

UNIT OPERATING AGREEMENT

DUNVEGAN GAS UNIT NO. 1

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UNIT OPERATING AGREEMENT

DUNVEGAN GAS UNIT NO. 1

WHEREAS the Parties own Working Interests in the Unitized Zone and desire to conduct Unit Operations;

NOW THEREFORE in consideration of the covenants herein contained, the Parties agree as follows:

ARTICLE I

DEFINITIONS

101. Definitions

Unless otherwise defined herein, the definitions in the Unit Agreement are adopted. In addition, in this agreement:

- (a) "Commencement Date" means the time and date referred to in Article XVI;
- (b) "for the Joint Account" means for the benefit and risk and at the expense of the Parties in accordance with their Unit Participations;
- (c) "Party" means a person who is bound by this agreement;
- (d) "Unit Agreement" means the agreement entitled "Unit Agreement - Dunvegan Gas Unit No. 1";

- (e) "Unit Facilities" means all real and personal property of every kind, nature and description (excepting Unitized Substances, the Unitized Zone, rental equipment and Unit Operator's solely owned equipment) in the possession of Unit Operator pursuant to this agreement;
- (f) "Unit Operations" means any operations authorized and provided for in the Unit Agreement and this agreement, or either of them, for or in respect of the development and operation of the Unitized Zone for the production of Unitized Substances;
- (g) "Unit Participation" of a Party means the sum of the Party's shares of Tract Participations as set forth in Exhibit "D";
- (h) "Unit Well" means a well listed in Exhibit "E" and any well drilled or acquired for the Joint Account;
- (i) "Dunvegan Plant" means the gas, condensate and water gathering and processing facility constructed within the unit area for development and operation of the Unitized Zone for production of Unitized Substances.

ARTICLE II

CONFIRMATION OF UNIT AGREEMENT

201. Confirmation of Unit Agreement

The Unit Agreement is ratified and confirmed. In the

event of any conflict between the Unit Agreement and this agreement, the Unit Agreement shall prevail. With respect to all matters not specifically provided for in this agreement, the relative provisions of the Unit Agreement shall apply, mutatis mutandis.

ARTICLE III

EXHIBITS

301. Exhibits Incorporated

Exhibits "A", "B", "C-1", "C-2", "C-3", "C-4", "C-5", "C-6", and "C-7" of the Unit Agreement are incorporated in this agreement by this reference.

302. Exhibits Attached

The following exhibits are attached to and incorporated in this agreement:

- (a) Exhibit "D" which is a list of the Parties and their respective Unit Participations;
- (b) Exhibit "E" which is a list of the Unit Wells;
- (c) Exhibit "F" which is the Accounting Procedure;
- (d) Exhibit "G" which is the Schedule of Insurance.

303. Revisions and Corrections

Whenever Exhibits "A" and "B" are revised or corrected, corresponding revisions or corrections of Exhibits "D" and "E" shall be

made with concurrent effect. Exhibit "E" shall also be revised as required to reflect additions or deletions of Unit Wells and any change of well names. Each time that an Exhibit is revised or corrected, pursuant to this agreement, the Unit Operator shall supply each party with the number of copies of the Exhibit it requests.

304. Conflicts

 If a provision of Exhibit "F" conflicts with a provision in the body hereof, the latter shall prevail.

ARTICLE IV

SUPERVISION AND CONTROL OF UNIT OPERATIONS

401. Operating Committee

 The Parties shall supervise and control Unit Operations through an Operating Committee composed of their duly appointed representatives. Each Party shall as soon as possible notify Unit Operator in writing of the name and address of its representative and one or more alternate representatives who are authorized to represent and bind the Party with respect to Unit Operations. A Party may change any of its representatives from time to time by written notice to Unit Operator. Two or more Parties may appoint the same person as their representative who shall cast a separate vote for each of his principals.

402. Chairman

 The representative of Unit Operator shall be Chairman of the Operating Committee.

403. Meetings

The Operating Committee shall hold meetings whenever called by Unit Operator, or if there is no Unit Operator, by a Party or Parties having Unit Participations totalling 10 per cent or more. Unit Operator may call meetings at any time on its own motion, and shall call meetings whenever requested to do so by a Party or Parties having Unit Participations totalling 10 per cent or more. Unless the representatives of all Parties in writing waive their right to notice, at least 10 days notice of each meeting shall be given to the Parties, with an agenda attached. Reasonable details of matters on the agenda involving proposed expenditures and enlargements of the Unit Area shall be given. Matters not on the agenda may be voted upon only if the representatives of all Parties, whether or not present at the meeting, unanimously agree.

404. Voting Procedure

The representatives of the Parties shall determine all matters properly coming before the Operating Committee as follows:

- (a) Voting Interest - Except as otherwise provided in this clause and clause 405, in voting on any matter each Party shall have a voting interest equal to its Unit Participation;
- (b) Vote Required - Generally - Except as otherwise provided in this agreement, the Operating Committee shall determine matters by the affirmative vote of 2 or more Parties having

voting interests totalling 75 per cent or more, but if a Party having a voting interest of more than 25 per cent is the only one voting negatively, the matter shall be carried even though the voting interests of the Parties voting affirmatively total less than 75 per cent.

(c) Vote Required - Special Matters

(i) Removal of Unit Operator - Unit Operator may be removed by the affirmative vote of Parties having voting interests totalling 90 per cent or more of the total of the voting interests remaining after excluding the voting interest of Unit Operator, but for the purposes hereof subclause (e) of this clause shall not apply, and a Party who does not vote on the matter of the removal of Unit Operator shall be deemed conclusively to have voted in favour of the retention of Unit Operator;

(ii) Qualification of Tracts - Matters in respect of the qualification of Tracts for inclusion in the Unit Area shall be determined by the affirmative vote of Parties having voting interests totalling 90 per cent or more, but if a Party having a voting interest of more than 10 per cent is the only one voting

negatively, the matter shall be carried even though the voting interests of the Parties voting affirmatively total less than 90 per cent;

- (iii) Enlargement - Matters in respect of the enlargement of the Unit Area or enlargement of the Unitized Zone shall be determined by the affirmative vote of Parties having voting interests totalling 90 per cent or more, but if a Party having a voting interest of more than 10 per cent is the only one voting negatively, the matter shall be carried even though the voting interests of the Parties voting affirmatively total less than 90 per cent;

- (iv) Amendment or Replacement of Exhibits "F" and "G" - Exhibit "F" and Exhibit "G" may be amended or replaced by the affirmative vote of 2 or more Parties having voting interests totalling 75 per cent or more, but if a Party having a voting interest of more than 25 per cent is the only one voting negatively, the matter shall be carried even though the voting interests of the Parties voting affirmatively total less than 75 per cent;

- (v) Termination - The Unit Agreement, pursuant to the provisions thereof, and this agreement, may be terminated by the affirmative vote of Parties

having voting interests totalling 90 per cent or more.

(d) Vote by Notice

(i) A Party not represented at a meeting may vote on any matter on the agenda by prior notice to Unit Operator;

(ii) Unit Operator may submit any matter, with reasonable details of any proposed expenditures or enlargement of the Unit Area, to each Party by mail ballot notice. Each Party shall by notice cast its vote with Unit Operator within 15 days from the date of receipt of the mail ballot notice. Such vote shall be binding unless Unit Operator calls a meeting or is requested to call a meeting pursuant to clause 403 within 5 days from the receipt of mail ballot notice. Unit Operator shall promptly notify each Party of the result of a vote hereunder.

(e) Failure to Vote - Subject to subclause (c)(i) of this clause, a Party who does not vote on any matter shall be deemed conclusively to have voted affirmatively, but in recording the vote in the minutes, the Party shall be shown as having been present and abstained, been absent, or failed to vote pursuant to a mail ballot notice, as the case may be.

405. Initial Voting Interest

Each Party shall, during the period from the Commencement Date until the Effective Date, be deemed conclusively to having a voting interest equal to the proportion, expressed as a percentage, that its Unit Participation bears to the combined Unit Participations of the Parties as set forth in Exhibit "D".

406. Minutes

Unit Operator shall keep minutes of the proceedings of each meeting of the Operating Committee and a copy thereof shall be forwarded to each Party. The minutes shall include the names of the representatives present, the Parties they represent and any formal action taken by the Operating Committee. In the event that no party takes exception to the said minutes within three (3) weeks of the receipt thereof, they shall be binding on all parties.

407. Parties Bound by Voting

A determination of a matter by the voting of Parties in accordance with this agreement shall be binding upon all the Parties.

ARTICLE V

RIGHTS AND POWERS OF THE OPERATING COMMITTEE

501. Rights and Powers of the Operating Committee

The Operating Committee shall have and exercise all the rights and powers granted to the Working Interest Owners by the

Unit Agreement, except to the extent that certain of the said rights and powers are by this agreement specifically delegated to Unit Operator to be exercised by Unit Operator subject to the orders, directions and limitations given or imposed by the Operating Committee.

ARTICLE VI

INDIVIDUAL RIGHTS AND PRIVILEGES OF THE PARTIES

601. Reservation of Rights

Except as otherwise provided in this agreement or the Unit Agreement, each Party reserves to itself all of its rights, powers, authorities and privileges.

602. Specific Rights

Each Party shall have:

- (a) at all reasonable times upon notice to Unit Operator, the right to inspect all records and data pertaining to Unit Operations in the possession of Unit Operator and the right of access to the Unit Area, at the Party's sole risk and expense, to inspect Unit Operations and the Unit Facilities;
- (b) the right to conduct operations on its Tracts for the discovery and production of petroleum substances, other than Unitized Substances, on condition that the Party shall protect the Unitized Zone and prevent interference

with Unit Operations and shall indemnify and hold harmless all other Parties with respect to any claim of, or any liability to, any person resulting from such operations.

ARTICLE VII

UNIT OPERATOR

701. Unit Operator

The Parties hereby designate Anderson Exploration Ltd. as Unit Operator.

702. Resignation or Removal

Unit Operator may resign at any time by giving 90 days notice to the Parties. Unit Operator may be removed by a vote of the Operating Committee. A Unit Operator who resigns or is removed shall continue to have all its rights, powers, duties and obligations as Unit Operator hereunder until 8:00 A.M. on the first day of the month immediately following the month in which the said period of 90 days expires or until a designated successor Unit Operator has taken over Unit Operations, whichever is the sooner. If Unit Operator becomes bankrupt or insolvent it shall thereupon cease to be Unit Operator.

703. Designation of Successor

If Unit Operator resigns or is removed or ceases to be Unit Operator, a successor Unit Operator shall forthwith be designated by the Operating Committee. In voting on the successor a Unit Operator may not vote to succeed itself.

704.

Takeover by Successor

Upon the effective time of a resignation, removal or cessation, the departing Unit Operator shall turn over to its successor, or if no successor has been designated, to the Parties or to any one of them on behalf of all, control and possession of all Unit Facilities, unit production on hand, documents, books, records and accounts (or copies thereof) pertaining to the performance of its functions as Unit Operator, together with all monies held by it in its capacity as Unit Operator. If the title to any real property included in the Unit Facilities is held in its name, it shall continue to hold such property in trust for the Parties unless otherwise directed by the Operating Committee.

ARTICLE VIII

PERFORMANCE BY UNIT OPERATOR

801. Status

Unit Operator shall, in addition to its rights, powers, duties and obligations as Unit Operator, have all the rights, powers, duties and obligations of a Party.

802. Rights, Powers, Duties and Obligations

Subject to this agreement and the Unit Agreement and to any orders, directions and limitations given or imposed by the Operating Committee, Unit Operator shall conduct or cause to be conducted all Unit Operations. Without limiting the generality of the foregoing, Unit Operator shall:

- (a) make all necessary reports relating to Unit Operations to the appropriate governmental agency;
- (b) keep in Alberta true and correct books, accounts and records of the Unit Operations and furnish to each Party on or before the 20th day of each calendar month a statement of the amount of Unitized Substances produced and the sales and inventory of such production in the preceding calendar month and such other data and information as the Operating Committee may require;
- (c) furnish to each Party such reports of Unit Operations as the Operating Committee may direct and consult with the Operating Committee and keep the Parties advised of all matters arising in connection with Unit Operations which Unit Operator considers important;
- (d) conduct all Unit Operations in a good and workmanlike manner, in accordance with good oil and gas field practices and in accordance with all applicable laws;
- (e) keep the Leases, the Unit Area and the Unit Facilities free from all liens and encumbrances resulting or arising from Unit Operations, except liens being contested in good faith;
- (f) comply and require its contractors to comply with The Workman's Compensation Act; carry and require its

contractors to carry, with respect to Unit Operations, such liability insurance as Operating Committee deems necessary; and carry for the Joint Account the insurance set forth in Exhibit "G" but this shall not prevent a Party from procuring and maintaining at its sole cost and expense and for its sole benefit such insurance on Unit Facilities as it shall determine if the Party's insurance policy contains a waiver on the part of the insurance carrier of all rights, by subrogation or otherwise, against any Party not named as an insured in the policy; and

- (g) let contracts for portions of Unit Operations on a competitive basis, but Unit Operator may use its own facilities and equipment for such operations if the charge therefor does not exceed the charges of independent contractors for doing similar work at a competitive rate in the area.

In the absence of any specific instructions from the Operating Committee, Unit Operator shall conduct, or cause to be conducted, such Unit Operations as would a prudent operator under the same or similar circumstances.

803. Employees

The number, selection, hours of labour and remuneration of employees used by Unit Operator in conducting Unit Operations shall be determined by Unit Operator. Such employees shall be the employees solely of Unit Operator.

804. Expenditures

Unit Operator shall not make or incur any expenditure for the Joint Account without the prior approval of the Operating Committee except;

- (a) an expenditure for any undertaking, the total estimated cost of which is not in excess of \$50,000.00;
- (b) expenditures which it deems necessary in emergencies to protect lives or property, and Unit Operator shall promptly notify the Parties of such expenditures and the reason therefore; and
- (c) expenditures not in excess of \$25,000.00 for the full settlement of each damage claim resulting or arising from Unit Operations.

ARTICLE IX

LIABILITIES AND OBLIGATIONS

901. Liability of Unit Operator

Unit Operator shall not be liable to the other Parties for any loss or damage suffered by the Parties resulting or arising from Unit Operations except when and to the extent that such loss or damage results from the gross negligence or wilful or wanton misconduct of Unit Operator. Each party in the proportion of its Unit Participation indemnifies and agrees to hold harmless Unit Operator against any

804. Expenditures

Unit Operator shall not make or incur any expenditure for the Joint Account without the prior approval of the Operating Committee except;

- (a) an expenditure for any undertaking, the total estimated cost of which is not in excess of \$35,000;
- (b) expenditures which it deems necessary in emergencies to protect lives or property, and Unit Operator shall promptly notify the Parties of such expenditures and the reason therefor; and
- (c) expenditures not in excess of \$10,000 for the full settlement of each damage claim resulting or arising from Unit Operations.

ARTICLE IX

LIABILITIES AND OBLIGATIONS

901. Liability of Unit Operator

Unit Operator shall not be liable to the other Parties for any loss or damage suffered by the parties resulting or arising from Unit Operations except when and to the extent that such loss or damage results from the gross negligence or wilful or wanton misconduct of Unit Operator. Each Party in the proportion of its Unit Participation indemnifies and agrees to hold harmless Unit Operator against any

claim of, or liability to, any third person resulting from acts or omissions of Unit Operator in respect of Unit Operations, except when and to the extent that such claim or liability results from the gross negligence or wilful or wanton misconduct of Unit Operator. For the purpose of this clause, an act or omission of Unit Operator shall not be deemed gross negligence or wilful or wanton misconduct if such act or omission is done or omitted pursuant to the instructions of, or with the concurrence of, the Operating Committee.

902. Taxes, Rentals and Royalties

Subject to Article XIII each Party shall pay or be responsible for the payment of all taxes (other than taxes on Unit Facilities which shall be paid by Unit Operator for the Joint Account) rentals and royalties applicable to the Party's Working Interest in the respective Tracts and shall indemnify and save harmless all other Parties from all claims, suits, loss, costs, expenses and damages paid or incurred by them as a result of its failure to do so.

ARTICLE X

UNIT FACILITIES

1001. Delivery of Wells and Equipment

Upon the Effective Date each Party shall deliver to Unit Operator the exclusive use and possession of such Party's interest in:

- (a) all Unit Wells together with all tubing and casing therein;

- (b) all wellsite and other operating equipment used in the operation of the Unit Wells which the Operating Committee determines is necessary or desirable for conducting Unit Operations, except warehouses, lease houses, camps, office buildings and automobiles and other service equipment; and
- (c) the Dunvegan Plant.

1002. Delivery of Records

Upon the Effective Date each Party shall deliver to Unit Operator copies of all records and information pertaining to Unit Wells, and any other pertinent information and records requested by Unit Operator.

1003. Representation and Indemnity

Each Party represents that the Unit Facilities which it delivers pursuant to clause 101 are free and clear of any liens, charges, encumbrances, suits and actions of whatsoever kind or nature, and each Party indemnifies and agrees to hold harmless the other Parties from any and all liability, loss, cost or damage sustained by them and resulting from failure of or deficiencies in its title to the Unit Facilities which it so delivers.

1004. Agreements for Use of Facilities

With the prior approval of the Operating Committee, the Unit Operator may enter into agreements with any person for the

use or joint use by the person of any Unit Facilities, or for the use or joint use by the Unit Operator of any facilities owned by that person, and all revenues obtained and expenses incurred pursuant to such agreements shall be for the Joint Account.

ARTICLE XI

ADJUSTMENT OF INVESTMENT

1101. Value of Unit Wells

For the purposes of clause 1102, each Unit Well shall be deemed to have a value as determined in accordance with the said clause 1102.

1102. Inventory and Evaluation

Within 90 days of the Effective Date the Operating Committee shall appoint an inventory committee which shall make an evaluation of the actual cost of each Unit Well and other operating equipment used in the Operation of the well, delivered to Unit Operator as shown on Exhibit "E". The Special Situation Wells shown on Exhibit "E" will be evaluated in a different manner than the other wells shown on Exhibit "E". The inventory committee will determine the actual cost of each of the Unit Wells, other than the Special Situation Wells, by determining the amounts properly charged to the wells as of the Effective Date by the Party contributing the well to the Unit; such costs to include but not be limited to the cost of surveying, surface lease acquisition and rentals, location preparation,

cleanup and maintenance, drilling, testing, logging, drilling fluids, cementing, trucking, labour, completion costs, supervision, overhead, all casing, tubing, downhole equipment, and wellhead equipment up to and including the outlet valves on the wellhead. Of the Special Situation Wells, the Anderson et al Dunvegan 11-21-80-3, Anderson et al Dunvegan 6-2-81-4 and Anderson et al Dunvegan 6-22-81-4 were drilled to a depth significantly below the Unitized Zone. The inventory committee will determine the portion of the total well costs for these wells which should be properly allocated to the wells as if they had only been drilled fifty (50) feet into the Shunda Formation of Mississippian Age. The Special Situation Wells Anderson et al Dunvegan 5-19-81-4 and Anderson et al Dunvegan 7-13-81-5 are old wells which have some utility to the Unit. These wells will be valued by the inventory committee at \$30,000 and \$80,000 respectively. The Special Situation Well, Anderson et al Dunvegan 10-33-80-4 has been converted to a water disposal well. The inventory committee will evaluate this well in the same manner as the Unit Wells other than the Special Situation Wells as shown on Exhibit "E". Each Party shall, upon request by the inventory committee, submit to it promptly a complete statement of the costs of the wells to be delivered by the Party to the Unit Operator. If a Party fails to submit the statement within 15 days upon request, the inventory committee will estimate the costs of the wells involved and such estimate shall be deemed to be correct. The inventory committee shall have the right to examine, at all reasonable times, all books and records necessary to establish the true cost of each Unit Well. The

inventory committee shall report its evaluation to the Operating Committee for approval.

1103. Valuation of the Dunvegan Plant

Notwithstanding the provisions of clause 1102, the Dunvegan Plant shall for the purposes of adjustment of investment in accordance with clause 1104 be deemed to have a value equal to the total of all costs originally incurred in the construction of the said plant up to the Effective Date by Anderson Exploration Ltd. as operator of the construction of the Dunvegan Plant and chargeable to the Parties who participated in the construction. The cost shall include but not be limited to, the cost of surveying, land, right-of-way easements, permits, material (whether or not classified as controllable), construction, supervision, engineering and inspection services, customs duty, taxes, freight, salaries, expenses and benefits for operators' employees while on or en route to and from the site, overhead and insurance-

1104. Investment Adjustment

Upon approval by the Operating Committee of the report of the inventory committee, each Party shall be credited with the value of its interests in the Dunvegan Plant and in the Unit Wells and related operating equipment delivered by it to the Unit Operator, and charged with an amount equal to that obtained by multiplying the total value of the Dunvegan Plant and the Unit Wells and related operating equipment delivered to Unit Operator by the Party's Unit Participation. If the charge against any Party is greater than the amount credited to it, the

resulting net charge shall be payable and in all other respects treated as an item of unit expense chargeable against the Party. If the credit to any Party is greater than the amount charged against it, the resulting net credit shall be paid to the Party by Unit Operator out of funds received from other Parties in settlement of net charges against them.

1105. General Facilities

With the approval of the Operating Committee, Unit Operator may acquire for the joint account warehouses, warehouse stocks, lease houses, camps, office buildings and automobiles and other service equipment necessary for Unit Operations.

1106. Ownership of Unit Facilities

Each Party shall own an undivided interest in the Unit Facilities that is equal to its Unit Participation.

1107. Adjustment on Failure of Title

The Operating Committee shall determine if any compensation shall be payable, and the amount thereof, by the other Parties to a Party whose title to a Tract fails for such Party's undivided interest so lost in the Unit Facilities.

1108. Pre-Unit Costs

With the approval of the Operating Committee any or all costs and expenses incurred prior to the Effective Date that are directly related to effecting unitization hereunder shall be for the Joint Account.

ARTICLE XII

COSTS OF UNIT OPERATIONS

1201. Basis of Charges to Parties

Except as otherwise provided in this agreement, Unit Operator initially shall pay and discharge all costs and expenses incurred for the Joint Account. The Parties shall reimburse Unit Operator for all such costs and expenses in proportion to their respective Unit Participations. All charges, credits and accounting for costs and expenses shall be in accordance with Exhibit "F".

1202. Forecasts

As soon as practicable after the Effective Date, Unit Operator shall submit to the Operating Committee a forecast of proposed expenditures for Unit Operations for the remainder of the calendar year, and on or before the last day of each October thereafter shall submit to the Operating Committee such a forecast for the succeeding calendar year. Forecasts shall set forth the proposed expenditures by quarterly periods, showing the capital items separately. The Operating Committee may approve a forecast or any portion thereof or it may conditionally approve any proposed expenditure or it may instruct Unit Operator to revise a forecast or any portion thereof. A copy of each forecast and revised forecast shall be promptly furnished to each Party.

1203. Advance Billings for Capital Items

Unit Operator may submit to each Party on or before the 15th day of any calendar month a reasonably detailed estimate of approved

capital items for the succeeding calendar month with a request for payment in advance. Within 30 days after receipt of such request each Party shall pay Unit Operator its share thereof. Unit Operator's monthly billings shall reflect credit for any advances, and any differences between actual costs and expenses and amounts advanced will be adjusted as required.

1204. Operating Fund

Unit Operator may by notice require the Parties to advance for an operating fund their respective proportions of one-twelfth of the expenditures, other than expenditures for capital items, proposed for a calendar year in an approved forecast. After the establishment of the operating fund, each Party shall remit its share of actual costs and expenses in accordance with clause 1205, thus maintaining the operating fund intact. The amount of the Operating fund may be increased or decreased at the direction of the Operating Committee, who shall review the matter annually or whenever requested by a Party.

1205. Regular Billings

Unit Operator shall bill each Party on or before the last day of each month for its share of charges recorded during the preceding calendar month in accordance with Exhibit "F". Each Party shall pay all such bills within 15 days after receipt.

1206. Commingling of Funds

Unit Operator may commingle funds received by it hereunder with its own funds.

If a Party fails to pay when due a bill rendered by Unit Operator, Unit Operator may give the Party a notice of non-payment. After receipt of such notice, the amount unpaid as set forth in the notice shall at Unit Operator's discretion bear interest at the rate equivalent to the prime rate of interest then quoted by the chartered bank used by Unit Operator plus 1 per cent per annum, but in no case shall such interest rate be less than 8 per cent per annum, which interest shall be for Unit Operator's sole account. Further, Unit Operator may, after notice of non-payment and while the bill remains unpaid, without limiting Unit Operator's other rights at law, exercise any or all of the following remedies:

- (a) set off against the amount unpaid, sums due or accruing to the Party from Unit Operator hereunder;
- (b) by notice accompanied by a copy of this agreement to any purchaser of the Party's share of production, require such purchaser to pay to Unit Operator the proceeds of such production which shall be applied towards payment of the amount unpaid and Unit Operator is hereby constituted irrevocably the attorney of the Party for the purpose of executing the instruments necessary to effect an assignment of such proceeds.

Books and records kept by Unit Operator with respect to Unit Operations shall constitute conclusive proof of the existence or non-existence of

any default, subject, however, to all rights of inspection, verification and audit provided in this agreement. The exercise of the rights granted in this clause shall not relieve a defaulting Party from its obligations to pay royalty currently, as provided elsewhere in this agreement.

1208. Contributions by Parties

 If Unit Operator has not received full payment of a Party's share of the costs and expenses of Unit Operations within 3 months following the date when payment was due, each of the Parties shall, upon being billed therefor by Unit Operator, contribute a fraction of the unpaid amount, excluding interest thereon, having as its numerator the Party's Unit Participation and as its denominator the aggregate of Unit Participations of all of the Parties exclusive of the Unit Participation of the defaulting Party; and thereupon each Party so contributing shall be proportionately subrogated to Unit Operator's rights pursuant to clause 1207.

ARTICLE XIII

SURFACE RIGHTS

1301. Submission of List to Unit Operator

 As soon as reasonably possible after executing this agreement, each Party shall upon request submit to Unit Operator a list of all easements, rights-of-way, surface leases, rights of entry and other surface rights which it holds in connection with its operations in the proposed Unit Area, together with particulars thereof including rentals payable, if any.

1302. Surface Rights Required for Unit Operations

Unit Operator shall, as soon as practicable after the receipt of each of the aforesaid lists, advise in writing the Party submitting the list which, if any, of its listed surface rights will be required for Unit Operations. Subject to the other provisions of this Article, each Party shall continue to hold the surface rights so required and pay the applicable rentals and bill Unit Operator for the amount of rentals applicable to periods subsequent to the Effective Date. Unit Operator shall reimburse each Party for rentals so paid and the amounts thereof shall be for the Joint Account. Notwithstanding the foregoing, each Party holding surface rights required for Unit Operations may, at any time at its election, assign such surface rights to Unit Operator in accordance with clause 1304.

1303. Surface Rights Jointly Used

Where there is a well or wells on a Tract in addition to a Unit Well, and surface rights are being used for production jointly from one or more of such other wells and the Unit Well, the rentals applicable to the surface rights shall be divided equally between the wells with respect to which the surface rights are being jointly used, and Unit Operator shall only be billed for the portion of such rentals which is applicable to the production of Unitized Substances from the Unit Well. A well completed in more than one zone shall be considered a separate well for each such zone, for purposes of this clause.

1304. Assignment of Surface Rights

Unit Operator may require that any surface rights which are being used solely for Unit Operations be assigned to it. Any such assignment shall, however, contain an express reservation to the assignor of the right at any time upon request to use the assigned surface rights jointly with Unit Operator on the basis provided in clause 1303. When the assigned surface rights are no longer required, Unit Operator shall so notify the assignor who may require Unit Operator to re-assign the surface rights to the assignor. The provisions of clause 1305 shall apply, mutatis mutandis, in respect of any surface rights which are the subject of a notice given under this clause.

1305. Surface Rights No Longer Required

Unit Operator may notify a Party that its surface rights or any of them are no longer required for Unit Operations, but any such notice shall be given at least 60 days prior to the date on which notice of surrender must be given to the surface owner or the accrual of a rental obligation, whichever is sooner. Unit Operator shall clean up the surface to the satisfaction of any governmental body having jurisdiction and to the reasonable satisfaction of the owner and occupier thereof. After giving such notice Unit Operator shall be relieved of its responsibility and liability with respect to the surface rights except any obligations already accrued, and shall be denied all benefit with respect to the surface rights, and shall thereafter be held harmless by the Party holding them from responsibility and liability as to the surface rights, which shall not thereafter be subject to this agreement.

1306. Surface Rights Held in Fee Simple

Subject to any prior grant thereof, Unit Operator may use for Unit Operations any surface rights held in fee simple by a Party upon payment to the Party of a rental commensurate with rentals paid for other surface rights in the Unit Area.

1307. Acquisition of Additional Surface Rights

Unit Operator may acquire such additional surface rights as it deems necessary or desirable for Unit Operations.

1308. Sharing of Surface Rights

Notwithstanding the provisions of clause 1005, Unit Operator may enter into agreements with any person for the sharing of any surface rights and all costs and expenses recovered or incurred by Unit Operator pursuant to such agreements shall be for the Joint Account.

ARTICLE XIV

ABANDONMENT OF WELLS

1401. Rights of Former Owners

If the Operating Committee decides to plug and abandon permanently any Unit Well, Unit Operator shall give notice of this decision to the Party owning the Working Interest in the Tract upon which the well is located. The Party may elect by notice to Unit Operator within 60 days, or 48 hours if a drilling rig is in place, of receipt of notice,

to take over and own the well and deepen or plug it back to a formation other than the Unitized Zone. Within 10 days after the Party has so elected it shall pay to Unit Operator for the Joint Account the fair net salvage value of the production casing and equipment in and on the well, as estimated and fixed by the Operating Committee. Unit Operator shall seal off the Unitized Zone in the well before handing it over to the Party and thereupon Unit Operator shall be relieved of its responsibility and liability with respect to the well, except any obligations already accrued, and shall be denied all benefit with respect to the well and shall thereafter be held harmless by the Party so electing from responsibility and liability as to the well, which shall not thereafter be subject to this agreement.

1402. Surface Clean-Up

Upon the abandonment of any well in the Unit Area, Unit Operator or the Party abandoning the well shall clean up the surface at the well site to the satisfaction of any governmental body having jurisdiction and to the reasonable satisfaction of the owner and occupier thereof.

ARTICLE XV

TERM OF AGREEMENT

1501. Term

This agreement is binding upon a person who executes and delivers one counterpart thereof to Unit Operator, and that person is

bound by this agreement as of the time of such delivery. Subject to Article XVI, this agreement shall remain in full force and effect while Unitized Substances are produced or are capable of being produced from the Unitized Zone in paying quantities and thereafter until all Unit Wells have been plugged and abandoned, and the Unit Facilities have been salvaged and the accounts between the Parties have been settled. Notwithstanding anything herein contained, this agreement may be terminated by the vote provided for in clause 404 (c)(v).

ARTICLE XVI

COMMENCEMENT DATE

1601. Commencement Date

Although this agreement is binding upon a person from the time that person executes and delivers one counterpart thereof to Unit Operator, the Commencement Date for actions to be taken by the Parties to carry out the purposes of this agreement in accordance with its provisions shall be at 8:00 A.M. on the day next following the day when Unit Operator is satisfied that owners of Working Interests having Unit Participations totalling 80 per cent or more, as set forth in the original Exhibit "D", have become Parties. Unit Operator shall notify the Parties thereof. If the unitization provided for in the Unit Agreement has not become effective within the time limited therein, this Agreement shall thereupon terminate. If this agreement so terminates, all expenditures made in anticipation of the unitization becoming effective

shall be borne by the Parties in the proportion that the voting interest of each bears to the combined voting interests of all the Parties.

ARTICLE XVII

ABANDONMENT OF OPERATIONS

1701. Right to Operate

The owner of the Working Interest in a Tract desiring to take over and continue to operate a well located thereon may, upon the termination of this agreement, do so by paying Unit Operator for the Joint Account, the fair net salvage value of the casing and equipment in and on the well as estimated and fixed by the Operating Committee, and by agreeing to plug the well when it is finally abandoned.

1702. Salvaging Wells

With respect to all wells not taken over for continued operations pursuant to clause 1701, Unit Operator shall, for the Joint Account, salvage as much of the casing and equipment in or on such wells as can economically and reasonably be salvaged, and cause the wells to be properly plugged and abandoned.

1703. Cost of Salvaging

The cost of salvaging, liquidation or other distribution of assets and properties used in Unit Operations shall be for the Joint Account.

ARTICLE XVIII

GENERAL

1801. Affects Working Interest Only

This agreement affects only the Working Interests of the Parties. Any Royalty Interest is governed solely by the Unit Agreement.

1802. Execution Without Prejudice

The execution of this agreement by Parties who claim title to any interest in the Unit Area shall not constitute a waiver of any such claim, but any Party who succeeds to the title to a Working Interest in a Tract shall be bound by this agreement with respect to such Working Interest.

1803. Lien On or Assignment of Production

If any interest of a Party in a Tract or Unitized Substances or the proceeds or value thereof is subject to a lien, assignment of production or other encumbrance, the owner or holder of such lien, assignment or encumbrance, by consenting to this agreement in writing, agrees that such lien, assignment or encumbrance shall, from the Effective Date continue in effect, but shall apply only to such interest as the same is amended, modified and affected by this agreement and the Unit Agreement, and shall be subject to such agreements as to the Party and such interest.

1804. No Partitioning

A Party shall not resort to any action for partition or

sale in lieu of partition of the Unit Facilities or any lands affected by this agreement.

1805. No Surrender Without Consent

A Party shall not surrender its Working Interest in a Tract without the prior consent of the Operating Committee.

1806. Waivers

A waiver of any breach of a provision of this agreement shall not be binding upon a Party unless it is in writing and signed and such waiver shall not affect a Party's rights with respect to any other or future breach.

1807. Suits

A Party who is sued on an alleged cause of action arising out of Unit Operations shall forthwith notify every other Party.

1808. Further Assurances

Each Party shall from time to time and at all times do all such further acts and execute and deliver all such further deeds and documents as required in order fully to perform and carry out this agreement.

1809. Restriction on Dispositions

A Party shall not make any disposition of a Working Interest which does not include a corresponding interest in the Unit Facilities. No Working Interest shall be owned apart from a corresponding interest in the Unit Facilities and vice versa.

1810.

United States Internal Revenue Provision

Each of the Parties who is subject to United States Income Tax elects under the authority of Section 761(a) of the Internal Revenue Code of 1954 to be excluded from the application of any and all sections of Subchapter K of Chapter 1 of Subtitle A of the Internal Revenue Code of 1954 to the extent approved by the Secretary of the Treasury of the United States or his delegates. The Unit Operator is hereby authorized and directed to execute on behalf of each Party such additional or further evidence of such election as may be required by regulations issued under said Subchapter "K", or should the said regulations require each Party to execute such further evidence, each such Party so subject agrees to execute or join in the execution thereof.

1811.

Notices and Communications

All notices or communications hereunder shall be in writing and in lieu of personal service may be given or made by prepaid telecommunication or by mailing in a sealed and properly addressed envelope with postage prepaid. Notices or communications shall be deemed to have been received 12 hours after the sending thereof in the case of a telecommunication, and 48 hours after the date of mailing in the case of mailing, in either case excluding Saturdays, Sundays and statutory holidays. The address appearing below the execution of each Party shall be the address to which notices and communications to it shall be directed. A Party may change its address by notice to Unit Operator. Upon request Unit Operator shall furnish to any Party the address for service of any other Party.

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE: July 11, 1973

William Elvies
Wise Oil Company

Address for Service

2722 Calgary Place I
Calgary, Alberta

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE: July 16, 1973

DOMESTIC PETROLEUM LIMITED

[Signature]
VICE-PRESIDENT

[Signature]
SECRETARY TREASURER

Address for Service

Box 200, 706-7 Ave S.W.

Calgary, Alberta
T2P 2H8

APPROVED	
Admin.	
Prod.	
Expl.	
Gas	<u>[Signature]</u>
Land	
Legal	<u>[Signature]</u>
Acct.	<u>2</u>
Mktg.	

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

PALOMA PETROLEUM LTD.

DATE: July 20, 1973



PRESIDENT

Address for Service

#622 - 550 - 6 Avenue S.W.

CALGARY, Alberta T2P 0S2

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE: July 25, 1973

APCO OIL CORPORATION

ATTEST:

John W. Hubbard
Assistant Secretary

By *S. R. Livesay*
S. R. Livesay, Vice President

etw

Address for Service

17th Floor Houston Natural Gas Building

Houston, Texas 77002

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE:

July 31, 1913

J. Anderson
President

Address for Service

Mining
Bow Valley
Alamo -
Alamo + Bow Valley
Anderson.

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

UNION OIL COMPANY OF CANADA LIMITED

DATE:

July 31, 1973



Donald P. Schuler
Vice-President

Richard S. Evans
Secretary

Address for Service

P.O. Box 999
Calgary, Alberta
T2P 2K6

Can not
locate Alamo's
+ Bow Valley's

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

BARNWELL OF CANADA LIMITED

DATE:

July 31, 1973

B. J. Laffin President

Address for Service

#370, 639 - 5th AVENUE S.W.
CALGARY 1, ALBERTA

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart


This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE: July 31, 1973

COLUMBIA GAS DEVELOPMENT OF CANADA LTD.

By



President



Address for Service

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE:

8/23/73

Charles A. Chard

VICE-PRESIDENT

AMERICA MINERALS CORPORATION OF CANADA LTD.

Address for Service

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

MESA PETROLEUM (N.A.) CO.

DATE:

Aug 31/73

Paul C. ...
GENERAL MANAGER

Monica Bruchall
ASST. SEC.

Address for Service

MESA PETROLEUM (N.A.) CO.
500 BOW VALLEY SQUARE
202 SIXTH AVENUE S.W.
CALGARY, ALBERTA T2P 2R9

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

TOTAL PETROLEUM (NORTH AMERICA) LTD.

DATE:

April 7, 1978

W. Kellock

Vice-President

C. D. Bengtson

Assistant Secretary

Address for Service

~~TOTAL PETROLEUM (NORTH AMERICA) LTD.~~

639 - 5th AVENUE S.W.

CALGARY, ALBERTA

T2P 0M9

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE: Jan 19/89

Comptroller Investment Co.
[Signature]

Address for Service

1400 - 821 3rd Ave SW
Calgary T2P 3T3

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE:

JAN. 23/89

Conway Oil Ltd.

J. B. MITCHELL

J. B. MITCHELL
EXECUTIVE VICE PRESIDENT

Address for Service

P.O. Box 3827

Edmonton, Alberta T5L 4J8

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE:

Jan 24/89

James S. Kimer
President

[Signature]
Vice President - Operations

Address for Service

Suite 2100, Bow Valley Square II
205 - 5th Avenue S.W.
Calgary, Alberta
T2P 2V7

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

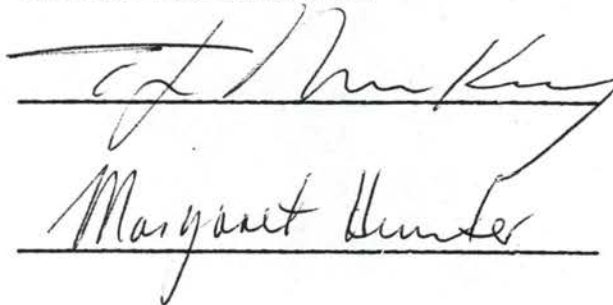
1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

CENTRAL EXPLORERS INC.

DATE: January 24, 1989



Margaret Hunter

Address for Service

2600, 250 - 6th Avenue S.W.

Calgary, Alberta T2P 3H7

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE: January 27, 1989

W. F. BROWN EXPLORATION LTD.


WALTER F. BROWN, PRESIDENT

Address for Service

A-107 Petroleum Center

900 N.E. Loop 410

San Antonio, Texas 78209

USA

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

TN RESOURCES PARTNERSHIP
represented by:

Newport Petroleum Limited

Per: 

DATE: _____

Address for Service

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE: February 3, 1989

C. J. Henderson
VICE PRESIDENT

A. Chum
OPERATIONS MANAGER

Address for Service

333, 550 - 11 Avenue SW

Calgary, Alberta T2R 1M7

1812.

Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813.

Execution in Counterpart

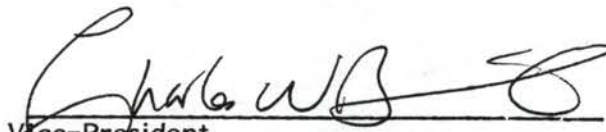
This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

389592 Alberta Ltd.

DATE: February 8, 1989

Per:


Vice-President

Address for Service

3700, 400 - 4 Avenue S. W.

Calgary, Alberta
T2P 4H2

Attn: J. H. Coleman

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

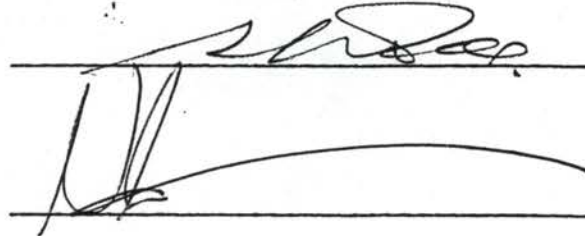
1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DEB RESOURCES 1988, a LIMITED
Partnership by its general
partner DEB RESOURCES LIMITED

DATE: April 26, 1989



Address for Service

400, 815 - 8th Avenue S.W.

Calgary, Alberta T2P 3P2

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

YETI CONTRACTORS LTD.

DATE: May 29/89

[Signature]



Address for Service

2600, 400 - 3rd Ave SW

Calgary T2P 4H2

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

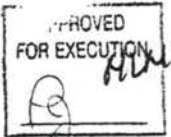
119307 EXPLORATION LTD.

DATE:

May 29/89

Y

[Signature]



Address for Service

2600, 400 - 3rd Ave SW

Calgary T2P 4H2

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

THE BRITISH COLUMBIA SUGAR
REFINING COMPANY, LIMITED

DATE:

November 30, 1989

[Signature]
[Signature]

Address for Service

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

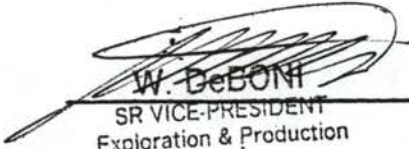
1813. Execution in Counterpart

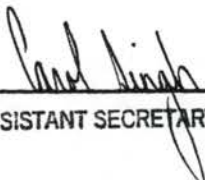
This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

BOW VALLEY INDUSTRIES LTD.

DATE: DEC 14 1989


W. DeBONI
SR VICE-PRESIDENT
Exploration & Production


ASSISTANT SECRETARY

Address for Service

BVI
LEGAL
PROD
ACCT
INSUR.

EXECUTION PAGE - UNIT OPERATING AGREEMENT
DUNVEGAN GAS UNIT NO. 1

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

RANGER OIL LIMITED

DATE: December 15, 1989

E. L. Ryman
Vice President

J. J. Stone
Assistant Secretary

DOCUMENT	
Admin.	<input checked="" type="checkbox"/>
Land	<input type="checkbox"/>

Address for Service

2700, 425 - 1st Street S.W.

Calgary, Alberta T2P 3L8

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

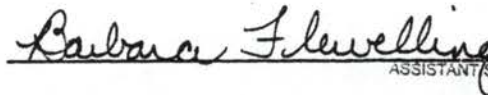
1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE: December 22, 1989


ASSISTANT TREASURER


ASSISTANT SECRETARY

Address for Service

TOTAL PETROLEUM (NORTH AMERICA) LTD.
639 - 5th AVENUE S.W.
CALGARY, ALBERTA
T2P 0P9

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE:

May 18, 1990

Andee Resman Ltd

per Joe V. Resman

Address for Service

Box 9 Site 18 LP11

Calgary Alberta

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.

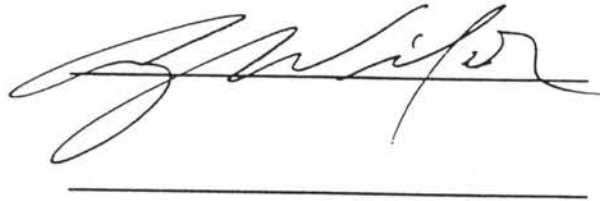
1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

PRAIRIE BIRCH ROYALTIES LTD.

Date: JUN 08 1995



Address for Service:

200, 703 - 6 Avenue S.W.
Calgary, Alberta
T2P 0T9

EXECUTION PAGE TO AN AGREEMENT ENTITLED
UNIT OPERATING AGREEMENT
DUNVEGAN GAS UNIT NO. 1

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE: June 11, 1996

ANDERSON EXPLORATION

per: _____



Address for service:

ANDERSON EXPLORATION
1600, 324 - 8th Avenue S.W.
Calgary AB T2P 2Z5

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

Date: _____

STARTECH ACQUISITION CORP.



PAUL COLBORNE
PRESIDENT

Address for Service:

2600, 140 - 4 Avenue S.W.
Calgary, Alberta
T2P 3N3



EXECUTION PAGE TO AN AGREEMENT ENTITLED
UNIT OPERATING AGREEMENT
DUNVEGAN GAS UNIT NO. 1

Dunvegan Gas Unit No. 1 - Unit Agreement

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

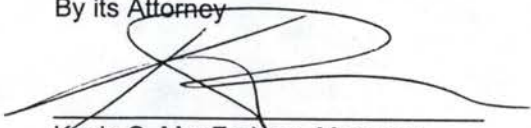
This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

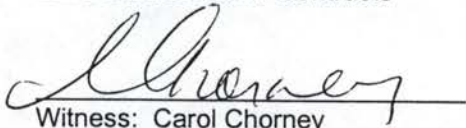
IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

Date: 17 day of December, 1997

PETRO-CANADA OIL AND GAS

By its Attorney


Kevin S. MacFarlane, Manager
Land Services & JV Contracts


Witness: Carol Chorney
Administrative Assistant

Address for Service:

P.O. Box 2844
150 - 6th Avenue S.W.
Calgary, Alberta
T2P 3E3

Dunvegan Gas Unit No. 1 - Unit Operating Agreement

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.

1813. Execution in Counterparts

This Agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

MEOTA RESOURCES CORP.

A handwritten signature in black ink, appearing to read 'Dennis J. Chase', is written over a horizontal line.

Dennis J. Chase
Manager Land and Joint Ventures

Date: June 12, 1998

EXECUTION PAGE TO AN AGREEMENT ENTITLED
UNIT OPERATING AGREEMENT
DUNVEGAN GAS UNIT NO. 1

1812 Inuring Clause

This agreement shall inure to the benefit of and be binding upon parties and their respective heirs, executors administrators, successors and assigns.

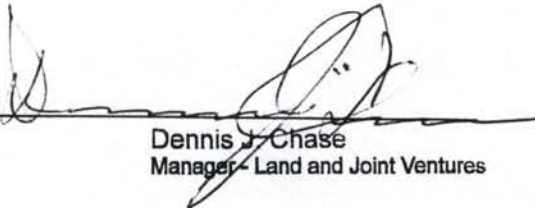
1813 Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

Date: **JANUARY 6, 1999**

PRAIRIE BIRCH ROYALTIES LTD.

Per: 
Dennis J. Chase
Manager - Land and Joint Ventures

Address for Service

**PRAIRIE BIRCH ROYALTIES LTD.
1701, 333 - 7th AVENUE SW
Calgary, Alberta
T2P 2Z1**

Attention: Manager Joint Ventures

Execution Page to the

**DUNVEGAN GAS UNIT NO 1
UNIT OPERATING AGREEMENT**

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE: January 15, 1999

ANDERSON EXPLORATION LTD.

per: _____


D.F. KELL, VICE PRESIDENT, LAND

Address for service: 1600, 324 - 8th Avenue S.W.
Calgary, Alberta
T2P 2Z5

1812. Inuring Clauses

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF, the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE: Feb 02 / 2000

ARC RESOURCES LTD.

Per: 

NAME:

Susan D. Healy, P. Land
Vice President, Land

TITLE:

Address for Service: ARC Resources Ltd.
4301, 400 – 3rd Avenue S.W.
Calgary, Alberta T2P 4H2

**EXECUTION PAGE TO AN AGREEMENT ENTITLED
UNIT OPERATING AGREEMENT, DUNVEGAN GAS UNIT NO. 1**

1812. Inuring Clause

This Agreement shall inure to the benefit of and be binding upon the Owners and their respective heirs, executors, administrators, successors and assigns.


1813. Execution in Counterpart

This Agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE OCT 30 2000

Shiningbank Energy Ltd.



DONALD L. MUNDIE
VICE PRESIDENT, LAND

Address for Service

1310, 111 – 5th Avenue SW
Calgary, AB T2P 3H7

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrations, successors and assigns.

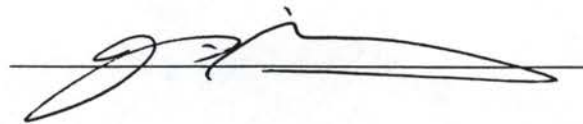
18.13. Execution in Counterparts

This Agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

SEA.ESS ENERGY ~~LIMITED~~ LTD.

Date: Nov. 22, 2000



P. O. Box 307 Station "M"
Calgary, AB
T2P 2H9

**EXECUTION PAGE TO AN AGREEMENT ENTITLED
UNIT OPERATING AGREEMENT
DUNVEGAN GAS UNIT NO. 1**

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF, the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE: October 29th, 2001

ANDERSON EXPLORATION

Per: _____



Kevin L. Stashin, P. Eng.

Vice President, Operations

Address for Service: Anderson Exploration

1600, 324 – 8th Avenue S.W.

Calgary, Alberta, T2P 2Z5

Execution page to the Unit operating Agreement for the Dunvegan Gas Unit No. 1

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF, the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE: October 31st, 2001

DEVON AXL

Per:



Kevin L. Stashin, P. Eng.

Vice President, Operations

Address for Service: Devon AXL

1600, 324 – 8th Avenue S.W.

Calgary, Alberta, T2P 2Z5

1812. Inuring Clause

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in separate counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement each on the date shown opposite its execution hereof.

DATE: December 21st, 2001

Devon CANADA

Per: 

Kevin L. Stashin, P. Eng.

Vice President, Operations

1812. Inuring Clause

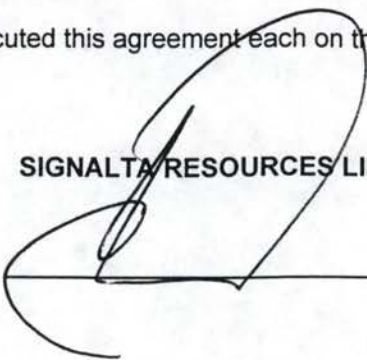
This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in separate counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

Date: April 1st, 2002



SIGNALTA RESOURCES LIMITED

Execution page to the Unit Operating Agreement for the Dunvegan Gas Unit No. 1

1812. Inuring Clause

This Agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

TAQA NORTH
an Alberta general partnership
as represented by its managing partner
TAQA NORTH LTD.



DATE: April 23, 2009

Michael Chase
Vice President, Planning & Marketing

Address for Service:

TAQA North
5100, 150 – 6th Avenue S.W.
Calgary, Alberta T2P 3Y7

EXECUTION PAGE – UNIT OPERATING AGREEMENT
DUNVEGAN GAS UNIT NO. 1

1812. Inuring Clause

This Agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF the Parties have executed this agreement each on the date shown opposite its execution hereof.

January 1, 2011

Date:

ARC RESOURCES GENERAL PARTNERSHIP
By its managing partner
ARC RESOURCES LTD.



William Sawchuk, Manager, Joint Venture

Address for Service

1200, 308 – 4th Avenue S.W.
Calgary, Alberta
T2P 0H7

This is the counterpart execution page to the
DUNVEGAN GAS UNIT NO. 1 – UNIT OPERATING AGREEMENT

1812. Inuring Clauses

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.


1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF, the Parties have executed this agreement each on the date shown opposite its execution hereof.

DATE: April 1, 2014

CANADIAN NATURAL RESOURCES LIMITED

Per: 

NAME: Trevor Kratz

TITLE: Director, Commercial Operations

Address for Service:

Canadian Natural Resources Limited
2500, 855- 2ND Street SW
Calgary, Alberta
T2P 4J8

EXECUTION PAGE TO AN AGREEMENT ENTITLED
UNIT OPERATING AGREEMENT, DUNVEGAN GAS UNIT NO. 1

1812. Inuring Clauses

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF, the Parties have executed this agreement each on the date shown opposite its execution hereof.

Date: May 1, 2014

CANADIAN NATURAL RESOURCES
By its managing partner,
CANADIAN NATURAL RESOURCES LIMITED



Trevor Kratz
Director, Commercial Operations

Address for Service:

Canadian Natural Resources
2100, 855 – 2nd Street S.W.
Calgary, Alberta T2P 4J8
Attention: Commercial Operations
Fax: (403) 517-7007

**EXECUTION PAGE TO AN AGREEMENT ENTITLED
UNIT OPERATING AGREEMENT, DUNVEGAN GAS UNIT NO. 1**

JUL 4 23

1812. Inuring Clauses

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.


1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF, the Parties have executed this agreement each on the date shown opposite its execution hereof.

Date: April 1, 2015

CANADIAN NATURAL RESOURCES LIMITED



Jon Halford, Vice President
Commercial Operations

Address for Service:

Canadian Natural Resources Limited
2100, 855 – 2nd Street S.W.
Calgary, Alberta T2P 4J8
Attention: Commercial Operations
Fax: (403) 517-7007

**EXECUTION PAGE TO AN AGREEMENT ENTITLED
UNIT OPERATING AGREEMENT, DUNVEGAN GAS UNIT NO. 1**

5011423

1812. Inuring Clauses

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF, the Parties have executed this agreement on the date shown opposite its execution hereof.

Date: December 22, 2015

CANADIAN NATURAL RESOURCES,
a general partnership, by its Managing Partner,
CANADIAN NATURAL RESOURCES LIMITED

Per: 
Jon Halford
VP Commercial Operations

ADDRESS:

Canadian Natural Resources
2100, 255- 2nd Street S.W
Calgary, Alberta T2P 4J8

This is the counterpart Execution Page of the Unit Operating Agreement for the
Dunvegan Gas Unit No. 1

1812. Inuring Clauses

This agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.

1813. Execution in Counterpart

This agreement may be executed in as many counterparts as are necessary and all counterparts together shall constitute one Agreement.

IN WITNESS WHEREOF, the Parties have executed this agreement each on the date shown opposite its execution hereof.

Date: July 10, 2018

**CANADIAN NATURAL RESOURCES NORTHERN
ALBERTA PARTNERSHIP**

by its Managing Partner,

CANADIAN NATURAL RESOURCES LIMITED

Per:



Kara Slemko

Vice President, Commercial Operations

Address for Service:

2100, 855 – 2nd Street SW

Calgary, Alberta

T2P 4J8

This is the counterpart Execution Page to the
Dunvegan Gas Unit No. 1 – Unit Operating Agreement