was personally present and did see William Hugel,
named in the within (or annexed) lease, who is personally known to me to be the person named therein, duly sign
and execute the same for the purposes named therein.

2. That the same was executed at the District of Golden Prairie
in the Province of Saskatchewan on the 23rd day of
July in the Year 1985 and that I am the subscribing witness thereto.

3. That I know the said William Hugel, and in my belief he is
of the full age of nineteen years.

Sworn before me at the City of
Medicine Hat in the Province of
Alberta this 26th
day of July 1985



M. Eileen Layton EILEEN LAYTON
A Commissioner for Oaths in and for the Province of
Saskatchewan

My Appointment Expires Dec. 31st, 1986

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
To Wit:

I, William Hugel, of the District
of Golden Prairie in the Province of Saskatchewan
(Occupation), make oath and say as follows:

1. I am the Lessor named in the within lease, and I say that no part of the said land is my homestead (or the
homestead of the Lessor), or has been my homestead (or the homestead of the Lessor, as the case may be) at
any time.

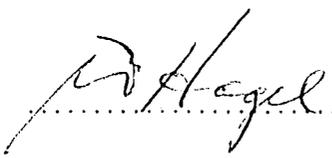
OR

~~XXXXXX I AM THE LESSOR NAMED IN THE WITHIN LEASE AND I SAY THAT NO PART OF THE SAID LAND IS MY HOMESTEAD (OR THE HOMESTEAD OF THE LESSOR), OR HAS BEEN MY HOMESTEAD (OR THE HOMESTEAD OF THE LESSOR, AS THE CASE MAY BE) AT ANY TIME. XXXXXX~~

OR

~~XXXXXX I AM THE LESSOR NAMED IN THE WITHIN LEASE AND I SAY THAT NO PART OF THE SAID LAND IS MY HOMESTEAD (OR THE HOMESTEAD OF THE LESSOR), OR HAS BEEN MY HOMESTEAD (OR THE HOMESTEAD OF THE LESSOR, AS THE CASE MAY BE) AT ANY TIME. XXXXXX~~

Sworn before me at the District of
Golden Prairie in the Province of
Saskatchewan this 23rd
day of July 1985



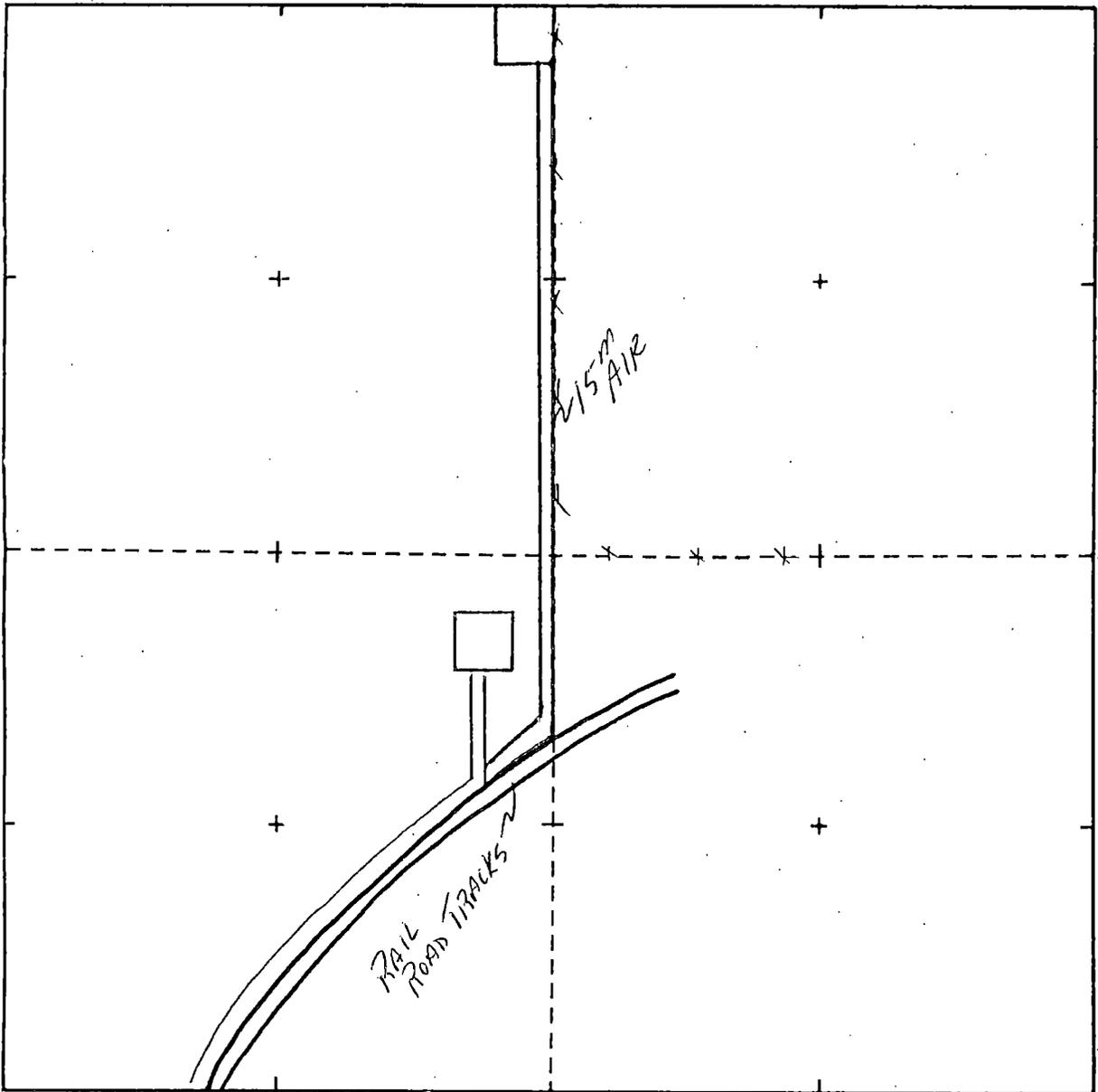
Kenton Royer KENT ROYER
A Commissioner for Oaths in and for the Province of
Saskatchewan.
My Appointment Expires Dec. 31st, 1985

SKETCH PLAN

PROPOSED LOCATION OF

WELLSITE AND ACCESS ROAD

NW 1/4 SEC. 30, TWP. 14, RGE. 27 WEST 3rd M.



quarter section - 1:5000

scale

section - 1:10000

APPROXIMATE AREA REQUIRED

WELLSITE = 2.00 ACRES

ROADWAY = 4.23 ACRES

TOTAL = 6.23 ACRES

PIPELINE = ACRES

Acknowledged as attached to and forming part of a SASKATCHEWAN SURFACE LEASE

dated July 23, 1985 A.D.

WILLIAM HAGEL

W. Hagel

x

Kent Ray

witness

1 metre - 3.28 feet

804.67 metres - 2640 feet

WIS/84

C A V E A T

TO THE REGISTRAR OF THE SWIFT CURRENT LAND REGISTRATION DISTRICT:

TAKE NOTICE THAT NORTH CANADIAN OILS LIMITED, A body corporate with head office at Calgary, claiming an interest in and to the undermentioned lands under and by virtue of a Surface Lease dated July 23, A. D. 1985, a copy of which said Surface Lease is attached hereto and marked Exhibit "A", and made between WILLIAM HAGEL of Golden Prairie, in the Province of Saskatchewan as Lessor and the Caveator as Lessee, whereby for the consideration and subject to the covenants and agreements therein set forth and contained, the said WILLIAM HAGEL did lease to the said NORTH CANADIAN OILS LIMITED certain parts or portions of the undermentioned lands as in the said Surface Lease described as follows:

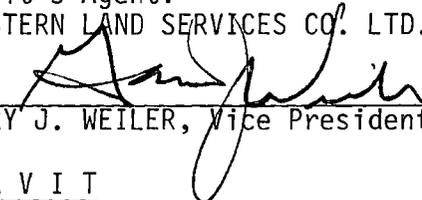
The North West, South East and South West Quarters of Section Thirty (30), in Township Fourteen (14), in Range Twenty-seven (27), West of the Third Meridian, in the Province of Saskatchewan, in the Dominion of Canada, containing Six Hundred and Forty (640) acres more or less, Excepting: out of the South East Quarter 7.90 acres and out of the South West Quarter 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.
Minerals in the Crown.

standing in the register in the name of WILLIAM HAGEL, of Golden Prairie, Saskatchewan, forbids the registration of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except to the claim herein set forth.

Address in Saskatchewan - Balfour, Moss, Milliken, Laschuk,
Kyle & Vancise
1850 Cornwall Street
Regina, Saskatchewan
S4P 2K3

Dated this 9th day of September, A. D. 1985.

NORTH CANADIAN OILS LIMITED
By it's Agent:
WESTERN LAND SERVICES CO. LTD.



GARY J. WEILER, Vice President

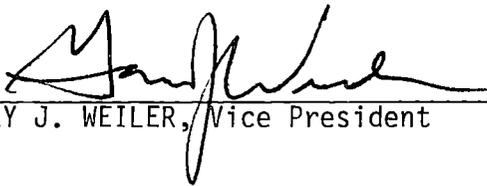
A F F I D A V I T

CANADA)
PROVINCE OF ALBERTA) I, GARY J. WEILER, of the City of Calgary, in the
TO WIT:) Province of Alberta, Vice President of Western Land
Services Co. Ltd.,
Agent for the Caveator
MAKE OATH AND SAY:

1. THAT the allegations in the above Caveat are true in substance and in fact, to the best of my knowledge, information and belief.

2. THAT the claim mentioned in the above Caveat is not to the best of my knowledge, information and belief founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in Section 151 of the Land Titles Act.

SWORN before me at the City of
Calgary, in the Province of
Alberta, this 9th day of September
A. D. 1985.



GARY J. WEILER, Vice President



A Commissioner for Oaths without the Province of Saskatchewan
My Commission Expires December 31, 1989
SANDRA FAY CLARK

85SC10773

RECEIVED AT
SEP 11 1985
SWIFT CURRENT LAND TITLES
OFFICE

I certify that the within instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the 21 day of Sept
A.D. 1985 as Number 85SC10773

W. Williams
Registrar
S.C.L.R.O.



Instrument Work Sheet

85 - SC — 11262

Fees	Inst. <u>Leasehold</u>
Total Fees <u>5.00</u>	From <u>Western Land Services Co Ltd</u>
Amt. Rec'd <u>Rec'd.</u>	Address <u>Calgary</u>
Balance _____	Their Reference <u>NW 5 1/2 30-14-27W.3</u>

Is Dup. C. of T. with Instrument? No In Office? yes Being Returned to above Addressee? No

Is Instrument Registrable? yes Titles Affected 85SC.06898 - NW 5 1/2 30

Encumbrances		Certificates, Notices, Required	
Title	General Register	Type	Quantity
	<u>Clear</u>	Abstract	
		G.R.C.	
		Uncertified Copy	
		Cert. Copy	
		Notices	

Remarks:

AD Initials

wls

TELEPHONES:
CALGARY (403) 266-3076
EDMONTON (403) 426-6220
REGINA (306) 757-0661
MEDICINE HAT (403) 527-7903

WESTERN LAND Services Co. Ltd.

100 - 622 - 5th AVENUE S.W.
CALGARY, ALBERTA T2P 0M6

MAILING ADDRESS: P.O. BOX 6688
POSTAL STATION "D" T2P 2E6 CALGARY, ALBERTA

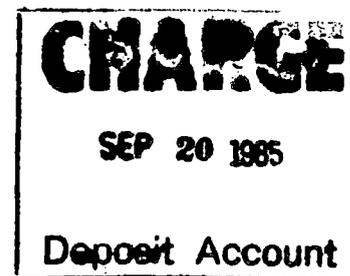
OUR FIEL: C(M) 20422

September 17, 1985

Land Titles Office
E. I. Wood Building
350 Cheadle Street West
Swift Current, Saskatchewan
S9H 4G3

Dear Sirs:

Re: Easements
-2 NW $\frac{1}{4}$ & S $\frac{1}{2}$ 30-14-27 W3M
-3 NE $\frac{1}{4}$ 30-14-27 W3M
-4 E $\frac{1}{2}$ & NW $\frac{1}{4}$ of 6 and NE $\frac{1}{4}$ & S $\frac{1}{2}$ of 7, 15-27 W3M
-5 NW $\frac{1}{4}$ 7-15-27 W3M



Please find enclosed four Easements, each in duplicate, covering the above noted lands which we ask that you register. Please return the duplicate registered copies to our office.

Fees in this matter may be deducted from our firm's deposit account.

Thank you for your assistance in this matter.

Yours truly,

WESTERN LAND SERVICES CO. LTD.


Gary J. Weller
Vice President

GJW:sfc
Enclosures



SURFACE LEASES — EASEMENTS — P & NG LEASES — DAMAGE SETTLEMENTS
PLANT SITES — CONSULTANTS — CROWN SALES & FILINGS — APPRAISALS

AGENTS TO INDUSTRY



Easement

I, William Hagel of Golden Prairie, in the Province of Saskatchewan, hereinafter called the "Grantor", being the registered owner of an estate in fee simple, subject however to such encumbrances, liens and interests as may be notified by memorandum underwritten in all that certain tract of land more particularly described as follows, namely:

The North West, South East and South West Quarters of Section Thirty (30), in Township Fourteen (14), Range Twenty Seven (27), West of the Third Meridian, Saskatchewan, containing 480 acres more or less.

Except: Out of the South East Quarter of Section Thirty (30), 7.90 acres and out of the South West Quarter of Section Thirty (30), 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.

Minerals in the Crown.

in the Province of Saskatchewan as described in Certificate of Title No. 85SC06898 registered in the Land Titles Office for the Swift Current Land Registration District, hereinafter called the said lands.

In consideration of the sum of Ten (\$10.00) Dollars (receipt of which is hereby acknowledged) paid to me by NORTH CANADIAN OILS LIMITED

hereinafter called the "Grantee", and in consideration of the covenants herein contained DO HEREBY GRANT, CONVEY, TRANSFER AND SET OVER to and unto the Grantee, its successors and assigns, a right-of-way across, over, under, on, and through the said lands to construct a pipeline or lines including all pipe or pipes, pumps, valves, drips, cleanout traps, meters, connections, cathodic protection apparatus, communications systems, poles and any other equipment and appurtenances that the Grantee shall deem necessary, which notwithstanding any rule of law or equity shall at all times remain the property of the Grantee even though attached to the land, together with the right, license, liberty and privilege to enter upon the said lands in order to conduct surveys, construct, operate, maintain, inspect, control, alter, improve, remove, reconstruct, replace and repair the said pipeline or lines and the said appurtenances thereto and hereby covenant and agree to the following terms and conditions:

- Should the Grantee not deposit with the Registrar of the appropriate Land Titles Office a Plan of Survey of the right-of-way 15 metres ~~feet~~ in width across the said lands on or before one year from the date hereof, or should the Grantee not forward to me a plan showing the said right-of-way across the said lands outlined in red thereon, on or before one year from the date hereof the Grantee shall thereupon execute and register such documents as may be necessary to effect a termination of its rights under this instrument.
- The Grantee having deposited or forwarded the plan as aforesaid, it shall cause to be registered such document as shall restrict this easement and the rights herein granted to the right-of-way shown upon such plan excepting the right of ingress and egress to and from the said right-of-way.
- The Grantee shall pay to the Grantor or to those interested in the said land by encumbrance or occupation a sum calculated at the rate of Six Hundred Dollars (\$ 600.00) per acre of right-of-way across the said lands as shown on such plan, within a reasonable time of the registration of the said plan or at the time a copy of the plan is forwarded to the Grantor.
- In addition to the monies payable under paragraph 3 hereof, the Grantee will pay to the Grantor compensation for all damages done to growing crops, fences, timber and livestock occurring as a result of the Grantee's operations and the Grantee will, as soon as weather and soil conditions permit, bury all pipelines and, insofar as it is practical to do so, restore the said lands to their condition prior to the Grantee's entry thereon.
- The Grantee will pay all rates and taxes that may be assessed and levied from time to time against its interest in the said lands or in connection with its operations thereon.
- The Grantor shall have the right to use and enjoy the right-of-way for any purpose except any use which would interfere with the rights herein granted to the Grantee and the Grantor shall not without the prior written consent of the Grantee first had and obtained excavate, drill, install, erect or permit to be excavated, drilled, installed or erected on or under the right-of-way any pit, well, pipeline, foundation, pavement, building or other structure or installation or do any mining, quarrying, drilling or other work or activity of any nature on, in or under the right-of-way and the Grantor will at all times control and if necessary cut down or root out all noxious weeds growing on the right-of-way.
- The Grantor hereby covenants with the Grantee for quiet enjoyment; and shall do all acts and execute all such further assurances as may be required to give effect to the within grant.
- This Easement Agreement shall be deemed to have created a covenant running with the land and these presents including all covenants and conditions herein contained shall extend to, be binding upon and enure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.
- For further clarification it is hereby declared that nothing herein shall be deemed to vest in the Grantee any title to mines, ores, metals, coal, slate, oil, gas or other minerals in or under the land comprising the right-of-way excepting only the parts thereof that are necessary to be dug, carried away or used in construction of the works of the Grantee.
- All notices and payments to be made hereunder may be made by a letter addressed to the parties at the addresses stated immediately following their signatures hereto or such other address as the Grantor and the Grantee may respectively from time to time designate in writing and any such notice shall be deemed to have been given to and received by the addressee three (3) days after mailing thereof, postage paid.
- The Grantee shall at any time or from time to time have the right to quit-claim or surrender by appropriate instrument, all or part of the right or interest acquired by it hereunder and the Grantee may, but shall not be obligated to, remove all or any installations, equipment or appurtenances which, under the provision hereof, the Grantee has installed or placed upon the easement herein granted, or part thereof which has been so surrendered.

IN WITNESS WHEREOF I, the Grantor, have hereunto set my hand and seal this 23rd day of July A.D. 1985

Signed by the said in the presence of

Grantor William Hagel Box 81, Golden Prairie, Saskatchewan Address SON OYO

Grantor _____ Address _____

Grantor _____ Address _____

Seal

Dandrews
WITNESS

NORTH CANADIAN OILS LIMITED

Per: [Signature]

Per: [Signature]
ITS ATTORNEY
10th Floor, Bradie Building
630 - 6th Avenue S.W.
Calgary, Alberta
T2P 0S8

AFFIDAVIT

CANADA
PROVINCE OF SASKATCHEWAN
TO WIT:

Kenton Russell Royer of Medicine Hat
in the Province of ~~Saskatchewan~~ Alberta
make oath and say:

- 1. That I am the right of way purchasing agent of the grantee named in the within easement.
2. That the lands described in the within instrument are required for the construction, maintenance and operation of an oil, gas, related hydrocarbons and/or water pipe line, and for the exercise of any rights and privileges arising under the within agreement.

SWORN before me at Medicine Hat
in the Province of ~~Saskatchewan~~ Alberta
this 29th day of July
A.D. 19 85.

M. Eileen Layton EILEEN LAYTON
A Commissioner for Oaths ~~in and for~~ without
the Province of Saskatchewan.
My appointment expires 31 December, 19 86.

CONSENT TO EASEMENT BY PURCHASER(S) AND/OR OCCUPANT(S)

I, (We) ... in the Province of ...
being the purchaser(s) and/or occupant(s) of the within lands by virtue of Agreement(s) dated the ... day of ...
A.D. 19 ... DO HEREBY AGREE that all my (our) rights, interest and estate which are, or may be,
affected by the above Easement shall be fully bound by all the terms and conditions thereof both now and henceforth.
DATED at ... in the Province of ... this ... day of ... A.D. 19 ...
(Witness) (Purchaser)
(Occupant)

AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF SASKATCHEWAN
TO WIT:

I, Kenton Russell Royer, of the ... City ...
of Medicine Hat ... in the Province of ~~Saskatchewan~~
Landman, make oath and say: Alberta

- 1. That I was personally present and did see William Hagel named in the within instrument, who is personally known to me to be the person named therein, duly sign and execute the same for the purpose named therein.
2. That the same was executed at District of Golden Prairie in the Province of Saskatchewan, and that I am the subscribing witness thereto.
3. That I know the said William Hagel and he is in my belief of the full age of twenty-one years.

SWORN before me at Medicine Hat
in the Province of ~~Saskatchewan~~ Alberta
this 29th day of July, A.D. 19 85.

M. Eileen Layton EILEEN LAYTON
A Commissioner for Oaths ~~in and for~~ without
the Province of Saskatchewan
My appointment expires December 31, 1986

855011262

Dated ... day of ... 19 ... (Grantor)
RECEIVED AT SEP 20 1985 (Grantee)
SWIFT CURRENT LAND TITLES OFFICE
Easement

I certify that the within instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the ... day of ...
A.D. 19 85 as Number ...
Registered
S.C.L.R.D.
WESTERN LAND SERVICES CO. LTD.

AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF SASKATCHEWAN
TO WIT:

I, ... of the ...
of ... in the Province of Saskatchewan,
make oath and say:

- 1. That I was personally present and did see ... named in the within instrument, who is personally known to me to be the person named therein, duly sign and execute the same for the purpose named therein.
2. That the same was executed at ... in the Province of Saskatchewan, and that I am the subscribing witness thereto.
3. That I know the said ... and he is in my belief of the full age of twenty-one years.

SWORN before me at ...
in the Province of Saskatchewan,
this ... day of ... A.D. 19 ...

A Commissioner for Oaths in and for the Province of Saskatchewan

SASKATCHEWAN LAND TITLES OFFICE
INSTRUMENT WORK SHEET

89SC22838

FEEES	Inst. <i>Convey</i>
Total Fees	From <i>Convey</i>
Amt. Rec'd <i>acct</i>	Address <i>Calgary</i>
Balance	Their Reference

Is Dup. C. of T. with Instrument? *No* In Office? Being Returned to above Addressee?

Is Instrument Registrable? Titles Affected *85-6898*

ENCUMBRANCES		CERTIFICATES, NOTICES, REQUIRED	
Title	General Register	Type	Quantity
		Abstract	
		G.R.C.	
		Cert. of Chge.	
		Other Cert.	
		Notices	1

Remarks:

..... *[Signature]* Initials

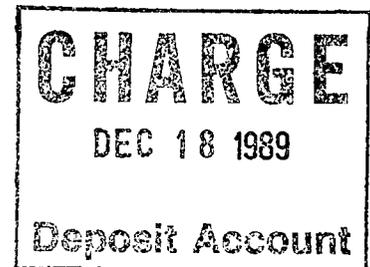


December 14, 1989

Province of Saskatchewan
Land Titles Office
350 Cheadle Street West
Swift Current, Saskatchewan
S9H 4G3

Gentlemen:

Re: REGISTRATION OF CAVEATS
Our Files: 50,073, 50,074



We enclose, in duplicate, the subject documents for registration and would ask that you return one registered copy for our files and charge the fee to our account No. 01-03-1514.

Yours truly,

COSEKA RESOURCES LIMITED

Robin Anderson
Land Secretary

/ra
Enclosure

File: 50,073

SURFACE LEASE

This lease made in triplicate this 28 day of October 19 89

Between:

WILLIAM HAGEL of GOLDEN PRAIRIE in the Province of SASKATCHEWAN (hereinafter called the "Lessor") and COSEKA RESOURCES LIMITED of CITY OF CALGARY in the Province of ALBERTA A BODY CORPORATE (hereinafter called the "Lessee")

Whereas the Lessor is the registered owner (or is entitled to become registered as owner under an agreement for sale or unregistered transfer or otherwise), of an estate in fee simple, subject however to such mortgages and encumbrances contained in the existing Certificate of Title, of and in that certain parcel of land situated lying and being in the Province of Saskatchewan and described as follows:

THE SOUTH WEST QUARTER OF SECTION THIRTY ONE (31) in Township FOURTEEN (14) Range TWENTY SEVEN (27) West of the THIRD (3) Meridian in the Province of Saskatchewan, as more particularly described and set forth in Certificate(s) of Title No.(s) 85SC06898 of Record in the Land Titles Office for the Land Registration District (hereinafter referred to as "the said lands"); and

Whereas the Lessor has agreed to lease certain portions of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth:

Now therefore this lease witnesses that:

Demised premises

1. The Lessor for the purposes and at the rent, including compensation for capital damage, hereinafter set forth does hereby lease unto the Lessee all and singular those parts of the said lands shown upon a sketch or plan hereto annexed and marked "A", hereinafter called "the demised premises", to be held by the Lessee as tenant for the term of twenty-one years from the date hereof for the purpose of a well site for the drilling of a well for oil, gas, water and/or related hydrocarbons and the operation thereof and the taking of production therefrom with the right, liberty and privilege in, upon, under or across the demised premises, to lay down, construct, maintain, inspect, remove, replace, reconstruct and repair pipes, pipe lines and all structures and equipment necessary or incidental thereto for use in connection with the operations of the Lessee for which this lease is granted, and also for the purpose of a roadway, at the clear rent to be determined and payable in accordance with the laws and regulations of Saskatchewan in that regard the said rent being as follows:

Payment in the first year by lessee

(a) for the first year the sum of FOUR THOUSAND NINE HUNDRED SEVENTY FIVE dollars, (the receipt of which sum is hereby acknowledged), and which sum includes compensation in full for capital damage applied as follows:

(i) Compensation for capital damage TWO THOUSAND SEVEN HUNDRED (\$ 2,700.00)

(ii) Rent TWO THOUSAND TWO HUNDRED SEVENTY FIVE (\$ 2,275.00)

Payment in subsequent years by lessee

(b) for each subsequent year the sum of TWO THOUSAND TWO HUNDRED SEVENTY FIVE dollars payable annually in advance on the anniversary of the date hereof in each year during the currency hereof.

The Lessee shall have the right from time to time and at any time upon six (6) months' notice to that effect to the Lessor to surrender any portion of the demised premises, by giving notice to the Lessor to that effect and the Lessee shall deliver or mail to the Lessor a sketch or plan of the portion or portions of the demised premises retained, and this lease shall, with respect to the lands so surrendered, terminate at the expiration of the current year of the term.

2. The Lessor hereby covenants and agrees with the Lessee as follows:

Taxes, etc., payable by lessor

(a) The Lessor shall pay promptly and satisfy all taxes, rates and assessment that may be assessed or levied against the said lands during the continuance of this lease.

Quiet enjoyment by lessee

(b) The Lessee shall have quiet enjoyment of the demised premises and the rights and privileges hereby granted during the term of lease and any extension thereof.

Right to renew by lessee

(c) If the Lessee is not in default in respect of any of the covenants and conditions contained in this lease at the date of expiration of the term of twenty-one years hereinbefore mentioned, then this lease shall be renewable for a further period of twenty-one years from the said date at an annual rent calculated as hereinbefore provided for that portion of the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions, including this provision for renewal.

3. The Lessee hereby covenants and agrees with the Lessor as follows:

Payment of rent by lessee

(a) The Lessee shall pay the rent, including compensation for capital damage, for the first year as hereinbefore agreed and shall pay yearly in advance the rent herein set forth for each subsequent year of the term of this lease.

Cancellation in case of default

(b) If the Lessee defaults in the payment of any sum payable hereunder or in the performance of any covenant, promise or undertaking herein contained on the part of the Lessee, this agreement shall be terminated at the expiration

In consideration of the sum of One Dollar (\$1.00), (receipt of which is hereby acknowledged), paid to me.

If the demised premises covered by this Surface Lease are not entered upon, except for survey purposes, within six (6) months of the date of this Lease, the Lessee shall pay to the Lessor the sum of Three Hundred Dollars for the right to survey and all other inconveniences and the said Lease shall terminate. However, should the Lessee enter the demised premises to drill or should the Lessee make payment of the full initial consideration in the amount of \$ 4975.02, as previously set out, within the six (6) month period, then the Lessee shall have full rights on the demised premises pursuant to the terms of the said Surface Lease.

REVIEW OF RENTAL: Annual Rental ~~provided~~ for herein shall be subject to review in accordance with the Surface Rights Act, Chapter S-27.1, Section 27.

Construction of ditches and approaches where required

(e) The Lessee shall construct the roadway with shallow ditches where required and, if necessary, with reasonable number of approaches for the Lessor in order that the Lessor may cross the roadway with farm machinery in moving from one field in the said lands to another field that lies across the roadway.

Fencing of well site, roadway and excavations where required

(f) The Lessee shall, during the continuance of this lease, erect upon the boundaries of the well site and roadway proper fences if so required by the Lessor and the Lessee shall, if required by the Lessor, enclose and keep enclosed all openings or excavations made in connection with or for the purpose of drilling operations with proper fences to prevent livestock from falling thereinto.

Replacement and repair of fences, guards, gates

(g) In the use of the rights and privileges hereby granted the Lessee shall replace all fences that he has removed for his purposes and repair all fences he has damaged and, if so required by the Lessor, provide proper livestock guards or gates at any point of entrance on the demised premises used by him and, if gates are installed, shall cause the same to be closed upon his use thereof.

Taxes, etc., payable by lessee

(h) The Lessee shall pay all taxes, rates and assessments that may be assessed or levied in respect of machinery, equipment, structures or works placed by the Lessee in, on or under the demised premises.

Compensation for damage

(i) The Lessee shall pay compensation for damage done by the Lessee to growing crops, fences and buildings or other improvements of the Lessor upon the said lands.

Indemnity against actions, claims, etc.

(j) The Lessee shall indemnify and save harmless the Lessor of, from and against all actions, suits, claims and demands by any person in respect of any loss, injury, damage or obligation arising out of or connected with the operations carried on by the Lessee, his servants or agents in, under or upon the said demised premises.

4. The Lessor and the Lessee do hereby mutually covenant and agree each with the other as follows:

Review of rent every three years upon request of either party

(a) Notwithstanding anything contained in this lease, upon the request of either party to this lease, the amount of rent payable in respect of the demised premises shall be subject to review at the end of three years from the date hereof and at the end of each succeeding three year period. Such request shall be in writing and given to the other party at least thirty days prior to the commencement of the period in respect of which the review of rent is sought. In case of any disagreement as to the amount of rent to be payable or any other matter in connection therewith, the arbitration provisions of the petroleum and natural gas regulations at the time in force shall apply.

Right of surrender and removal of equipment by lessee

(b) The Lessee shall have the right at any time, upon forty-five days' notice to that effect to the Lessor, to cease the use and occupation of the demised premises and in the event of the Lessee so doing, this lease shall terminate at the next succeeding anniversary date and the Lessee shall have the right, within the balance of the rent year to remove or cause to be removed from the demised premises all structures, material and equipment of whatsoever nature or kind that the Lessee may have placed on or in the demised premises.

Discharge of encumbrances by lessee and reimbursement

(c) The Lessee shall have the option to pay or discharge any balance owing under any agreement of sale, any tax, charge, lien or encumbrance of any kind or nature whatsoever that may now or hereafter exist on or against or in any way affect the demised premises and in that event the Lessee shall be subrogated to the rights of the holder or holders of such encumbrance and shall have, in addition thereto, the option to be reimbursed by applying to the amount so paid the rent or other sums accruing to the Lessor under the terms of this lease.

Right to assign by lessee

(d) The Lessee may delegate, assign or convey to other persons or corporations all or any of the powers, rights and interests obtained by or conferred upon the Lessee hereunder and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause.

Notification of change of ownership

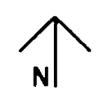
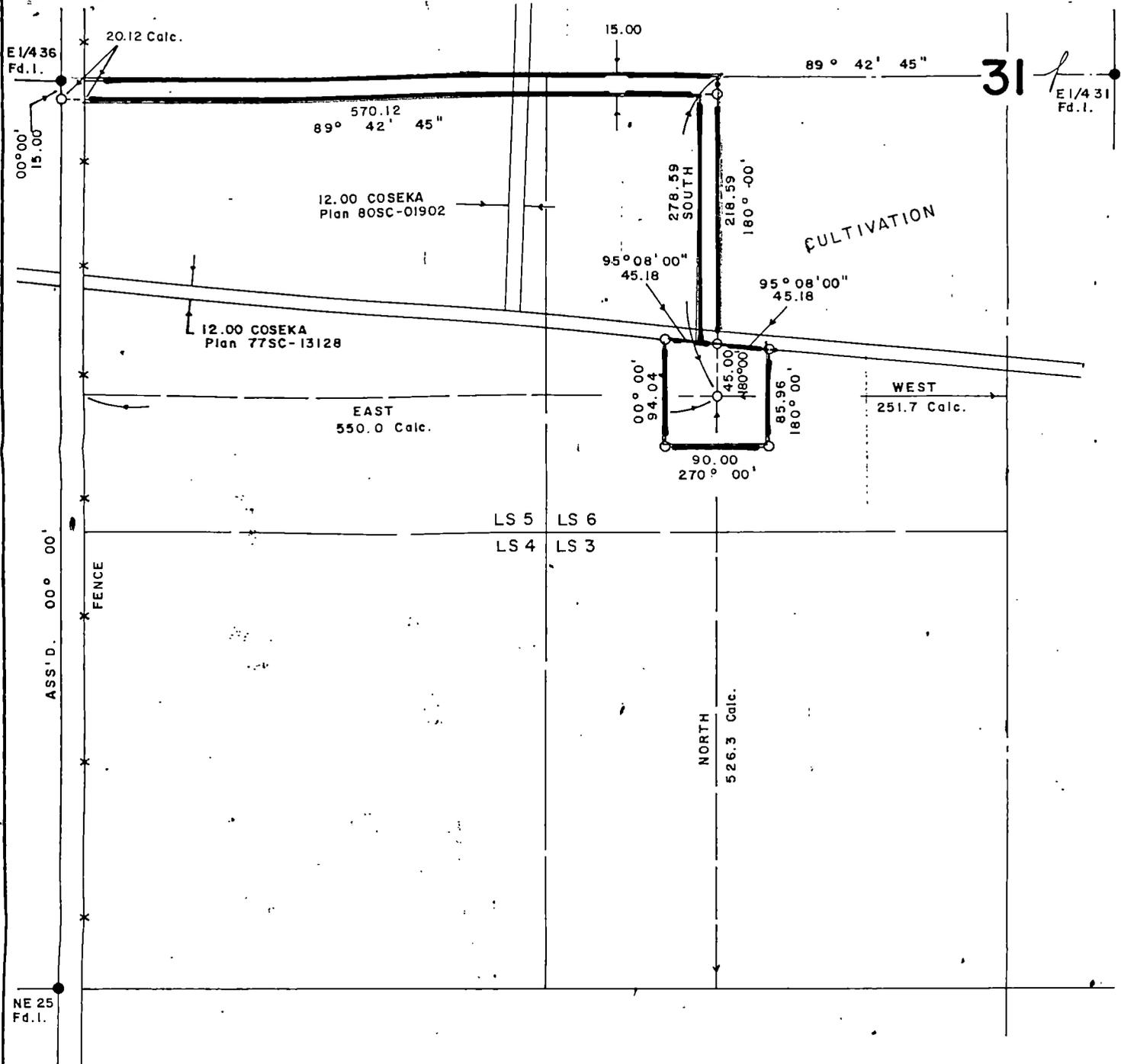
(e) In the event of the Lessor disposing of the said lands or the Lessee disposing of its interests in the said lands as provided for in this lease, the party disposing of its interest shall give the other party notice of such change and the name and address of the new Lessor or Lessee, as the case may be.

Manner of making payments

(f) Any rent or payment required to be made to the Lessor by the Lessee under this lease may be made by sending a cheque or draft for the same by registered mail payable at par to the Lessor at his address for service of notices herein provided or by

depositing to the Lessor's credit in the

at (or in such other place as the Lessor may designate from time to time) the sum thereof on or before the date such rent or other payment becomes due.



PLAN SHOWING LOCATION OF
COSEKA ET AL HATTON 6-31-14-27
 IN LSD. 6 SEC. 31 TWP. 14 RGE. 27 W. 3 M.

SCALE · 1:5000

CO-ORDINATES · 526.3 N of S Bdy and
 550.0 E of W Bdy of Sec. 31-14-27 W. 3

I certify that the survey represented by this plan is correct
 and true to the best of my knowledge and was completed
 on the 30th day of October, AD 1989.

AREAS	ha	Ac	WELL SITE
Well Site	0.810	2.00	CORNER ELEVATIONS
Access Road	1.152	2.85	NE · 739.28
TOTAL	1.962	4.85	SE · 739.55
			SW · 737.94
			NW · 738.20

W. H. Jones *A. Sanderson*
 W. H. Jones SLS Witness

GROUND ELEVATION · 738.0
 For COSEKA RESOURCES LIMITED.

LEGEND
 Survey monument found shown thus ●
 30cm Iron Spike planted shown thus ○
 Portions referred to shown thus _____
 Distances are in metres and decimals thereof.

REVISION		

CLM

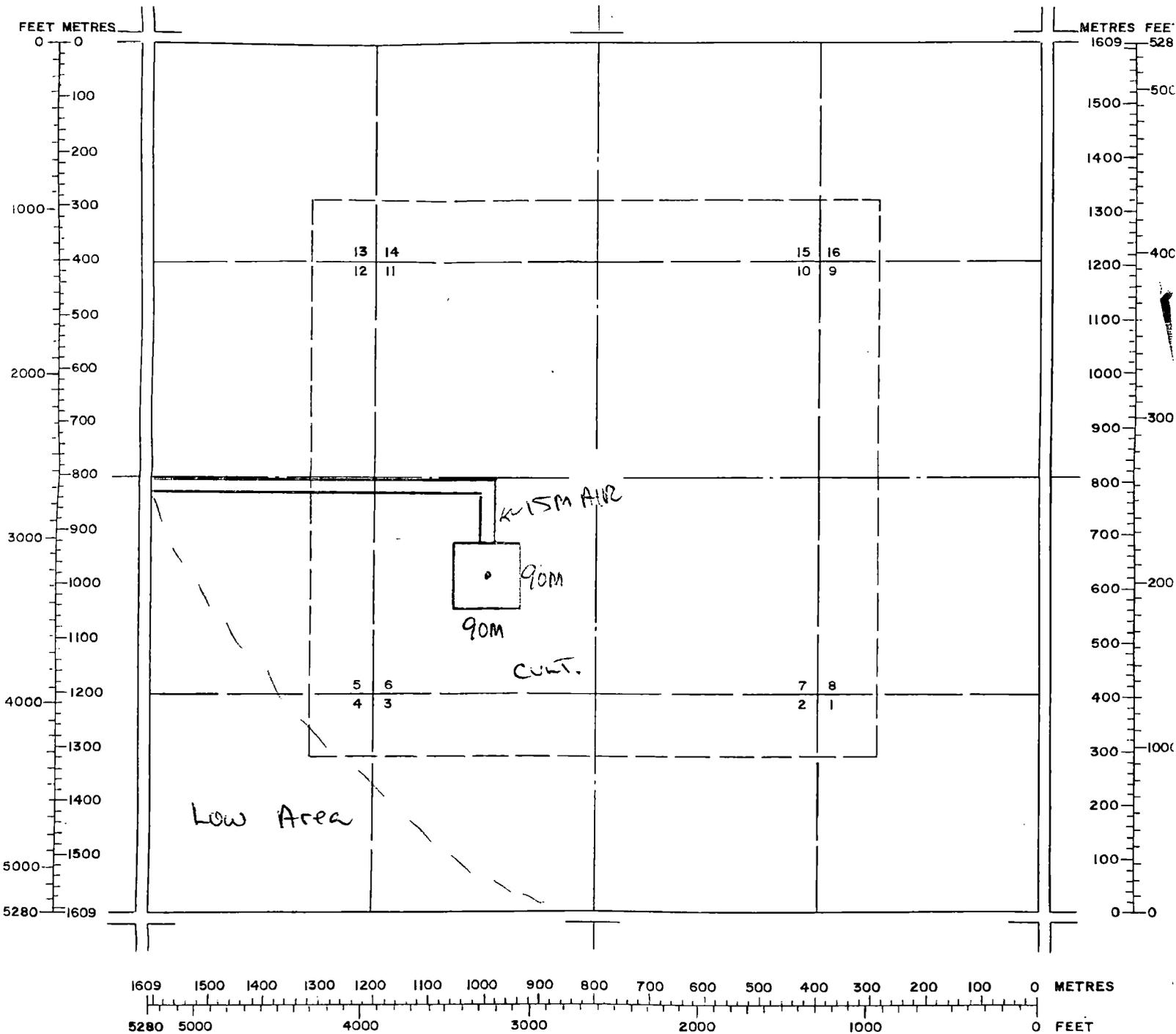
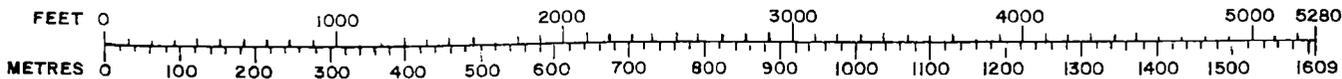
FILE NO. : 89-0614

PLAN SHOWING THE PROPOSED LOCATION OF
Coseka Resources Limited

WELLSITE and ROADWAY

IN L.S.D. 6 SEC. 31 TWP. 14 RGE. 27 W. 3 M.

Subject to change by mutual agreement with the lease
consideration to be applied on any alternative site.



ACREAGE

Approximate Well Site = 2.00 acres
 Approximate Access Road = 2.50 acres
 Approximate Camp Site = 0.00 acres
 Total = 4.50 acres

--- DENOTES 640 ACRE GAS SPACING

I/We have no objection to the E.R.C.B. issuing a Drilling Licence.
Accepted this 25 day of October, A.D. 1989

WITNESS : [Signature]

[Signature]

WITNESS : _____

Notices by lessor and lessee

(g) Any notice required to be given to the parties hereto shall be deemed to have been given fifteen clear days after such notice is mailed by prepaid registered post properly addressed to such party and for the purpose of this clause, the proper address of the respective parties until notice of change of address shall be:

LESSOR ... P.O. Box 81, GOLDEN PRAIRIE, Saskatchewan, S0N 0Y0

LESSEE ... 1200, 521 - 3rd Avenue S.W., CALGARY, Alberta, T2P 4A9

Time of the essence

5. Time shall be in every respect of the essence of this lease.

Saskatchewan law to apply

6. This lease shall for all purposes be construed according to the laws of Saskatchewan.

Meaning of "Lessor" and "Lessee"

7. The terms "Lessor" and "Lessee" and reference thereto herein shall include the executors, administrators, (successors in the case of a corporation) and assigns of the Lessor and Lessee respectively and the terms and references thereto in the singular number and masculine gender shall also include the plural number and feminine (and neuter in the case of corporation) gender, when the context so

requires, and all covenants shall be construed as being joint and several

the above mentioned Lessee, does hereby accept this lease of the demised premises as provided for in this lease to be held by the Lessee as tenant and subject to the conditions, restrictions and covenants above set forth.

I, wife of the above (or within) named do hereby declare that I have executed this lease for the purpose of relinquishing all my rights in said homestead in favour of in so far as may be necessary to give effect to this lease

In witness whereof the Lessor has hereunto set his hand and seal and the Lessee has hereunto set his hand and seal (or has caused its corporate seal to be hereunto affixed attested by the hands of its proper officers duly authorized in that behalf) the day and year first above written. (Note: Strike out the part that does not apply.)

COSEKA RESOURCES LIMITED

Signed, sealed and delivered by the above named Lessee in the presence of

Thomas M. Broch
Robert Jones

Signed, sealed and delivered by the above named Lessor in the presence of

[Signature]

W. Hagel
WILLIAM HAGEL

CERTIFICATE

I, Judge of the District Court for (or as the case may be), do hereby certify that I have examined wife of the owner in the within (or annexed) lease, separate and apart from her said husband, and she acknowledges to me that she signed the same of her own free will and consent and without any compulsion on the part of her husband and for the purpose of relinquishing her rights in the homestead in favour of in so far as may be necessary to give effect to the within (or annexed) lease, and further that she was aware of what her rights in said homestead were.

I further certify that I have not, nor has my employer, partner or clerk, prepared the within (or annexed) lease, and that I am not, nor is my employer, partner or clerk otherwise interested in the transaction involved.

(Note: This form may be executed by a Judge of the District Court, Local Registrar of the Court of Queen's Bench, Registrar of Land Titles, or their respective Deputies, or a Solicitor, a Justice of the Peace or a Notary Public.)

CANADA
PROVINCE OF SASKATCHEWAN

AFFIDAVIT OF EXECUTION

To Wit:

I, of
in the Province of Saskatchewan, make oath and say:

1. THAT I was personally present and did see
named in the within instrument, who is personally known to me to be the person named therein, duly sign, seal and execute the same for the
purposes named therein.

2. THAT the same was executed at in the Province of Saskatchewan,
and that I am the subscribing witness thereto.

3. THAT I know the said
and he (or she) is, in my belief, of the full age of eighteen years.

SWORN before me at

In the Province of Saskatchewan, this

day of, A.D. 19

A Commissioner for Oaths in and for the Province of
Saskatchewan

My Appointment Expires December 31st, 19

CONSENT BY OCCUPANT, VENDOR, MORTGAGEE OR OTHER INTERESTED PARTY:

I, (we) of
in the Province of having an
interest in the within lands by virtue of an Agreement or Instrument dated the day of A.D.

19..... DO HEREBY AGREE that all my (our) rights, interests and estate which are, or may be, affected by the above Surface Lease shall be
fully bound by all the terms and conditions thereof both now and henceforth.

DATED at in the Province of this

day of A.D. 19

Witness

CANADA
PROVINCE OF SASKATCHEWAN

AFFIDAVIT OF EXECUTION

To Wit:

I, **PHILIP GAZDAG** of **CITY OF MEDICINE HAT**
ALBERTA
~~XXXXXXXXXX~~ **LAND AGENT** make oath and say:

1. THAT I was personally present and did see **WILLIAM HAGEL**
named in the within instrument, who is (are) personally known to me to be the person(s) named therein, duly sign, seal and execute the same
for the purposes named therein.

2. THAT the same was executed at **DISTRICT OF GOLDEN PRAIRIE** in the Province of Saskatchewan,
and that I am the subscribing witness thereto.

3. THAT I know the said **WILLIAM HAGEL**
and he (or she) is (or they are each), in my belief, of the full age of eighteen years.

SWORN before me at **CITY OF MEDICINE HAT**

In the Province of ~~Saskatchewan~~ **ALBERTA**, this **30**

day of **October**, A.D. 19 **89**

A Commissioner for Oaths in ~~the Province of~~ **ALBERTA**
Saskatchewan

WITHOUT

My Appointment Expires December 31st, 19 **90**.

DOMINION OF CANADA
PROVINCE OF SASKATCHEWAN

HOMESTEAD AFFIDAVIT

To Wit:

I, **WILLIAM HAGEL** of **GOLDEN PRAIRIE**
in the Province of Saskatchewan, **FARMER** make oath and say as follows:
(Occupation)

1. I am the Lessor named in the within lease, and I say that no part of the land described in the said lease is my homestead, or has been
my homestead at any time.

~~I am the Lessor named in the within lease, and I say that I have no wife.~~

~~I am the Lessor named in the within lease, and I say that my wife does not reside in Saskatchewan and has not resided therein
at any time since the marriage.~~

SWORN before me at **DISTRICT OF GOLDEN PRAIRIE**

In the Province of Saskatchewan, this **28**

day of **October**, A.D. 19 **89**

A Commissioner for Oaths in and for the Province of
Saskatchewan

My Appointment Expires December 31st, 19 **89**.

Province of Saskatchewan

The Land Titles Act

TO THE REGISTRAR of the SWIFT CURRENT

Land Registration District

TAKE NOTICE that X COSEKA RESOURCES LIMITED
of the City of Calgary, in the Province of Alberta

CLAIMING AN INTEREST ~~as~~^{XX} and an estate by virtue of a Saskatchewan Surface Lease dated October 28, 1989, covering a wellsite and access road (approximately 4.85 acres) between William Hagel as Lessor and the Caveator as Lessee, a copy of which Saskatchewan Surface Lease is marked Exhibit "A" and forms a part of this Caveat.

IN THE FOLLOWING LAND, that is to say;

the North West, South East and South West Quarters of Section Thirty (30), and the South West Quarter of Section Thirty One (31), Township Fourteen (14), Range Twenty Seven (27), West of the Third Meridian (W3M), Saskatchewan, 640 acres

EXCEPT: out of the South East Quarter of Section Thirty (30), 7.90 acres and out of the South West Quarter of Section Thirty (30), 5.13 acres for Canadian Pacific Railway Right of Way and Extra Widths on Plan BU 6666.

MINERALS IN THE CROWN

being lands described in Certificate of Title, 85SC06898

standing in the register in the name of William Hagel

FORBID THE REGISTRATION of any transfer or other instrument affecting such land or the granting of a certificate of title thereto except subject to the claim herein set forth.

Coseka Resources Limited.

1200 Eau Claire Place II

521 Third Avenue S.W.

MY ADDRESS is Calgary, Alberta T2P 4A9

and my address for service of notices and processes in Saskatchewan is

c/o MacPherson, Leslie and Tyreman

2161 Scarth Street

Regina, Saskatchewan S4P 2H8

DATED the 12th day of December

A.D. 1989

COSEKA RESOURCES LIMITED, as
Agent for the Caveator



Robin Anderson, Land Secretary

Attached To and Forming
Part of This Document

OVERLAY

The preceding page contains an overlay.

The following page reveals the portion of the
page overlaid.

This page is for information only and does not form part of the document.

Province of Saskatchewan

The Land Titles Act

TO THE REGISTRAR of the SWIFT CURRENT

Land Registration District

TAKE NOTICE that X COSEKA RESOURCES LIMITED
of the City of Calgary, in the Province of Alberta

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Attached To
Part of Th.

being lands described in Certificate of Title, 85SC06898
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FORBID THE REGISTRATION of any transfer or other instrument affecting such land or the granting
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Coseka Resources Limited.
1200 Eau Claire Place II
521 Third Avenue S.W.
MY ADDRESS is Calgary, Alberta T2P 4A9

and my address for service of notices and processes in Saskatchewan is
c/o MacPherson, Leslie and Tyreman
2161 Scarth Street

Regina, Saskatchewan S4P 2H8
DATED the 12th day of December A.D. 1989
COSEKA RESOURCES LIMITED, as
Agent for the Caveator


Robin Anderson, Land Secretary

CANADA
PROVINCE OF SASKATCHEWAN

TO WIT:

I, Robin Anderson

of the City of Calgary

in the Province of Alberta, AGENT for the within named caveator, make oath and say:

1. THAT the allegations in the within caveat are true in substance and in fact, to the best of my knowledge, information and belief.

2. THAT the claim mentioned in the within caveat is not, to the best of my knowledge, information and belief, founded upon a writing or a written order, contract or agreement for the purchase or delivery of any chattel or chattels within the prohibition contained in section 151 of The Land Titles Act.

SWORN before me at the City
of Calgary
in the Province of Alberta
this 12th day of December
A.D. 19 89

R. Anderson

Robin Anderson

A.J. Matovich

A Commissioner for Oaths Without the
Province of Saskatchewan
My Appointment expires March 31, 19 91
A.J. Matovich

89SC22838

Dated _____ A.D. 19 _____

RECEIVED AT
RE
DEC 18 1989
SWIFT CURRENT LAND TITLES
OFFICE
(the Land)

Caveat

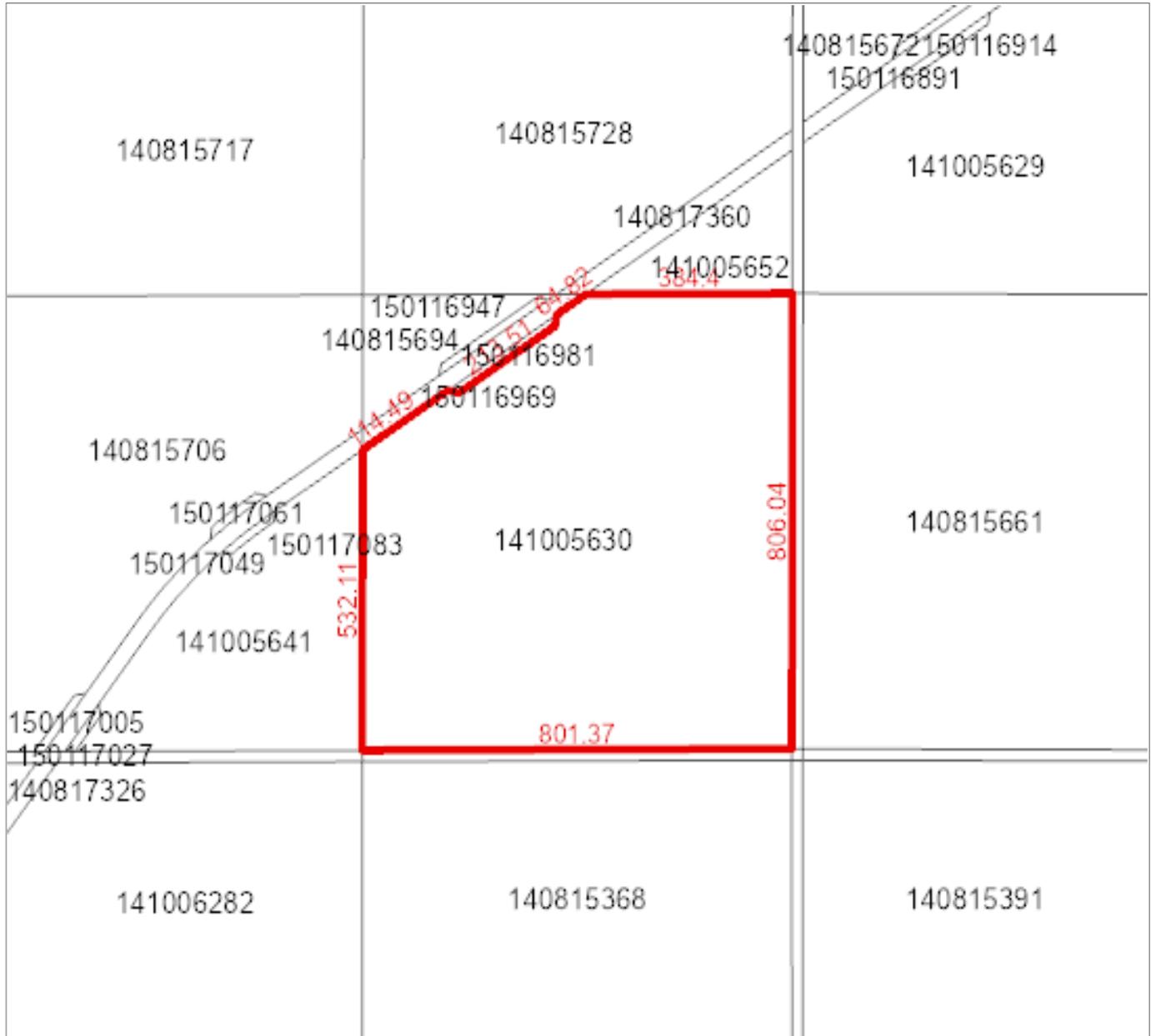
WILSON STRONG

I certify that the within instrument is duly
Entered and Registered in the Land Titles
Office for the Swift Current Land Registration
District at Swift Current in the Province of
Saskatchewan on the 18 day of Dec
A.D. 19 89 as Number 89SC22838
Cubletsky Oct
Registrar
S.C.L.R.D.



Surface Parcel Number: 141005630

REQUEST DATE: Mon Jan 26 10:04:00 GMT-06:00 2026



Owner Name(s) : Blakley, Charlene, Hagel, William, Ziebart, Brenda

Municipality : RM OF BIG STICK NO. 141

Area : 58.517 hectares (144.6 acres)

Title Number(s) : 152733809

Converted Title Number : 85SC06898

Parcel Class : Parcel (Generic)

Ownership Share : 1:1

Land Description : SE 30-14-27-3 Ext 2

Source Quarter Section : SE-30-14-27-3

Commodity/Unit : Not Applicable

Municipality Name: RM OF BIG STICK (RM)

Assessment ID Number : 141-000630300

PID: 1558014



Civic Address:
Legal Location: Qtr SE Sec 30 Tp 14 Rg 27 W 3 Sup 00
Supplementary: EXCEPT: RR

Title Acres: 154.00
School Division: 211
Neighbourhood: 141-100
Overall PUSE: 2000
Call Back Year:
Reviewed: 07-Nov-2023
Change Reason: Reinspection
Year / Frozen ID: 2025/-32560
Predom Code:
Method in Use: C.A.M.A. - Cost

AGRICULTURAL ARABLE LAND

Acres	Land Use	Productivity Determining Factors	Economic and Physical Factors	Rating	
15.00	K - [CULTIVATED]	Soil association 1 FX - [FOX VALLEY] Soil texture 1 CL - [CLAY LOAM] Soil profile 1 OR10 - [CHERN-ORTH (CA 9-12)] Soil association 2 AD - [ARDILL] Soil texture 3 CL - [CLAY LOAM] Soil texture 4 Soil profile 2 OR12 - [CHERN-ORTH (CA 12+)] Top soil depth 3-5	Topography T1 - Level / Nearly Level Stones (qualities) S2 - Slight	\$/ACRE Final	1,913.09 50.88
122.00	K - [CULTIVATED]	Soil association 1 FX - [FOX VALLEY] Soil texture 1 CL - [CLAY LOAM] Soil profile 1 OR10 - [CHERN-ORTH (CA 9-12)] Soil association 2 AD - [ARDILL] Soil texture 3 CL - [CLAY LOAM] Soil texture 4 Soil profile 2 OR10 - [CHERN-ORTH (CA 9-12)] Top soil depth 3-5	Topography T2 - Gentle Slopes Stones (qualities) S3 - Moderate	\$/ACRE Final	1,744.82 46.40
17.00	K - [CULTIVATED]	Soil association 1 FX - [FOX VALLEY] Soil texture 1 CL - [CLAY LOAM] Soil profile 1 OR10 - [CHERN-ORTH (CA 9-12)] Soil association 2 HR - [HAVERHILL] Soil texture 3 L - [LOAM] Soil texture 4 Soil profile 2 OR12 - [CHERN-ORTH (CA 12+)] Top soil depth 3-5	Topography T2 - Gentle Slopes Stones (qualities) S1 - None to Few	\$/ACRE Final	1,841.84 48.99

Assessed & Taxable/Exempt Values (Summary)

Description	Appraised Values	Adjust Reason	Liability Subdivision	Tax Class	Percentage of value	Taxable	Adjust Reason	Exempt	Adjust Reason	Tax Status
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Property Report

Print Date: 26-Jan-2026

Page 2 of 2

Municipality Name: RM OF BIG STICK (RM)		Assessment ID Number : 141-000630300		PID: 1558014		
Agricultural	\$272,900	1	Other Agricultural	55%	\$150,095	Taxable
Total of Assessed Values:		\$272,900	Total of Taxable/Exempt Values:		\$150,095	
