



Energy Operations
PNG Tenure
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June 17, 2020

**TIME SENSITIVE
RESPONSE REQUIRED**

DRAKKAR ENERGY LTD.
717 7 AVE SW SUITE 1220
CALGARY AB T2P 0Z3

ATTENTION: A. James Lee
Mineral Land Department

RE: ADVANCE RULING
PNG AGREEMENT 5411070283
EXPIRY DATE: July 14, 2020
EXPIRY TYPE: INTERMEDIATE TERM
APPLICATION DATE: April 22, 2020

Alberta Energy has completed its review of your application and is prepared to offer continuation for this agreement as outlined below:

- M5 R21 T076: 3E

pursuant to Section 15 in the Triassic System.

- M5 R21 T076: 3W

pursuant to Section 17 until July 14, 2021, from surface to the base of the Triassic System.

- You may submit additional evidence of productivity to support your application and any information you submit must have been acquired prior to the agreement expiry date on July 14, 2020.
- **If you wish to accept the Section 17 offer, acceptance must be received by the Offer Expiry Date in the Offer tab in ETS. Once continuation is finalized, the acceptance fee amount totalling \$3,200.00, will appear on the monthly statement that is issued to the payor.**
- **Rental owing at \$3.50/ha is also required.**
- If a further application is submitted prior to expiry, ensure you refer back to all submitted data for this agreement in the Data tab in ETS if applicable.
- You have one month from the receipt date of this letter or by the agreement expiry date, whichever is greater, to respond. Please refer to the Offer Expiry Date in the Offer tab in ETS.
- If no response is received, only the productive rights pursuant to Section 15 will continue. No further operations, including the licensing of new wells from the Alberta Energy Regulator (AER), may be performed after agreement expiry **until you receive final confirmation of this continuation from Alberta Energy**. If operations continue, AER may cancel your well licence which could result in enforcement action as per AER Compliance Assurance-Enforcement – Directive 019.

ALL SECTIONS REFER TO THE PNG TENURE REGULATION

Leslie Cunningham
Senior Land Analyst
Agreement Continuations