

1002. Accuracy

The accuracy of the measuring equipment shall be verified at reasonable intervals and all meters shall be open to inspection at reasonable times by any Owner in the presence of a member of the Operator's staff. In case any question arises as to the accuracy of measurement, any meter shall be tested upon demand of an Owner, and if found to be correct, or to be in error of not more than two percent (2%) with respect to gas measurement, or half of one percent ($\frac{1}{2}\%$) with respect to liquid measurement, the expense of such testing shall be borne by the Owner demanding it, but the expense shall be for the Facility Account if found to be incorrect by more than two percent (2%) with respect to gas measurement or half of one percent ($\frac{1}{2}\%$) with respect to liquid measurement.

If, upon any test, measuring equipment is found to be in error of not more than two percent (2%) with respect to gas measurement or half of one percent ($\frac{1}{2}\%$) with respect to liquid measurement, previous readings of such equipment shall be considered correct in computing the volumes being metered, but such equipment shall be adjusted properly at once to record accurately. If, upon any test, any measuring equipment shall be found to be inaccurate by any amount more than two percent (2%) with respect to gas measurement or half of one percent ($\frac{1}{2}\%$) with respect to liquid measurement, then any previous readings of such equipment shall be corrected to zero error for any period which is known definitely or agreed upon, but in case the period is not known definitely or agreed upon, such correction shall be for a period covering the last

half of the time elapsed since the date of the last measurement test and meter calibration.

In the event the measuring equipment is out of service or out of repair so that the volume being measured is not correctly indicated by the reading thereof, the volumes attributable to the period shall be estimated and agreed upon the basis of the best data available, using the first of the following methods which is feasible:

- a. by using the registration of any check measuring equipment, if installed and accurately registering; or
- b. by correcting the error if the percentage of error is ascertainable by calibrations, test or mathematical calculations; or
- c. by estimating on the basis of actual volumes measured during the preceding periods under similar conditions when the meter was registering accurately.

The Operator shall preserve all original test data, charts and other similar records for a period of at least six (6) years.

1003. Unit of Volume and Weight

The unit volume of gas for all purposes hereunder shall be one (1) cubic metre (m^3) at an absolute pressure of 101.325 kilopascals (kPa) at a temperature of fifteen degrees Celsius (15°C).

The unit of volume of liquids for all purposes hereunder shall be one (1) "cubic metre" as defined in the Weights and Measures Act of Canada.

1004. Determination of Volume

Volumes of gas shall be computed in accordance with the methods prescribed in the publication entitled "Gas Measurement Committee Report No. 3, Natural Gas Department, American Gas Association", including the Appendix thereto as published April 1955, and as may be subsequently revised, such revisions to be approved by the Owners. The volumes of gas shall be corrected for deviation from Boyle's Law; and the factor for correction for such deviation shall be computed in accordance with the methods set forth in "Supercompressibility Factors for Natural Gas", Volumes 1 through 6, inclusive, or in "Tables for the Determination of Supercompressibility Factors for Natural Gas Containing Nitrogen and/or Carbon Dioxide", Volume 7, as published by the American Gas Association in 1955, or any subsequent revisions thereto.

Volumes of liquids shall be computed taking into consideration the compressibility and specific gravity, if applicable, and volumes so measured shall be corrected to fifteen (15) degrees Celsius employing the volume correction tables approved by the Owners.

1005. Assumed Atmospheric Pressure

The average absolute pressure shall be assumed to be 94.5 kiloPascals (kPa) irrespective of the actual elevation or location of the Facility meters above sea level or variations in the atmospheric pressure from time to time.

1006. Analysis of Natural Gas

- a. The Natural Gas shall be sampled by the Operator at the Delivery Point as soon as practicable after startup and during each subsequent calendar year thereafter, or at such times as the Owners may direct, and the samples so taken shall be analyzed to determine the mole percent of each hydrocarbon constituent present from methane to heptanes plus, the mole percent of carbon dioxide, hydrogen sulphide and nitrogen. The metres per 10^3m^3 of propane, iso-butane, normal butane, and pentanes plus, and gigagoules per 10^3m^3 of methane, ethane, propane, iso-butane, and normal butane, shall be calculated from the mole percentages in accordance with Table of Physical Constants of Paraffin Hydrocarbons, NGPA Publication 2145-71, or the latest revision thereof, at temperature of fifteen (15°) degrees Celsius, corrected to an absolute pressure of 101.325 kiloPascals (kPa), and not corrected for supercompressibility. Due allowance shall be made for U.S. gallons used in the referenced publication and cubic metres required by this Agreement. Gas and

liquid samples shall be analyzed by gas-liquid chromatography or any other method consistent with normal industry practice.

- b. If it cannot be determined to the satisfaction of the Owners that the production can be sampled in a single phase, the liquid and gaseous portions shall be separated before sampling and measurement. Analysis of the samples shall be made and the analyses recombined in proportion to the liquid and gas flow rate to give a recombined analysis. The recombined analysis shall indicate the molecular percentage of the stream. Volumes of gaseous and liquid production will be measured as per the provisions of this Article X.

ARTICLE XI

DELIVERY OF NATURAL GAS AND OWNERSHIP OF RESIDUE SALES GAS AND PLANT PRODUCTS

1101. Commitment to Deliver to the Facility

Subject to the provisions of this Agreement, and unless excused from delivery by the Owners for economic reasons, each Owner shall deliver or cause to be delivered to, and the Operator shall receive at the Delivery Point, such Owner's Natural Gas and/or Outside Gas as has been committed to the Facility by such Owner.

1102. Owner's Share of Residue Gas and Facility Products

- a. Each Owner shall own, and at its own expense, shall take in kind or separately dispose of the Residue Gas and Facility Products which are attributable to the Natural Gas and/or Outside Gas delivered to the Facility by or on behalf of such Owner.
- b. The Operator shall be entitled to commingle each Owner's Facility Products and each Owner's Residue Gas, regardless of the source prior to the delivery of such substances.
- c. The portion of the Residue Sales Gas and Plant Products which are attributed to each Owner on a well basis when only Natural Gas and/or Outside Gas is delivered to the Facility shall be each Owner's working interest in the well times each well's percentage ownership of the Residue Sales Gas and Plant Products as determined in Exhibit "F".
- d. The portions of the Residue Sales Gas and Plant Products which are attributed to each well producing Natural Gas and/or Outside Gas and are delivered from the Facility to the Josephine Gas Plant shall be obtained as per Exhibit "F".

- e. The results of the test conducted as soon as practicable after Facility startup shall be applied for the purposes of Exhibit "F" to the Natural Gas and/or Outside Gas delivered to the Facility during the period from the date of Facility startup to the first day of the calendar month following completion of the next test. The results of the tests conducted thereafter shall be applied to the Natural Gas and/or Outside Gas delivered to the Facility from the first day of the calendar month following the completion of the next succeeding test.
- f. Should any production of Natural Gas and/or Outside Gas not previously tested be delivered to the Facility subsequent to the initial or annual test, such production shall be tested by the Owners within thirty (30) days after the commencement of deliveries. Should any production not previously tested be delivered to the Facility, the composition shall be deemed the weighted average composition of the Natural Gas and/or Outside Gas delivered to the Facility until the first day of the calendar month following the completion of the testing of such production.

1103. Allocation of Flare Volumes

Each Owner's share of gas flared during a calendar month at the Facility will be deemed to be proportionate to each Owner's portion

of Natural Gas and/or Outside Gas delivered to the Facility during each calendar month.

1104. Delivery of Residue Gas

The Operator shall deliver, at the Facility outlet for Residue Gas, each Owner's share of Residue Gas to such Owner or to such purchaser, carrier, or processing facility, at a pressure sufficient to enable the Residue Gas to enter the facilities of such purchaser, carrier or processing facility.

1105. Delivery of Facility Products

The Operator shall deliver Facility Products as may be produced from time to time to such purchaser, carrier or processing facility designated by the Owner at the Facility outlet.

1106. Failure to Take in Kind

To the extent that an Owner entitled to take and receive in kind any portion of the Residue Gas or Facility Products, fails to take or otherwise adequately dispose of the same, then, so long as such failure continues, the Operator may, for the account and at the expense of such Owner, sell at a price not less than that which the Operator receives for its own share or, if a purchaser is not available, store, arrange for injection or otherwise dispose of such Owner's share of Residue Gas or Facility Products. The authority of the Operator to enter into contracts for the sale of such Owner's share of Residue Gas or Facility Products shall be restricted to contracts that are for such

reasonable periods of time as is consistent with the minimum needs of the industry under the circumstances, and in no event shall the term thereof exceed one (1) year. Subject to such contracts, such Owner may commence or resume taking its share of Residue Gas or Facility Products in kind at any time if it has given the Operator notice prior to the expiration of the current sales contract that it intends to take its share in kind.

1107. Losses in Handling

Each Owner shall bear a share of any losses actually suffered during a month due to evaporation, flaring due to emergencies, or handling of Natural Gas and/or Outside Gas, Residue Gas and Facility Products in proportion to its ownership thereof.

1108. Royalty and Indemnification

Each Owner shall pay or be responsible for the payment of, and shall indemnify the other Owners including the Operator against liability for any and all royalties, overriding royalties, production payments, and any and all other payments chargeable against its share of Residue Sales Gas and Plant Products.

1109. Warranty of Owners

Each Owner warrants that it has the right to produce and dispose of its portion of the Natural Gas and agrees to indemnify and save harmless the Operator and other Owners from all actions, claims and demands that may be made by any person, firm or corporation who has or

claims to have interest in such Natural Gas, Residue Sales Gas or Plant Products attributable thereto.

ARTICLE XII

EFFECTIVE DATE

1201. Effective Date

The Effective Date of this Agreement shall be 8:00 a.m. on the day of initial Facility start-up (December 1, 1981) provided that Owners having Facility Participation totalling ninety percent (90%) or more, as set forth in Exhibit "A", have executed and delivered to the Operator one (1) counterpart of this Agreement. It is further provided that if this Agreement has not been executed by Owners having Facility Participation of ninety percent (90%) or more on or before December 15, 1984, *A*. this Agreement shall cease to bind any person who has executed same, unless the Owners who have then executed and delivered counterparts unanimously agree to extend the time.

ARTICLE XIII

TERM

1301. Term

This Agreement shall remain in full force and effect from the Effective Date until the Facility has been salvaged or disposed of by the Operator for the benefit of the Owners, and all property or the proceeds thereof have been distributed to the Owners.

claims to have interest in such Natural Gas, Residue Sales Gas or Plant Products attributable thereto.

ARTICLE XII
EFFECTIVE DATE

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The Effective Date of this Agreement shall be 8:00 a.m. on the day of initial Facility start-up (December 1, 1981) provided that Owners having Facility Participation totalling ninety percent (90%) or more, as set forth in Exhibit "A", have executed and delivered to the Operator one (1) counterpart of this Agreement. It is further provided that if this Agreement has not been executed by Owners having Facility Participation of ninety percent (90%) or more on or before July 1, 1984, this Agreement shall cease to bind any person who has executed same, unless the Owners who have then executed and delivered counterparts unanimously agree to extend the time.

ARTICLE XIII
TERM

1301. Term

This Agreement shall remain in full force and effect from the Effective Date until the Facility has been salvaged or disposed of by the Operator for the benefit of the Owners, and all property or the proceeds thereof have been distributed to the Owners.

1302. Salvage or Disposition

If the Owners decide to terminate this Agreement by salvaging or disposing of the Facility and distributing proceeds as set forth in Clause 1301., the Operator shall, for the Facility Account, salvage as much of the Facility as can economically and reasonably be salvaged, or otherwise dispose of the same in the manner determined by the Owners. The costs of salvaging, liquidation or other distribution of assets and properties used in the Facility operations shall be for the Facility Account.

ARTICLE XIV

FORCE MAJEURE

1401. Force Majeure

Performance under this Agreement by the Operator and the other Owners, except for the payment of money, is excused to the extent that such performance is prevented or materially affected by strikes, lock-outs, civil disturbances, riots, fires, floods, tornadoes, lightning, landslides, earthquakes, storms, breakage of or accident to machinery or lines of pipe, explosions, acts of God or the Queen's enemies, Provincial and Federal Government Laws, orders, rules and regulations, injunctions or other legal proceedings based upon any claim or infringement or any letters patent; inability or delay in obtaining rights-of-way, permits, easements, or material; failure of purchasers to take Residue Sales Gas or Facility Products from Owners; and other happenings (except financial), whether similar or dissimilar to the foregoing, that are

beyond the reasonable control of the Operator or of the Owner claiming to be excused, or are occasioned by the necessity for making repairs to or reconditioning the Facility, wells, machinery, equipment, or pipelines not resulting from the fault or negligence of the Operator or Owner claiming to be excused; but the one claiming shall use reasonable diligence to put itself again in a position to carry out its obligations hereunder. Nothing herein contained shall be construed to require the Operator or any Owner to settle a strike or lockout by acceding against its judgment to the demands of opposing persons in any labor dispute.

Where the performance of the Operator or of an Owner is prevented or materially affected as aforesaid, the Operator or the Owner affected shall promptly give notice and full particulars to the other Owners.

ARTICLE XV

UNITED STATES TAXES

1501. United States Tax Provision

The Owners agree that if, for purposes of the United States Internal Revenue Code of 1954, this Agreement or the relationship established thereby constitutes a partnership, as defined in Section 761(a) of the said Code, each of the Owners who are entitled under the said Section 761(a) to elect, hereby elects to have the said partnership excluded from the application of subchapter K of chapter 1 of subtitle A of the said Code, or such portion thereof as the Secretary of the Trea-

sury of the United States or his delegate shall permit by election to be excluded therefrom. The Operator is authorized to execute such election on behalf of the Owners who are entitled to make such election and to file such evidence of this election as may be required by the Secretary of the Treasury of the United States or the Federal Internal Revenue Service, including specifically, but not by way of limitation, all of the returns, statements, and data required by the Code and applicable Regulations provided that if the Operator is not subject to the said Code, the obligations of the Operator under this clause shall be carried out by the Owner who is subject to the said Code and who holds the greatest Facility Participation. Should there be any requirement that each of the Owners who are entitled to elect, file further evidence of this election, each Owner who is entitled to make such election agrees to execute or join in the execution thereof.

ARTICLE XVI

MISCELLANEOUS PROVISIONS

1601. Relationship of the Owners

The Owners shall hold their interests in and to the Facility as tenants in common, and it is not the intention of the Owners to create a partnership, joint venture, association, or trust. The duties, obligations and liabilities of the Owners are intended to be separate and not joint or collective; and nothing contained in this Agreement, or in any agreement made pursuant hereto, shall ever be construed to create a partnership, joint venture, association, or trust, or to impose upon

any one or more of the Owners a partnership duty, obligation or liability. Each Owner shall be individually responsible only for its own obligations as set out in this Agreement and shall be liable only for its proportionate share of the costs and expenses and liabilities as herein stipulated.

1602. Interpretation

The captions or headings used in this Agreement are inserted solely for convenience and shall not be considered or given any effect in interpreting this Agreement or in ascertaining the intent of the Owners.

1603. Number and Gender

In this Agreement, words importing the singular include the plural and vice versa; words importing the masculine gender include the feminine and vice versa; and words importing persons include firms or corporations and vice versa.

1604. Execution in Counterpart

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

1605. No Partitioning

An Owner shall not resort to any action at law or in equity for partition or sale in lieu of partition of the Facility or any portion thereof. Each Owner hereby waives the benefit of all laws relating

to partitioning or sale in lieu of partitioning insofar as the Facility is concerned.

1606. Laws and Regulations

This Agreement and the rights and obligations of the Operator and the Owners are subject to all present and future laws, rules, regulations and orders of any legislative body or duly constituted authority now or hereafter having jurisdiction.

1607. Applicable Laws

This Agreement shall be construed in accordance with the laws of Canada and of the Province of Alberta.

1608. Waivers

No waiver by or on behalf of an Owner of any breach of a provision of this Agreement shall be binding upon the Owner unless it is expressed in writing and duly executed by the Owner or signed by its fully authorized representatives, and such a waiver shall not operate as a waiver of any future breach, whether of a like or different character.

1609. Suits

An Owner who is sued on an alleged cause of action arising out of operations hereunder shall forthwith notify every other Owner.

1610. Further Assurances

Each of the Owners shall, from time to time and at all times, do all such further acts and execute and deliver all such deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this Agreement.

1611. No Implied Covenants

The Owners have expressed herein their entire understanding and agreement concerning the subject matter of this Agreement and no implied covenant, condition, term, or reservation shall be read into this Agreement relating to or concerning such subject matter nor shall any oral or written understanding heretofore entered into modify or compromise any of the terms and conditions herein.

1612. 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 telecommunications or by mailing in a sealed and properly addressed envelope with postage prepaid. Notices or communications shall be deemed to have been received twelve (12) hours after the sending thereof in the case of telecommunications and seventy-two (72) hours after the date of mailing in the case of mailing, in either case excluding Saturdays, Sundays and addressee's business holidays. The address appearing below the execution of each Owner shall be the address to which notices and communications to it shall be directed, but an Owner may change its address by notice to each other Owner.

1613. Time

In this Agreement, all times are Mountain Standard Time or Daylight Saving Time, whichever is being used and observed pursuant to the Daylight Saving Time Act.

1614. Enuring Clause

This Agreement shall enure to the benefit of and be binding upon the Owners and their respective successors and assigns.

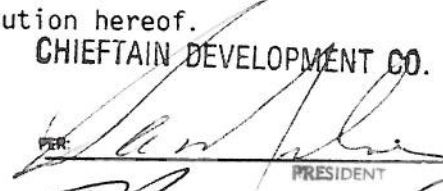
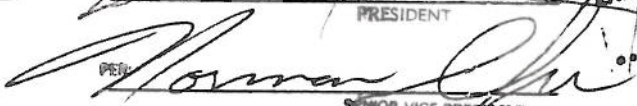
1615. Time of the Essence

Time is of the essence of this Agreement.

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

Date: JUN 11 1984

CHIEFTAIN DEVELOPMENT CO. LTD.

PER: 
PRESIDENT
PR: 
SENIOR VICE PRESIDENT,
PRODUCTION
APPROVED FOR
EXECUTION

(This is Page 59 attached to and made part of the "Agreement for the Construction, Ownership and Operation of the Pouce Coupe Common Facility").

82020ACC0256-p
82020ACC0258-p

1613. Time

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

Langevin Resources

Date: 91.11.01



(This is Page 59 attached to and made part of the "Agreement for the Construction, Ownership and Operation of the Pouce Coupe Common Facility").

AFFIDAVIT OF EXECUTION

CANADA

PROVINCE OF ALBERTA

TO WIT;

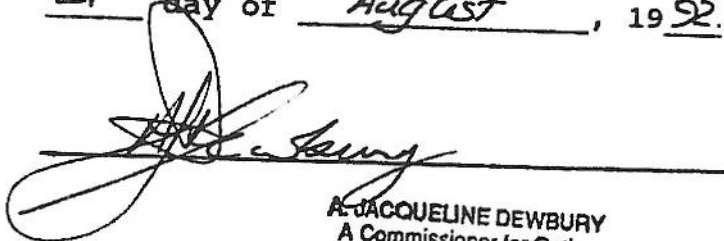
I, J.G. (Greg) Tompkins of the City of Calgary, in the Province of Alberta, Joint Ventures Representative, make oath and say:

1. THAT I was personally present and did see C.J. MacGillivray, General Manager for Langevin Resources and C.J. MacGillivray, Manager Property Consolidation for PanCanadian Petroleum Limited named in the within instrument, duly sign and execute the same on behalf of Langevin Resources and PanCanadian Petroleum Limited for the purpose named therein.

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

3. THAT I know the said C.J. MacGillivray, and he is in my belief, of the full age of eighteen years.

SWORN before me at the City of Calgary)
in the Province of Alberta, this)
21 day of August, 1992.)



A. JACQUELINE DEWBURY
A Commissioner for Oaths
in and for the Province of Alberta
My Commission expires July 31, 1993

0075

1613. Time

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

Date: December 31, 1990

HUSKY OIL OPERATIONS LTD.


D.J. FERRIS
Vice President

W.R. MILLER
Vice President

(This is Page 59 attached to and made part of the "Agreement for the Construction, Ownership and Operation of the Pouce Coupe Common Facility")

C-11276

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1615. Time of the Essence



Time is of the essence of this Agreement.

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

BP RESOURCES CANADA LIMITED

Date:

July 20, 1992


VICE-PRESIDENT OPERATIONS
OIL AND GAS DIVISION

ASSISTANT-SECRETARY

(This is Page 59 attached to and made part of the "Agreement for the Construction, Ownership and Operation of the Pouce Coupe Common Facility").

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

Date: 01/07/26

TALISMAN ENERGY CANADA
By its Managing Partner,
Talisman Energy Inc. **David F. Maddison**
General Manager
Central and Midstream Operations

Address:

TALISMAN ENERGY CANADA
By its Managing Partner,
Talisman Energy Inc.

Suite 3400, 888 - 3rd Street S.W.

Calgary, Alberta T2P 5C5

(This is Page 59 attached to and made part of the "Agreement for the Construction, Ownership and Operation of the Pouce Coupe Common Facility")

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1614. Enuring Clause

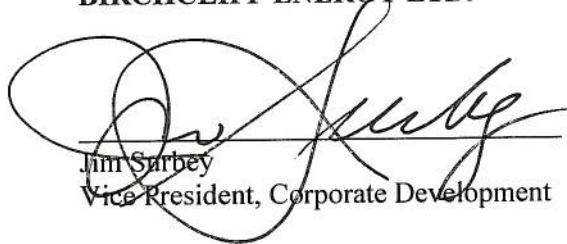
This Agreement shall enure to the benefit of and be binding upon the owners and their respective successors and assigns.

1615. Time is of the Essence

Time is of the essence in this agreement.

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

BIRCHCLIFF ENERGY LTD.



Jim Sarbey
Vice President, Corporate Development

Date: July 28, 2016

Address:

500, 630 – 4 Avenue SW
Calgary, Alberta T2P 0J9

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1615. Time of the Essence

Time is of the essence of this Agreement.

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

Encana Source Production Ltd.

Date: April 5, 2011



Brian Van Marrión,
Assistant Secretary

Address:

Encana Source Production Ltd.

150 - 9th Avenue SW

PO Box 2850

Calgary, AB T2P 2S5

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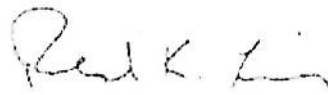
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IN WITNESS WHEREOF the Owners have executed this Agreement each on the date opposite its execution hereof.

CANADIAN NATURAL RESOURCES
NORTHERN ALBERTA PARTNERSHIP
BY ITS MANAGING PARTNER,
CANADIAN NATURAL RESOURCES LIMITED



Date: JUNE 9, 2010

Ron Laing
Vice President, Commercial Operations

Address:

2500, 855 - 2nd Street SW

Calgary, AB T2P 4J8

Fax No.: (403) 517-7363

(This is Page 59 attached to and made part of the "Agreement for the Construction, Ownership and Operation of the Pouce Coupe Common Facility")

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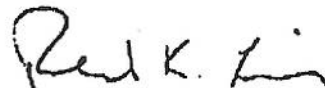
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CANADIAN NATURAL RESOURCES LIMITED



Date: JUN 09 2010

Ron Laing
Vice President, Commercial Operations

Address:

2500, 855 - 2nd Street SW

Calgary, AB T2P 4J8

Fax No.: (403) 517-7363

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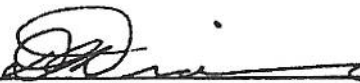
1615. Time of the Essence

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

Date: OCTOBER 30, 1990

Encor Energy Corporation Inc.


D.V. DIONNE
Vice-President, Production Operations


A.D. WAGNER
Assistant Secretary

APPROVED	
JT. OPS	
LAND	
LAW	

1800, 645 - 7th Avenue S.W.
P.O. Box 2670, Station M
Calgary, Alberta T2P 3X9

(This is Page 59 attached to and made part of the "Agreement for the Construction, Ownership and Operation of the Pouce Coupe Common Facility").

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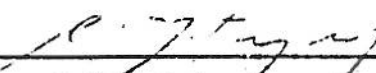
Time is of the essence of this Agreement.

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

Date: August 16, 1990



GRHAM V. MILLER



P. J. TAYLOR

TOTAL PETROLEUM CANADA LTD.
839 - 5th AVENUE S.W.
CALGARY, ALBERTA
T2P 0M9

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In this Agreement, all times are Mountain Standard Time or Daylight Saving Time, whichever is being used and observed pursuant to the Daylight Saving Time Act.

1614. Enuring Clause

This Agreement shall enure to the benefit of and be binding upon the Owners and their respective successors and assigns.

1615. Time of the Essence

Time is of the essence of this Agreement.

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

CANTERRA ENERGY LTD.

Date:

May 24/85

K.J. FITZGERALD
VICE PRESIDENT
WESTERN CANADA PRODUCTION

[Signature]
M. MacLEOD
ASSISTANT SECRETARY

LAW	
LAND	
EXPL.	
PROD.	1/2
FINAN.	50%
INSUR.	1/2
TAX	

MKTG. am

555, 4th Ave S.W.
Calgary, Alta

(This is Page 59 attached to and made part of the "Agreement for the Construction, Ownership and Operation of the Pouce Coupe Common Facility").

1613. Time

In this Agreement, all times are Mountain Standard Time or Daylight Saving Time, whichever is being used and observed pursuant to the Daylight Saving Time Act.

1614. Enuring Clause

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

Date: Dec. 11, 1984

R. G. Nicholls

Its Attorney in Fact

C. M. G. Stewart

Witness as to the signature of the
Attorney in Fact for Amoco Canada
Petroleum Company Ltd

APPROVED
Comptlr's CRs/
Law J.C.
Prod

(This is Page 59 attached to and made part of the "Agreement for the Construction, Ownership and Operation of the Pouce Coupe Common Facility").

AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF ALBERTA
TO WIT:

I, C. M. Czternastek of the City of Calgary, in the Province of Alberta,
Administrative Analyst, MAKE OATH AND SAY:

1. THAT I was personally present and did see R. G. Nicholls, Attorney in Fact for Amoco Canada Petroleum Company Ltd., who is personally known to me to be the Attorney in Fact for Amoco Canada Petroleum Company Ltd. named therein, duly sign and execute the within instrument for the purposes named therein.
2. THAT the same was executed at the City of Calgary, in the Province of Alberta, and that I am the subscribing witness thereto.
3. THAT I know the said R. G. Nicholls and he is in my belief of the full age of eighteen years.

SWORN BEFORE ME at the City of)
Calgary, in the Province of)
Alberta, this 11th day of)
December, A.D. 1984.)

D. H. Thompson
A Commissioner for Oaths in and
for the Province of Alberta

D. H. Thompson

Appointment Terminates July 25, 1986.

C. M. Ziemastek

1613. Time

In this Agreement, all times are Mountain Standard Time or Daylight Saving Time, whichever is being used and observed pursuant to the Daylight Saving Time Act.

1614. Enuring Clause

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1615. Time of the Essence

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

Date: 84-12-04

PanCanadian Petroleum Limited

[Signature]

APPROVED
<i>[Signature]</i> MNT. INTS
EXPL
<i>[Signature]</i> T
TITLE & C
<i>[Signature]</i> T
N. P.
<i>[Signature]</i> F. S. SEBY
TAX
<i>[Signature]</i>
LEGAL
<i>[Signature]</i>

(This is Page 59 attached to and made part of the "Agreement for the Construction, Ownership and Operation of the Pouce Coupe Common Facility").

1613. Time

In this Agreement, all times are Mountain Standard Time or Daylight Saving Time, whichever is being used and observed pursuant to the Daylight Saving Time Act.

1614. Enuring Clause

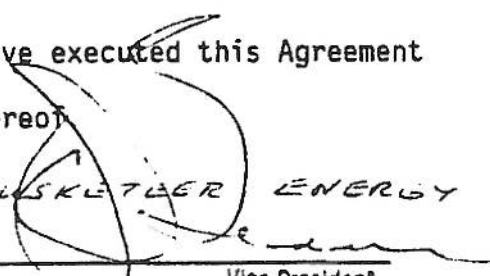
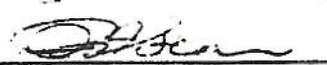
This Agreement shall enure to the benefit of and be binding upon the Owners and their respective successors and assigns.

1615. Time of the Essence

Time is of the essence of this Agreement.

IN WITNESS WHEREOF the Owners have executed this Agreement each on the date opposite its execution hereof

Date: JUL 09 1984

MUSKETIER ENERGY LTD

Vice-President

SECRETARY

(This is Page 59 attached to and made part of the "Agreement for the Construction, Ownership and Operation of the Pouce Coupe Common Facility").

1613. Time

In this Agreement, all times are Mountain Standard Time or Daylight Saving Time, whichever is being used and observed pursuant to the Daylight Saving Time Act.

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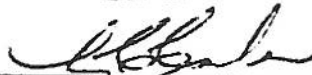
1615. Time of the Essence

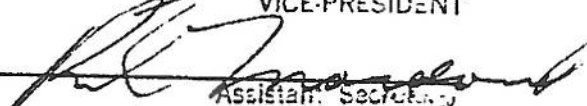
Time is of the essence of this Agreement.

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

Date: JUN 08 1984

CANADIAN SUPERIOR OIL LTD


VICE-PRESIDENT


Assistant Secretary

(This is Page 59 attached to and made part of the "Agreement for the Construction, Ownership and Operation of the Pouce Coupe Common Facility").

82020ACC0256-p
82020ACC0258-p

EXHIBIT "A"

ATTACHED TO AND MADE PART OF AN AGREEMENT ENTITLED "CONSTRUCTION, OWNERSHIP AND OPERATION OF THE POUCE COUPE COMMON FACILITY"

Owners	Functional Unit #1 Participation (%)	Functional Unit #2 Participation (%)	Facility Participation (%)
Birchcliff Energy Ltd.	11.5742	11.5742	11.5742
Canadian Natural Resources Northern Alberta Partnership by its manager, Canadian Natural Resources Limited.	0.0000	88.4258	74.45452
Glenogle Energy Inc.	88.4258	0.0000	13.97128
Total	100.0000	100.0000	100.0000
Relative Weighting	15.8	84.2	

EXHIBIT "A"

ATTACHED TO AND MADE PART OF AN AGREEMENT ENTITLED "CONSTRUCTION, OWNERSHIP AND OPERATION OF THE POUCE COUPE COMMON FACILITY"

Owners	Functional Unit #1 6-30 Dehydration Facility Participation (%)	Functional Unit #2 GGS Participation (%)	Facility Participation (%)
Birchcliff Energy Ltd.	11.5742	11.5742	11.5742
Canadian Natural Resources Northern Alberta Partnership by its manager, Canadian Natural Resources Limited.	88.4258	88.4258	88.4258
Total	100.0000	100.0000	100.0000
Relative Weighting	15.8	84.2	

EXHIBIT "B"

ATTACHED TO AND MADE PART OF AN AGREEMENT ENTITLED "AGREEMENT FOR THE CONSTRUCTION, OWNERSHIP AND OPERATION OF THE POUCE COUPE COMMON FACILITY"

101. Functional Unit Descriptions

- (a) Functional Unit No. 1 consists of the 06-30-081-12W6M dehydration facilities and the following pipeline segments:

Segment start and end points	License No.- Line No.	Length
06-30-081-12W6M to 07-25-081-13W6M	52340-1	1.0 km
06-30-081-12W6M to 11-30-081-12W6M	52341-13	0.5 km
11-30-081-12W6M to 10-31-081-12W6M	52341-14	2.7 km

- (b) Functional Unit No. 2 consists of the following pipeline segments:

Segment start and end points	License No.- Line No.	Length
10-31-081-12W6M to 11-18-082-11W6M	52341-15	11.24 km
11-18-082-11W6M to 15-18-082-11W6M	52341-16	1.03 km
01-19-082-11W6M to 04-20-082-11W6M	52341-25	0.87 km
04-20-082-11W6M to 13-15-082-11W6M	52341-17	3.03 km
13-15-082-11W6M to 11-25-082-11W6M	13538-50	4.93 km
11-25-082-11W6M to 15-25-082-11W6M	52341-24	0.42 km
15-25-082-11W6M to 07-36-082-11W6M	52341-23	0.87 km

EXHIBIT B
ATTACHED TO AND MADE PART OF AN AGREEMENT ENTITLED
"CONSTRUCTION, OWNERSHIP AND OPERATION OF THE POUCE COUPE COMMON FACILITY"

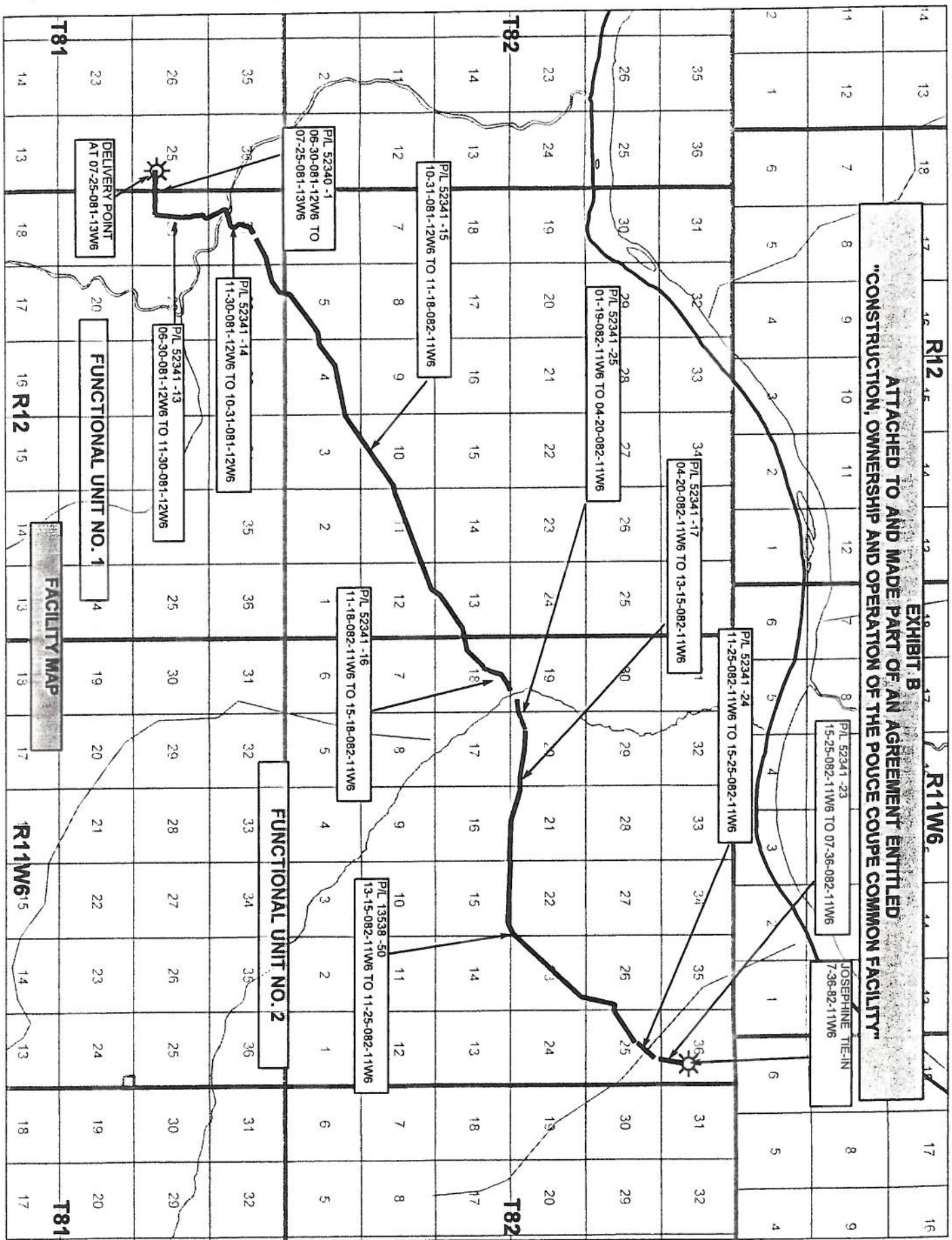


EXHIBIT "C"

ATTACHED TO AND MADE PART OF AN AGREEMENT ENTITLED
"CONSTRUCTION, OWNERSHIP AND OPERATION OF THE
POUCE COUPE COMMON FACILITY"

ACCOUNTING PROCEDURE
FACILITY OPERATIONS

I. GENERAL

101. Definitions:

The definitions of the Agreement for the Construction, Ownership and Operation of the Pouce Coupe Common Facility (hereinafter called the "Agreement") are adopted for the purposes of this Accounting Procedure. In addition, in the Accounting Procedure, unless the context otherwise requires:

- a. "Agreement" means the Agreement to which this Accounting Procedure is Exhibit "C".
- b. "Construction Project" means any construction or installation undertaken for the Facility Account, including each subsequent addition thereto or alteration thereof.
- c. "Controllable Material" means the Material which at the time is so classified in the Controllable Material Price Catalogue as most recently recommended by the Petroleum Accountants Society of Western Canada.

- d. "Facility Operation" means any operation conducted under the terms of the Agreement.
- e. "Facility Property" means all property subject to the Agreement.
- f. "Material" means equipment or supplies acquired for use in the conduct of Facility Operations, and with respect to the classification of Material:
 - i. Condition "A" means that which is new;
 - ii. Condition "B" means that which has been used but is suitable for its original function without reconditioning;
 - iii. Condition "C" means that which has been used and would be suitable for its original function after reconditioning, or that which cannot be reconditioned for, but has a limited service in, its original function; and
 - iv. Condition "D" means that which is not suitable for its original function but is usable for another function.
- g. "New Price" means the current cost of Condition "A" Material at the nearest reputable supply store where such Material is available or railway receiving point to which

such Material could be delivered, whichever is closer to the Facility Property. Tubular goods fifty point eight (50.8) millimetres in diameter and over shall be priced on a carload basis. Any cash discount that may be allowed by a dealer shall not be deducted in determining the New Price.

- h. "Operation and Maintenance" means all operations other than Construction Projects conducted under the terms of the Agreement.
- i. "First Level Supervisor" shall mean the employee whose primary function is the direct supervision of other employees and/or contract labour directly employed in a facility operating capacity.
- j. "Technical Employee" shall mean the employee having special and specific engineering, geological or other professional skills and whose primary function is the handling of specific operating conditions and problems.

102. Statement and Billings

The Operator shall bill the Owners on or before the last day of each month for its proportionate share of the Facility Account for the preceding month. Such bills will be accompanied by statements which identify the authority for expenditure or lease, or facility, and all

charges and credits, summarized by appropriate classifications of investment and expense. Items of Controllable Material and unusual charges and credits shall be identified and described in detail.

103. Payment by Owners

Each Owner shall pay all such bills within thirty (30) days after receipt thereof.

104. Right to Protest or Question Bills

Payment of such bill shall not prejudice the right of any Owner to protest or question the correctness thereof. Subject to the exception noted in Paragraph 105., all statements rendered to the Owners by the Operator during any calendar year shall conclusively be presumed to be true and correct after twenty-six (26) months following the end of any such calendar year, unless within the said twenty-six (26) month period, an Owner takes written exception thereto and makes claim on the Operator for adjustment. The provisions of this paragraph shall not prevent adjustments resulting from physical inventory of Controllable Material as provided for in Section V, Inventories, of this Accounting Procedure.

105. Audits

All the Operator's books, accounts and records relating to Facility Operations for a calendar year may be audited within twenty-four (24) months next following the end of that calendar year by:

- a. the Owners, and the expenses of such audit shall be borne by all Owners except the Operator; or
- b. an Owner, who shall give reasonable written notice to the Operator and the other Owners that it intends to audit, which Owner shall bear the cost thereof.

Any claims of discrepancies disclosed by such audit shall be made in writing within the said twenty-six (26) month period following the end of that calendar year. Each audit shall be conducted so as to cause a minimum of inconvenience to the Operator. The Operator shall respond to any claims of discrepancies within six months of receipt of such claims. If the Operator is unable to respond to the claims during the six month period, one extension of three months may be presented by the Operator to the Non-Operating Working Interest Owners for approval in accordance with Sub clause 405(b) of the Agreement. Claims unanswered after the above six month period and/or additional three month extension, shall be credited forthwith to the Joint Facility Account as originally submitted, until such claim of discrepancies are resolved.

106. Records

The Operator shall maintain detailed records of Controllable Material in such a manner as to enable an effective reconciliation of any physical inventory with the Facility Account.

II. CHARGES

The Operator shall charge the Facility Account with the cost of the following items:

201. Rentals and Other Payments

Rentals, royalties and other payments required to maintain the interest of the Owners in the Facility Property.

202. Labour

- a.
 - i. Salaries and wages of the Operator's field employees up to and including the First Level Supervisors when employed on the site of the Facility Property in the conduct of Facility Operations.
 - ii. Salaries and wages of Technical Employees directly employed on the site of the Facility Property. Such Technical Employees may be charged on a per diem rate as approved by the Owners in lieu of actual salaries and wages and employee benefits.
 - iii. Earned or compensatory time off relating to the above wage or salary categories.
 - iv. The Operator's representatives and engineers working in the contractor's office and personnel travelling to supplier's plants/shops for inspection and expediting of Facility Material during initial construction and subsequent additions or alterations to the Facility subject to the approval of the Owners.

- b. Operator's costs of holiday, vacation, sickness and disability benefits, and other customary allowances paid to employees whose salaries and wages are for the Facility Account. Costs under this Paragraph 202.b. shall be charged by a "percentage assessment" on the amount of salaries and wages chargeable to the Facility Account. The rate shall be based on the the Operator's cost experience.

203. Employee Benefits

- a. Compulsory: Expenditures or contributions made pursuant to assessments imposed by governmental authority which are applicable to the Operator's salaries and wages for the Facility Account.
- b. Non-Compulsory: Established plans for employee's group life insurance, hospitalization, company pension, retirement, stock purchase, thrift, bonus, and other benefit plans of a like nature, applicable to the Operator's labour for the Facility Account shall be chargeable at the Operator's actual cost not to exceed twenty percent (20%) of such labour cost.

204. Travel and Moving

Actual personal expenses, and personnel transfers (except real estate charges and commissions) beyond the control of the Operator, and

travelling expenses to and from and within the Facility Property of those employees whose salaries and wages are for the Facility Account.

205. Material

Material purchased or furnished by the Operator for use in the Facility Operations as provided under Section IV including transportation cost thereof. So far as it is reasonably practicable and consistent with efficient and economical operation only such Material shall be purchased for or transferred to the Facility Property as may be required for the conduct of the Facility Operations.

206. Services

- a. Services relative to the Facility Operations incurred under contracts entered into by the Operator with contractors.
- b. Utilities and other services procured from outside sources including transportation costs thereof. Professional consultant services shall not be for the Facility Account unless approved by the Owners.
- c. The Operator may charge for use of the Operator's own facilities and equipment, at rates not exceeding those available in the immediate area for available like facilities and equipment, commensurate with the costs of ownership and operation thereof, including depreciation and

interest on the depreciated investment. The annual interest rate on investment shall not exceed the prime bank rate of the principal chartered bank in Canada used by the Operator plus one percent (1%), determined at the beginning of each calendar year.

In lieu of the foregoing rates, Operator may charge for use of its own facilities and equipment, except automotive equipment, at the commercial rates available in the immediate area, less twenty percent (20%). When requested to do so, the Operator shall inform the other Owners in advance of the rates to be charged.

- d. With approval of the Owners, design of Construction Projects shall be for the Facility Account including the salaries and expenses of the Operator's employees directly engaged in design work.

207. Damage and Losses to Facility Property

Repair or replacement of Facility Property made necessary because of damages or losses incurred by fire, flood, storm, theft, accident, or other causes. The Operator shall furnish the Owners written notice of damages or losses incurred as soon as practicable after the damage or loss has been discovered.

208. Surface Rights and Legal Services

Acquisition or renewal of surface rights and periodic rentals and related legal services for title work. Fees and related expenses associated with other legal services may be charged only with the approval of the Owners.

209. Taxes

Taxes paid for the Facility Account.

210. Insurance

Insurance premiums paid for the Facility Account.

211. Communications

Outgoing communications incurred by the Operator directly from the Facility Property.

212. Camp and Housing

Operation and maintenance of all necessary camp and housing facilities for, and boarding of, employees whose salaries and wages are for the Facility Account; provided that the charges for the Operator's own facilities shall be commensurate with the costs of ownership and operation thereof, including depreciation and interest on depreciated investment, less any revenue therefrom. The annual interest rate on investment shall not exceed the prime bank rate of the principal chartered bank in Canada used by the Operator plus one percent (1%), determined at the beginning of each year. When operations in addition to Facility Operations are served by these facilities, the charge for such

facilities shall be apportioned among all such operations on an equitable basis.

213. Central Production Control

- a. Automated field and central production control facilities owned or leased by the Operator including employee cost for maintenance and operation of the central production control system and related computer facilities serving the Facility Operations shall be allocated to each operation served on an equitable basis.
- b. Electronic/Computerized gas chart reading and other computer usage shall not be charged to the Facility Account, unless approved by the Owners.

214. Ecological and Environmental

Requirements, whether statutory or otherwise, relating to the ecology or environment on the Facility Property. Costs of related studies shall be subject to the approval of the Owners.

215. Audit of Outside Services

With prior approval of the Owners, the cost of audits of outside services shall be for the Facility Account.

III. OVERHEAD

301. In This Section III:

"Cost" means the total direct expenditures including startup and acceptance costs and costs of transportation incidental to initial staffing and personnel familiarization on site prior to Facility startup, normal replacements of Material, exclusive of expenses of litigation, judgments, settlement of claims, royalties on production and credits on abnormal retirement or abandonment.

"Overhead" means the cost to the Operator of salaries, wages, employee benefits, and all other expenses of employees other than those covered by Paragraphs 202. and 206.d.; and the cost of maintaining and operating offices, camps, housing, and other facilities that are not Facility Property other than those costs covered by Paragraphs 212. and 213.

302. Notwithstanding that the actual Overhead may be greater or less, the Operator shall charge the Facility Account for Overhead as follows:

- a. For each Construction Project:
 - i. one percent (1%) of total cost for initial construction of the Facility.
 - ii. any subsequent addition or alteration thereto;

- a) five percent (5%) of the first \$50 000 of cost,
plus
- b) three percent (3%) of the next \$100 000 of cost,
plus
- c) one percent (1%) of cost exceeding the sum of a)
and b).

b. For Operation and Maintenance:

- i. ten percent (10%) of all expenses relating to the
Cost of Operation and Maintenance of the Facility
Property.

303. Warehouse Handling

- a. Two and one-half percent (2.5%) of the cost of tubular
goods fifty point eight (50.8) millimeters in diameter
and over, and each other item of Material having a new
price in excess of \$3 000.00 delivered from Operator's
warehouse and five percent (5%) of the cost of all other
Material delivered from the Operator's warehouse, where
the Operator's warehouse is not maintained as part of the
Facility Property.
- b. Costs of maintaining warehouses which are part of the
Facility Property.

IV. PRICING OF JOINT MATERIAL PURCHASES, TRANSFERS AND DISPOSITIONS

The Operator shall make proper and timely charges and credits for all Material movements affecting the Facility Property. The Operator shall provide all Material for use on the Facility Property; however, at the Operator's option, such Material may be supplied by other Owners. The Operator shall make timely disposition of idle and/or surplus Material, either through sale to the Owners, division in kind, or sale to outsiders. The Operator may purchase, but shall be under no obligation to purchase, interest of other Owners in surplus Material. All sales of Condition A, B or C Material, the New Price of which is greater than \$15 000.00, shall be subject to approval by the Owners. All other disposals of Material shall be at the discretion of the Operator provided that any sales to the Owners or any of them shall be priced in accordance with Clause 402.

401. Purchases

Material purchased shall be charged at the price paid by the Operator after deduction of all discounts received. Credit for Material returned to vendor shall be for the Facility Account when adjustment has been received by the Operator.

402. Transfers and Dispositions

Material furnished to the Facility Property and Material transferred from the Facility Property or disposed of by the Operator, unless otherwise agreed to by the Owners, shall be priced on the following basis exclusive of cash discounts:

a. New Material (Condition A)

Condition A Material, including tubular goods, shall be priced at the New Price in effect on date of movement.

b. Good Used Material (Condition B)

i. Condition B Material moved to the Facility Property at seventy-five percent (75%) of New Price.

ii. Condition B Material moved from the Facility Property

a) at seventy-five percent (75%) of New Price if Material was originally for the Facility Account as Condition A Material; or

b) at sixty-five percent (65%) of New Price if Material was originally for the Facility Account as Condition B Material at seventy-five percent (75%) of New Price.

c. Other Used Material (Condition C and D)

i. Condition C Material shall be priced at fifty percent (50%) of New Price.

ii. Condition D Material shall be priced at a value commensurate with its use or at prevailing prices.

403. Premium Prices

Whenever, in the Operator's opinion, Material is not available at reasonable prices, the Operator shall, in writing, notify the Owners

thereof. Within two (2) days after receipt of such notice each Owner may notify the Operator in writing that it wishes to deliver to the Operator such Material and such notice shall set forth the price and delivery date. The Operator shall decide if the price and date for delivery of such Material are reasonable in the circumstances and, if so, shall purchase such Material from such Owners. If more than one Owner wishes to supply such Material, the Operator shall decide the quantity of such Material that each Owner may deliver. If the Operator decides such Material is not available from the Owners on reasonable terms, the Operator may acquire such Material and make a charge for the Facility Account of the actual cost and expense incurred in purchasing, transporting and preparing such Material for use.

V. INVENTORIES

501. Periodic Inventory

Inventories of the Facility Account Controllable Material shall be taken by the Operator.

502. Notice

Written notice of the Operator's intention to conduct an inventory shall be given to each Owner at least thirty (30) days prior to commencing such inventory, during which time each Owner may elect to be represented.

503. Reconciliation of Inventory

A reconciliation of the physical inventory with the Facility Account records shall be made by the Owners conducting the physical inventory. The Operator shall submit a list of overages and shortages to all Owners and shall make adjustments to the Facility Account records to reflect the physical inventory.

504. Inventory Expense

The expense of conducting inventories shall not be for the Facility Account unless approved by the Owners.

505. Special Inventories

Each Owner shall have the right at any time to request in writing the taking of a special inventory of Controllable Material which shall be commenced within thirty (30) days of receipt of the written notice. Such Owner shall be entitled to be represented at the taking of the special inventory. All expenses incurred by the Operator in conducting the special inventory shall be borne by the requesting Owner.

EXHIBIT "D"

ATTACHED TO AND MADE PART OF AN AGREEMENT ENTITLED
"CONSTRUCTION, OWNERSHIP AND OPERATION OF THE
POUCE COUPE COMMON FACILITY"

INSURANCE

- a. As to all operations hereunder, the Operator shall carry for the benefit and protection of the Owners hereto:
- i. Workers' Compensation coverage in accordance with applicable legislation;
 - ii. Employer's Liability Insurance covering each employee engaged in the operations hereunder to the extent of \$250 000 each occurrence, where such employee is not covered by Workers' Compensation;
 - iii. Automobile and Aircraft Liability Insurance covering all licensed motor vehicles and aircraft, owned or non-owned, operated and/or licensed by the Operator, with a bodily injury, death and property damage limit of \$1 000 000, inclusive each accident; and
 - iv. Comprehensive General Liability Insurance with a bodily injury, death and property damage limit of \$1 000 000, inclusive each accident; and, without restricting the generality of the foregoing provisions of this subclause, such coverage shall include Contractual Liability, Tortious Liability, Contractor's Protective Liability, Products and Completed Operations Liability.

- b. To the extent that the Operator subscribes to a self-insurance program, the Operator may elect to be a self-insurer and in such event, the Operator shall charge to the Facility Account, in lieu of any premiums for such insurance, an amount commensurate with that for which such insurance could be obtained through the commercial insurance market. The Operator shall not be required to carry any other insurance for the Facility Account, it being understood that each Owner hereto shall be responsible for insuring its own interest in the Facility with respect to physical damage to property, loss of income and other exposures to the extent that the Operator is not required to provide insurance hereunder. The Operator shall require all third party contractors performing work in or on the premises covered hereby to carry such insurance and in such amounts as the Operator shall deem necessary.

EXHIBIT "E"

ATTACHED TO AND MADE PART OF AN AGREEMENT ENTITLED
"CONSTRUCTION, OWNERSHIP AND OPERATION OF THE
POUCE COUPE COMMON FACILITY"

RECOMBINED COMPOSITION OF NATURAL GAS FROM POUCE COUPE WELLS

<u>Component</u>	<u>Well 6-30 Mole %</u>	<u>Well 7-25 Mole %</u>
N ₂	.74	.70
CO ₂	.84	.84
C ₁	93.14	93.15
C ₂	2.69	2.68
C ₃	.91	.91
iC ₄	.21	.19
nC ₄	.33	.34
iC ₅	.16	.16
nC ₅	.17	.15
C ₆	.18	.16
C ₇ ⁺	.63	.72

EXHIBIT "F"

ATTACHED TO AND MADE PART OF AN AGREEMENT ENTITLED
"CONSTRUCTION, OWNERSHIP AND OPERATION OF THE
POUCE COUPE COMMON FACILITY"

ALLOCATION OF RESIDUE SALES GAS AND PLANT PRODUCTS

"Gas" means the continuous volume measurement and monthly mole analysis of the gaseous portion from the facility separator less lease fuel and flare.

"Condensate" means the continuous volume measurement and monthly mole analysis of the liquid from the facility separator. This volume shall be less any produced free water.

The percentage ownership of the Residue Sales Gas heat content and Facility Products liquid volume shall be allocated to each well producing Natural Gas or Outside Gas during each month using a consistent set of units as follows:

(1) Residue Sales Gas Ownership:

$$P_w = \left[\frac{hw}{\sum hw} \times 100 \right] \%$$

where:

Pw = The percentage of the Residue Sales Gas allocated from the Josephine Gas Plant to be allocated to each well delivering Natural Gas or Outside Gas during each month.

hw = Theoretical heat content of each well producing Natural Gas or Outside Gas less pentanes plus (C_5+), carbon dioxide (CO_2), nitrogen (N) and inerts, calculated each calendar month as described by the following formula:

$$hw = NG [hc_1 \times C_1 + hc_2 \times C_2 + hc_3 \times C_3 + hiC_4 \times iC_4 + hnC_4 \times nC_4]$$

where:

NG = Natural Gas and/or Outside Gas shall be the recombination of the gas volumes and the gas equivalent of condensate volumes, measured pursuant to Clause 1001 which is delivered from each well to the Facility during each calendar month.

C_1 = Methane portion of the Natural Gas or Outside Gas expressed as a mole fraction delivered from each well to the Facility during each month.

C_2 = Ethane portion of the Natural Gas or Outside Gas expressed as a mole fraction delivered from each well to the Facility during each month.

C_3 = Propane portion of the Natural Gas or Outside Gas expressed as a mole fraction delivered from each well to the Facility during each month.

iC_4 = Iso-butane portion of the Natural Gas or Outside Gas expressed as a mole fraction delivered from each well to the Facility during each month.

nC_4 = Normal Butane portion of the Natural Gas or Outside Gas expressed as a mole fraction delivered from each well to the Facility during each month.

hc_1 = Theoretical heat content of methane per unit volume at standard conditions.

hc_2 = Theoretical heat content of ethane per unit volume at standard conditions.

hc_3 = Theoretical heat content of propane per unit volume at standard conditions.

hiC_4 = Theoretical heat content of iso-butane per unit volume at standard conditions.

hnC_4 = Theoretical heat content of normal butane per unit volume at standard conditions.

Σhw = The sum of all hw's for the calendar month.

(2) Plant Product Ownership:

$$P_{cw} = \left[\frac{cw}{\sum cw} \times 100 \right] \%$$

where:

P_{cw} = Percentage ownership of the Plant Products allocated from the Josephine Gas Plant to be allocated to each well delivering Natural Gas or Outside Gas during each month.

$$cw = [NG \times mc]$$

where:

NG = Natural Gas and Outside Gas shall be the recombination of the gas volumes and the gas equivalent of condensate volumes measured pursuant to Clause 1001, which is delivered to the Facility during each calendar month.

mc = The mole fraction of the pentanes plus content in the Natural Gas or Outside Gas delivered from each well to the Facility during each month.

$\sum cw$ = The sum of all cw's for the calendar month.

EXHIBIT "F"

ATTACHED TO AND MADE PART OF AN AGREEMENT ENTITLED
"CONSTRUCTION, OWNERSHIP AND OPERATION OF THE
JOSEPHINE GAS PLANT"

ALLOCATION OF RESIDUE GAS AND PLANT PRODUCTS

"Gas" means the continuous volume measurement and monthly mole analysis of the gaseous portion off the wellsite separator less lease fuel and flare.

"Condensate" means the continuous volume measurement and monthly mole analysis of the liquid off the wellsite separator. This volume shall be less any produced free water.

The ~~Each Owner's~~ percentage ownership of the Residue Gas heat content and Plant Products liquid volume shall be allocated to each well producing Natural Gas or Outside Gas during each month using a consistent set of units as follows:

(1) Residue Gas Ownership:

$$P_w = \left[\frac{hw}{\sum hw} \times 100 \right] \%$$

where:

P_i = ~~Each Owner's~~ ^{The} percentage of the Residue Gas ~~ownership~~ to be allocated to each well delivering Natural Gas or Outside Gas during each month.

hw = Theoretical heat content of each well producing Natural Gas or Outside Gas ~~less~~ ^{excluding} pentanes plus (C_5+), carbon dioxide (CO_2), nitrogen (N_2) and inerts, calculated each calendar month ~~is~~ _{as} described by the following formula:

$$hw = NG [hc_1 \times C_1 + hc_2 \times C_2 + hc_3 \times C_3 + hfC_4 \times fC_4 + hnC_4 \times nC_4]$$

where:

NG = Natural Gas and/or Outside Gas shall be the recombination ~~analysis~~ of the Condensate volumes ~~and Gas volumes~~,
gas volume and the gas equivalent of

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measured ~~and allocated~~ pursuant to ~~Clause 1102~~, which is delivered from each well to the Plant during each calendar month.

C_1 = Methane portion of the Natural Gas or Outside Gas expressed as a mole fraction delivered from each well to the Plant during each month.

C_2 = Ethane portion of the Natural Gas or Outside Gas expressed as a mole fraction delivered from each well to the Plant during each month.

C_3 = Propane portion of the Natural Gas or Outside Gas expressed as a mole fraction delivered from each well to the Plant during each month.

iC_4 = Iso-butane portion of the Natural Gas or Outside Gas expressed as a mole fraction delivered from each well to the Plant during the month.

nC_4 = Normal Butane portion of the Natural Gas or Outside Gas expressed as a mole fraction delivered from each well to the Plant during each month.

hc_1 = Theoretical heat content of methane per unit volume at standard conditions.

hc_2 = Theoretical heat content of ethane per unit volume at standard conditions.

hc_3 = Theoretical heat content of propane per unit volume at standard conditions.

hiC_4 = Theoretical heat content of iso-butane per unit volume at standard conditions.

hnC_4 = Theoretical heat content of normal butane per unit volume at standard conditions.

$\sum hw$ = The sum of all hw's for the calendar month.

(2) Plant Product Ownership:

$$P_{CW} = \left[\frac{CW}{ICW} \times 100 \right] \%$$

where:

P_{CW} = ~~Owner's~~ ^{The} percentage ~~ownership~~ of the Plant Products to be allocated to each well delivering Natural Gas or Outside Gas during each month.

cw = $[NG \times mc]$ is the portion of the Natural Gas or Outside Gas volume measured each calendar month used in the allocation of the Plant Products.

where:

mc = The mole fraction of the pentanes plus content in the Natural Gas or Outside Gas.

Σcw = The sum of all cw 's for the calendar month.

(2) Plant Product Ownership:

$$P_{cw} = \left[\frac{cw}{\sum cw} \times 100 \right] \%$$

where:

P_{cw} = Percentage ownership of the Plant Products allocated from the Josephine Gas Plant to be allocated to each well delivering Natural Gas or Outside Gas during each month.

$$cw = [NG \times mc]$$

where:

NG = Natural Gas and Outside Gas shall be the recombination of the gas volumes and the gas equivalent of condensate volumes measured pursuant to Clause 1001, which is delivered to the Facility during each calendar month.

mc = The mole fraction of the pentanes plus content in the Natural Gas or Outside Gas delivered from each well to the Facility during each month.

$\sum cw$ = The sum of all cw's for the calendar month.