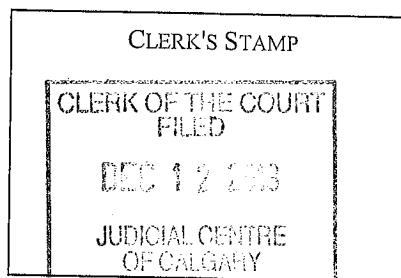


FORM 49
[RULE 13.19]



COURT FILE NUMBER

13D1-14668

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFF(S)

PENN WEST PETROLEUM LTD.

DEFENDANT(S)

BERNARD OMINAYAK; ALPHONSE OMINAYAK; DWIGHT GLADUE; JORDIE SAWAN; BRYAN LABOUCAN; LARRY OMINAYAK; and JOHN and JANE DOES NUMBERS 1 THROUGH 30

DOCUMENT

AFFIDAVIT OF MICHELLE MCQUADE

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

BENNETT JONES LLP
Barristers and Solicitors
4500, 855 – 2nd Street SW
Calgary, Alberta T2P 4K7

Attention: E. Bruce Mellett/Laura M. Gill
Telephone No.: 403-298-3319
Fax No.: 403-265-7219
Client File No.: 59614-63

AFFIDAVIT OF MICHELLE MCQUADE

Sworn on December 11, 2013.

I, Michelle McQuade, of the City of Calgary, in the Province of Alberta, SWEAR/AFFIRM AND SAY THAT:

1. I am the General Manager, Health, Safety, Environment and Regulatory of Penn West Petroleum Ltd. ("Penn West"). My responsibilities in this position include relating with regulatory authorities and First Nations, and as such I have personal knowledge of the facts and matters herein deposed to, except where stated to be based on information and belief, in which case I believe such matters to be true.

2. Penn West is a corporation registered in Alberta, and is engaged in the exploration, development and production of oil and gas in western Canada under the trade name Penn West Exploration.
3. Since November 27, 2013, there has been a roadblock of an access road used by Penn West to transport crews, material and equipment to a well pad site for the drilling of two wells at a surface site on lands described as 3-25-091-13W5 and 4-25-091-13W5 (collectively, "the 3-25 Wells"). This Affidavit is in support of an application to restrain the participants in the roadblock.

Project and Consultation Background

4. Penn West currently is pursuing operations in and around the Sawn and Haig Lake areas of Alberta and has a plan to develop a number of locations consisting of sequential and integrated steps including well site construction, drilling and completion operations (the "Sawn Lake Program"). The Sawn Lake Program includes the 3-25 Wells.
5. The Lubicon Lake Cree is a group of First Nation people which assert aboriginal title and traditional lands in the Sawn and Haig Lake areas (the "Lubicon Cree"). In developing the Sawn Lake Program, Penn West engaged in consultation with the Lubicon Cree, including in regard to the 3-25 Wells in 2011.
6. As described in further detail below, there are currently two groups which claim to properly represent the collective interests of the Lubicon Cree. The first group is the "Lubicon Lake Nation", headed by Bernard Ominiyak. The second group is the federally and provincially recognized "Lubicon Lake Band", headed by Chief Billy Joe Laboucan, and registered with Aboriginal Affairs and Northern Development Canada. Reference in this Affidavit to the terms Lubicon Lake Nation ("LLN") and Lubicon Lake Band ("LLB") refer to the respective leadership groups described above.
7. I am advised by Chris Sillito, Senior Landman for Penn West and do verily believe that the LLN was consulted regarding the site of the 3-25 Wells, as well as the access road to be developed by Penn West for operating in the area. Attached as **Exhibit "1"** to my Affidavit is a letter dated March 10, 2011 from Alberta Sustainable Resource

Development, attaching a log setting out Penn West's consultation efforts to date and deeming such consultation to be adequate.

8. On April 4, 2011, Alberta Sustainable Resource Development ("ASRD") issued a License for an Access Road under License of Occupation No. 110648 ("LOC No. 110648"). Attached as **Exhibit "2"** to my Affidavit is a copy of LOC No. 110648. Penn West subsequently constructed an access road ("the Access Road") on the lands covered by the Licence.
9. On April 30, 2011, ASRD issued Mineral Surface Lease No. MSL 110673 to Penn West for the site of the 3-25 Wells. Attached as **Exhibit "3"** to my Affidavit is a copy of MSL 110673.
10. On July 27, 2012, Penn West wrote to the LLN advising of its intention to submit formal application to the ERCB for, amongst other things, the 3-25 Wells. Attached as **Exhibit "4"** to my Affidavit is a copy of the letter dated July 27, 2012 from Mr. Sillito to the LLN.
11. On August 3, 2012, Garrett Tomlinson on behalf of the LLN wrote to Penn West and forwarded a Notice of Objection. A copy of this correspondence is attached as **Exhibit "5"** to my Affidavit.
12. On September 19, 2012, Penn West submitted its application to the ERCB, including for the 3-25 Wells, by way of letter to the ERCB. A copy of the letter is attached as **Exhibit "6"** to my Affidavit. The LLN was copied with this correspondence.
13. Through much of 2012, Penn West communicated and met with representatives of the LLN, including Bernard Ominayak, on a number of occasions to discuss issues arising from the Sawn Lake Program. Attached as **Exhibit "7"** to this my Affidavit is a copy of Penn West's General Communication Chronology with the LLN that was submitted to the ERCB with its application.
14. Attached as **Exhibit "8" and "9"** to my Affidavit are copies of two letters dated September 14, 2012 from the ERCB to then Chief Bernard Ominayak reviewing the

objections submitted by Chief Bernard Ominayak with respect to the larger Sawn Lake Program, and advising of the ERCB's intention to issue licenses requested by Penn West.

15. Counsel for the LLN sent correspondence to Penn West dated September 20, 2012, to which Penn West responded on September 27, 2012. Copies of this correspondence are attached as **Exhibit "10"** and **"11"** to my Affidavit.
16. On January 30 and 31, 2013, the ERCB issued the well licenses for the 3-25 Wells ("the Licenses"). Attached as **Exhibits "12"** and **"13"** to this my Affidavit are copies of the Licenses. Attached as **Exhibit "14"** is a copy of the ERCB's letter dated January 30, 2013 to the LLN addressing the LLN objections to the licences including the 3-25 Wells.
17. Penn West also obtained well licenses from the ERCB for a number of other wells in relation to the Sawn Lake Program, including a well located at 14-25-091-13W5M (the "Well Licenses").
18. To my knowledge, no subsequent challenge to the issuance of the Licences or the Well Licenses was made to the ERCB or by way of judicial review.

Lubicon Elections and New Chief

19. On February 25, 2013, the Government of Alberta notified industry proponents that, pursuant to an election on February 15, 2013, the governments of Alberta and Canada recognized the election of Billy Joe Laboucan as Chief of the LLB. The notice further advised that all active and ongoing consultation with the LLB should be directed to Wayne Auger, the consultation contact appointed by a resolution of Chief Laboucan and the LLB dated February 21, 2013. Attached as **Exhibit "15"** to this my Affidavit is a copy of an email dated February 25, 2013 from Nicole Braun, Team Lead, First Nations Consultation Approvals Unit, received by Penn West.
20. Since receiving notice of Chief Laboucan's election on February 25, 2013, Penn West has met with Mr. Auger, the recognized consultation contact, on a number of occasions to engage in ongoing communication in respect of Penn West's proposed operations in the Sawn Lake Area, including the 3-25 Wells. Attached as **Exhibit "16"** to my Affidavit is

a list of First Nation Consultation Contacts issued by the Alberta Government confirming Mr. Auger as LLB contact as of February 22, 2013, and most recently as of November 7, 2013.

21. On April 2, 2013, Penn West received a letter signed by several members of the LLN including Bernard Ominayak as "Chief" of the LLN. The letter enclosing a "Notice to Industry Proponents" which advises, among other things, that:

- (a) The LLN is represented by Bernard Ominayak as Chief;
- (b) Any attempts to undermine, ignore, or otherwise subvert the laws and customs of the LLN will be understood as "acts of invasion" and that the LLN would "respond accordingly"; and
- (c) Industry and industry proponents should continue to work with Bernard Ominayak's "Consultation Unit".

Attached as **Exhibit "17"** to this my Affidavit is a copy of a letter dated April 2, 2013, from Garrett Tomlinson to David Middleton, Executive Vice President of Penn West, enclosing a "Notice to Industry Proponents".

22. Notwithstanding that industry has been directed by Alberta to conduct formal consultations in with LLB under Chief Laboucan, Penn West has continued to communicate with Bernard Ominayak regarding inquiries, and has been prepared to meet with the LLN.

23. Between November 19 and November 25, 2013, Penn West and Bernard Ominayak communicated, including through correspondence. Attached as **Exhibit "18"** to my Affidavit is a copy of Bernard Ominayak's letter of November 25, 2013, as well as Penn West's letter of November 22, 2013 to which it responded.

24. Penn West was also provided with a "Notice" and "Order and Resolution" of "the Chief and Council of Lubicon Lake Nation", which are attached as **Exhibits "19" and "20"** respectively to my Affidavit. These documents allege that Penn West is trespassing and refer to an intention to enforce "Lubicon Lake Nation laws to their fullest extent".

25. As recently as November 25, 2013, I and other Penn West personnel met with Bernard Ominayak to discuss their concerns, which involved primarily Penn West's choice of

contractors for the for the Sawn Lake Program as well as the leadership of the LLN. However, no resolution was achieved. During the meeting, I received a copy of a pamphlet entitled "Operation Frack Off! Penn West Trespass Against Lubicon", a copy of which is attached as **Exhibit "21"** to my Affidavit. Attached as **Exhibit "22"** to my Affidavit is a copy of a handwritten note signed by "Ladies of the Lubicon Lake Nation" which was provided to me at the November 25, 2013 meeting.

Roadblock Erected by Members of the LLN

26. On or about November 26, 2013, approximately 18 individuals blockaded a portion of the Access Road in Northern Sunrise County ("the Roadblock"). I am advised by Kim Babb, a Penn West contractor in the area, that the individuals claim to be associated with Bernard Ominayak and the Lubicon Lake Nation, and are objecting to Penn West's activities in the area. These activities currently involve, among other things, the construction of a well pad site for the 3-25 Wells, approximately one kilometre south of the Roadblock. Attached as **Exhibit "23"** to my Affidavit is a map of the area on which I have circled the approximate location of the Roadblock.
27. On November 26, 2013, a press release was issued under the auspices of "Chief" Ominayak entitled "Lubicon Lake Nation Tells Penn West Petroleum to Frack Off!: Peaceful Occupation of Penn West Petroleum Site Begins" stating that the individuals at the Roadblock intend to remain until Penn West ceases operations. Attached as **Exhibit "24"** to this my Affidavit is a copy of the press release dated November 26, 2013, accessed from the LLN website on December 5, 2013.
28. I am further advised by Mr. Babb, and do verily believe that initially the participants in this Roadblock allowed traffic to pass at the urging of the RCMP. After November 27, however, traffic has been stopped by the Roadblock and access to the Penn West sites denied.
29. Attached as **Exhibit "25"** to my Affidavit is a copy of a tweet entitled "#Lubicon build shelter across @PennWestEx access! Ingenuity + tenacity = #FrackOFF" dated

December 3, 2013 with picture of a shelter built at the Roadblock, accessed from the LLN Twitter page on December 5, 2013.

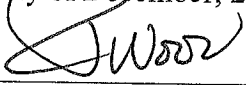
30. Attached as **Exhibit "26"** to my Affidavit are two photographs taken by Penn West security employee, Tom Clark. I am advised by Mr. Clark and do verily believe that the photographs were taken by him on December 4, 2013 at approximately 10:00 AM at the Roadblock, and show a structure and vehicles placed across the road by participants in the Roadblock.
31. I am advised by Peter McLelland, Penn West Manager, Special Operations & Risk Control, and do verily believe that he received information from Sgt. Brian D. Bohlken, Detachment Commander of the Peace Regional Detachment of the Royal Canadian Mounted Police (the "RCMP"), that it is unlikely that the RCMP will be able to confirm the identities of the participants in the Roadblock, as those involved have been covering their license plates and providing either fake names or names in Cree that they refuse to spell.
32. The recognized authority for the Lubicon Lake Band, including Chief Billy Joe Laboucan, continue to support Penn West's activities in the Sawn and Haig Lake areas. Attached as **Exhibit "27"** to my Affidavit is a copy of a letter I received on November 19, 2013 concerning apprehended action by Bernard Ominayak and his associates. Further, I spoke to Chief Laboucan on December 2, 2013. Chief Laboucan advised, and I do verily believe, that he and his Council continue to oppose the Roadblock and any disruption to Penn West's activities in the Sawn Lake area.
33. On December 2, 2013, another press release was issued under the auspices of "Chief" Ominayak stating that the Roadblock, dubbed "Operation 'Frack Off: the Penn West Eviction", will remain in place until Penn West and the Government of Alberta agree to "respect the jurisdiction of the Government of the Lubicon Lake Nation over their lands". Attached as **Exhibit "28"** to this my Affidavit is a copy of the press release dated December 2, 2013, accessed from the LLN website on December 5, 2013.

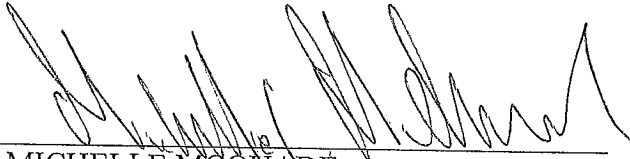
34. I am advised by Jay McNeil, V.P. Sales of Trinidad Drilling ("Trinidad"), and do verily believe that on December 9, 2013 the LLN, through counsel, advised Trinidad, Penn West's drilling contractor at the site of a well in the Sawn Lake Program located at 14-25-091-13W5M (approximately 1 km from the location of the Roadblock), that Trinidad was trespassing and requested that Trinidad immediately cease all drilling operations.
35. Following the erection of the Roadblock, Penn West also communicated with Alberta Environmental and Sustainable Resource Development (AESRD) and Alberta Energy Regulator (AER) to determine what steps those agencies may take to address the situation. As of the date of this Affidavit, neither AESRD nor AER have taken any formal steps to my knowledge to issue an order to remove the Roadblock.

Access to Wells and Irreparable Harm Caused by Roadblocks

36. The Roadblock is on the Penn West access road under LOC No. 110648. The Roadblock impedes Penn West's ability to conduct and complete its operations at the site for the 3-25 Wells. The Roadblock has stopped Penn West's ability to transport crews and equipment on the Access Road to the 3-25 work site, causing delay in preparing the site for the upcoming drilling operations, completion operations and facility operations.
37. Penn West has taken all possible steps to minimize the impact of the Roadblock on the Sawn Lake Program, including modifying the schedule for the rigs and other aspects of the program. If the Roadblock does not end by December 16, 2013, it will result in delay or loss of production revenues and standby and other costs that are not readily capable of calculation.
38. I am further advised by Mr. Vandersalm that, because of the integrated nature of the overall Sawn Lake Program, delay in the 3-25 Wells will impact Penn West's ability to complete its plan to put four wells on stream by April 2014 breakup.
39. In addition, continuing roadblocks and a halt in the operations of Penn West at the Sawn Lake Program will cause irreparable harm and damage which cannot be readily estimated or calculated, or compensated for any court proceeding.

- 39. In addition, continuing roadblocks and a halt in the operations of Penn West at the Sawn Lake Program will cause irreparable harm and damage which cannot be readily estimated or calculated, or compensated for any court proceeding.
- 40. In the event that the Court is prepared to grant interim injunctive relief to Penn West in the circumstances, Penn West has provided an undertaking as to damages should such damages be subsequently awarded by this Court in favour of the Defendants.
- 41. I make this Affidavit in support of an application to prohibit and restrain the Defendants and other individuals from erecting or continuing roadblocks in and around the Sawn and Haig Lake areas, and in particular on the Access Road.

SWORN (OR AFFIRMED) BEFORE ME)
 at Calgary, Alberta, this 11)
 day of December, 2013.)
)
 _____)
 A Commissioner for Oaths)
 in and for the Province of Alberta)
)
ROBERT D. WOOD)
~~Registrar and Solicitor~~)
 _____)
 Print Name and Expiry/Lawyer/Student-At-)
 Law)



 MICHELLE MCQUADE

Government of Alberta
Sustainable Resource Development

Room 116, Provincial Building
9821 - 98 Ave, Bag 900-04
Peace River, Alberta T8S 1T4
Phone: (780) 624-6466
Fax: (780) 624-7124

PCE20110031

March 10, 2010

Chris Sillito
Penn West Petroleum Ltd.
207 9 Ave SW Suite 200
Calgary, Alberta
T2P 1K3

Dear Mr. Sillito,

Re: PROPOSED PAD SITES, ASSOCIATED ACCESS, AND REMOTE SUMPS IN SAWN LAKE
(TWP 91, RGE 13 W6M)

Alberta Sustainable Resource Development has reviewed the consultation summary provided by Penn West regarding their proposed pad sites, access, and remote sumps which includes the following lands and/or area:

- Sections 11, 13, 14, 25, & 36 of 91-13-W5

Based on our review, Alberta Sustainable Resource Development has determined that consultation has been deemed adequate for this project as of March 10, 2011 with the following First Nations:


- Lubicon Lake Band

The proponent may proceed with application for land activity dispositions as defined within this project. This letter does not grant any authority for the proponent to make application for any use of land not identified within this letter.

Please note that consultation efforts do not conclude with this endorsement and if any issues arise with First Nations in respect to this project, additional efforts may be required.

Should you have any questions, please contact the undersigned at (780)-624-6452.

Regards,


Erin Cook, RPF
Forest Officer
Lands Division
Peace Area



THIS IS EXHIBIT " 1 "
referred to in the Affidavit of

Michelle McQuade

Sworn before me this 11

day of December A.D. 2013

Robert D. Wood

A Commissioner for Oaths
in and for the Province of Alberta

ROBERT D. WOOD
Barrister and Solicitor

Record of Consultation Log

Lands (proponent-led consultation) FNC#:PCE20110031

First Nation: LUBICON LAKE NATION

Project Proponent: PENN WEST PETROLEUM LTD.

Project Name: PROPOSED PAD SITES, ASSOCIATED ACCESS AND REMOTE SUMPS IN SAWIN LAKE (Typ 91, Rec 13 WSM)

Date	First Nation Representative (include names of individuals with whom consultation was undertaken)	Rights (i.e., hunting, fishing and trapping for food) or Traditional Uses Discussed (e.g., gathering, spiritual, ceremonial, etc.)	Issues and Concerns Raised or Identified by First Nation	Strategies for Mitigation or Avoidance of Impact or Potential Impact	Outcomes/Comments
Feb 4, 2011	N/A	N/A	N/A	N/A	Sent Lubicon Lake Nation initial consultation letter, Schedule A and consultation map via express post.
Feb 7, 2011	N/A	N/A	N/A	N/A	Sent Lubicon Lake Nation initial consultation letter, Schedule A and consultation map via email to lubiconlakenation@telus.net

Feb 18, 2011	N/A	N/A	N/A	N/A	N/A	Called band office to confirm who to now send consultation packages to. Receptionist advised just to send them to band office.
Feb 22, 2011	N/A	N/A	N/A	N/A	N/A	Sent Lubicon Lake Nation follow up letter, Schedule A and consultation map via express post.
Feb 22, 2011	N/A	N/A	N/A	N/A	N/A	Attempted to send Lubicon Lake Nation follow up letter, Schedule A and consultation map via email to lubiconlakenation@telus.net. Email came back undeliverable, as "recipient's mailbox is full and can't accept new messages now."
Feb 22, 2011 3:45pm	N/A	N/A	N/A	N/A	N/A	Called band office to confirm if there is another email address to send consultation to. No answer.
Feb 22, 2011	N/A	N/A	N/A	N/A	N/A	Sent Lubicon Lake Nation follow up letter, Schedule A and consultation map via fax to 780-629-3939. Received fax confirmation.

Feb 25, 2011	N/A	N/A	N/A	N/A	N/A	Sent Lubicon Lake Nation Final letter, schedule A and consultation log via express post and fax advising we will be submitting to SRD for adequacy. Received fax confirmation.
March 1, 2011	N/A	N/A	N/A	N/A	N/A	Submit to SRD for Adequacy review.
March 10, 2011	N/A	N/A	N/A	N/A	N/A	Called band office and spoke to Bernard Ormavak. He confirmed he did receive the project information some time near the beginning of February. He advised he does not have any concerns with the projects and said it was ok to submit to SRD.
March 10, 2011						Submit to SRD for adequacy.

Note: Each Record of Consultation Log must be specific to a First Nation. If multiple First Nations have been consulted, additional Record of Consultation logs must be submitted as part of the consultation summary.

Short Term Licence of Occupation

LICENSEE: PENN WEST PETROLEUM LTD.

DISPOSITION NUMBER: LOC110648

TERM: 4 years

PURPOSE: ACCESS ROAD (OIL AND GAS ONLY)

THIS SHORT TERM LICENCE made in duplicate on the date of approval.

BETWEEN: HER MAJESTY THE QUEEN, in right of the Province of Alberta, as represented by the Minister of Sustainable Resource Development (the "Department")

-and-

PENN WEST PETROLEUM LTD.

, (the "Licensee"),

WHEREAS:

- A. The lands more particularly described in Schedule "E" and depicted in the plan number and version dated 129716 MS, 2011-03-24, (the "Lands") are public lands within the meaning of the *Public Lands Act, R.S.A. 2000, c. P-40* (the "Act");
- B. the Department has authority under the Act and the *Dispositions and Fees Regulation, A.R. 54/2000* (the "Regulations") to grant dispositions on the Lands for purposes specified in the Licence;
- C. the Licensee requires access to the Lands for purpose specified in the Licence; and
- D. the Department and the Licensee (the "Parties") have agreed that the Licensee should have access to the Lands for the purposes of this Licence.

NOW THEREFORE the Parties hereto agree as follows:

LICENCE, TERM AND RENT:

- 1. Subject to the terms and conditions of this Licence, and in consideration of the fees, covenants, conditions and stipulations herein reserved and contained on the part of the Licensee to be paid, observed, performed and kept, the Province hereby licences to the Licensee the Lands for a term of 4 years commencing on the date that this Licence is signed by the Department's duly authorized representative unless this Licence is terminated earlier as hereinafter provided.
- 2. The Licensee shall pay to the Department on the execution of this Licence the first year rental charges plus an additional lump-sum consideration calculated in accordance with Schedule "A" (collectively "the consideration") and as compensation for other initial benefits accruing to the Licensee. The Licensee shall pay to the Department the reoccurring annual rent in advance on the anniversary date in each and every year thereafter during the term of the Licence.

Effective: 2011-04-04

Expiry: 2015-04-03

Disposition No: loc110648

THIS IS EXHIBIT " 2 " referred to in the Affidavit of

Michelle McQuade

Sworn before me this 11

day of December A.D. 2013

[Signature]

A Commissioner for Oaths
in and for the Province of Alberta
ROBERT D. WOOD
Barrister and Solicitor

Short Term Licence of Occupation

THE LICENSEE HEREBY COVENANTS AND AGREES with the Department as follows:

3. The Licensee shall at all times during the term, perform, observe and comply with all the provisions, obligations and requirements set out in this Licence, the Act, and the Regulations.
4. The Licensee shall pay or cause to be paid to the Department or to such other person duly authorized by the Department in that behalf, the consideration, annual rent and other charges hereby reserved.
5. The Licensee shall enter the Lands and perform the work including, if applicable, preparation, construction, development, operation, maintenance and abandonment and prepare and submit final submissions to the Department in accordance with the time periods and the conditions set out in Schedule "A".
6. The Lands and buildings, structures and equipment erected thereon shall be used by the Licensee solely for the purposes permitted by this Licence, the Act and the Regulations.
7. The Licensee shall not sublet, transfer or assign the Lands or any part thereof without the prior written consent of the Department.
8. The Licensee shall at all reasonable times permit the Department's employees and agents access to the Lands for the purposes of inspection and to ensure compliance with the terms and conditions of this Licence, the Act, and the Regulations.
9. The Licensee shall comply with all applicable terms and conditions in Schedules "A", "B", "C", "D", "E" and "F" attached hereto and forming part of this Licence.
10. The Licensee shall comply with all applicable terms and conditions in the Licensee's submission documents, the Upstream Oil and Gas Approval Standards for the Enhanced Approval Process, and the Upstream Oil and Gas Operating Conditions for the Enhanced Approval Process.
11. The Licensee shall comply with all applicable federal and provincial laws and all applicable municipal by-laws, and shall obtain all necessary permits, licences, authorizations and approvals required when performing its activities on the Lands.

THE DEPARTMENT COVENANTS AND AGREES with the Licensee as follows:

12. The Department accepts the consideration referred to in clause 2 for the first year of the term of this Licence as full compensation for:
 - a) damage to or destruction of the land necessarily and reasonably incurred by the Licensee in preparing, constructing and documenting development on the Lands,
 - b) severance,
 - c) injurious affection of other lands of the Department adjoining the land, and

- d) nuisance, inconvenience and noise caused by or arising from the operations of the Licensee on the land.

Acceptance of the above-noted consideration does not absolve or relieve the Licensee from its obligation to indemnify the Department against all actions, claims and demands that may arise in the exercise or purported exercise of its duties, rights, powers and privileges granted under this Licence, and does not absolve or relieve the Licensee from liability to remediate and reclaim the Lands. The Licensee shall at all times use current and best industry practices to minimize damage, destruction, nuisance, inconvenience and noise in performing its operations on the Lands.

13. The Department agrees that the Department has the right to Issue this Licence for the Lands to the Licensee. Subject to the reservations and terms and conditions contained herein, the Licensee, if not in default, has the right to occupy and use the Lands without interruption or disturbance from either the Department or any person claiming through or under the Department.

CANCELLATION OR EXPIRY OR ISSUANCE OF A REPLACEMENT LICENCE:

14. The Department may cancel this Licence in accordance with either sections 26 and 27 or 81 of the Act if satisfied that the Licensee has failed to comply with any of the terms or conditions set out in, or incorporated into, this Licence, whereupon all considerations, rents and charges shall be forfeited to the Department and the Licensee shall not be entitled to any compensation for work performed on the Lands or expenditures by the Licensee made incidental to this Licence.
15. Upon cancellation or expiry of the term of this Licence, and if the Department chooses to not issue a new licence to replace it, the Licensee shall at its sole expense within a time period specified by the Department remove all infrastructure and reclaim the Lands to a condition satisfactory to the Department. If the Licensee fails to remove infrastructure and reclaim the Lands to the satisfaction of the Department, the Department may perform the work, or have the work performed, on behalf of the Licensee and all resulting charges and costs shall constitute a debt owed to the Crown.
16. Provided that the Licensee has satisfactorily complied with all applicable provisions, terms and conditions of this Licence, the Act, and the Regulations, the Department may issue to the Licensee a long term licence for a term of not more than 25 years.

INTERPRETATION:

17. The recitals shall form an integral part of this Licence.
18. Any reference to the Act or the Regulations shall include the Act or Regulations as subsequently amended or revised, or any statutes or regulations passed in substitution thereof.
19. All provisions of the Act and Regulations that expressly or by implication relate to a Licence of Occupation apply to this Licence and shall be read and construed as if the same had been set out and incorporated herein.
20. Where any provisions of the Act or Regulations conflict with anything contained in this Licence, the provisions of the Act, and then the provisions of the Regulations shall prevail over this Licence.

Short Term Licence of Occupation

21. All subsequent approvals, amendments or waivers issued by a Department employee responsible for the management of licences of occupation on the Lands must be in writing.
22. All Appendices and Schedules referred to and attached herein, and all subsequent approvals, amendments or waivers in writing form part of this Licence.
23. Service of a notice upon the Licensee may be given by personal service, electronic facsimile or ordinary mail sent to the Licensee at the Licensee's last known facsimile number or postal address recorded by the Department. Any notice shall be deemed to have been effectively given on the day delivered or sent by facsimile, or if sent by mail on the fifth day after it was mailed. It is the Licensee's responsibility to advise the Department in writing of any change in its electronic or postal addresses.
24. This Licence is governed by the laws of the Province of Alberta.
25. The Licensee acknowledges that terms of this Licence, including the name of the Recipient, may be subject to disclosure under the *Freedom of Information and Protection of Privacy Act*, R.S.A. 2000, c. F-25, as amended. The Licensee further acknowledges that *Freedom of Information and Protection of Privacy Act* applies to all information and records provided by the Licensee to the Crown and to any information and records that are in the custody or control of the Crown, and that by submitting any information and records to the Crown, the Licensee thereby waives any confidentiality or privilege respecting such information or records unless the Licensee requests, and the Crown agrees, that confidentiality or privilege be noted on a specific document and sets out reasonable and rational grounds for doing so.
26. This document is your authority to access the Lands. The Licensee shall retain a copy of this Licence on the job site during all phases of activity, including, if applicable, preparation, construction, development, maintenance and abandonment.
27. An original of this Licence is filed at the offices of Sustainable Resource Development, Land Dispositions Branch, 9915 - 108 Street, Edmonton, Alberta. The original will be used as the authority should any discrepancies arise in content of the counterparts or subsequent copies of the original.
28. By originally submitting its application in which it agreed to be bound by the terms and conditions of any resulting disposition the Licensee is hereby deemed to have executed this Licence and is hereby bound by all terms and conditions set out in, or incorporated into, this Licence.

SCHEDULE A
Administrative Conditions

1. The Holder of the Short Term Licence of Occupation shall comply with the conditions set out in this Schedule "A":
 - a) The Licensee shall pay to the Department on the execution of this Licence the first year rental charges plus an additional lump-sum consideration calculated by the Department in accordance with the Department's processes approved by the Minister under Section 9.1 of the Act (collectively "the consideration") and as compensation for other initial benefits accruing to the Licensee. The Licensee shall pay to the Department the reoccurring rental on the anniversary date in each and every year thereafter during the term of the Licence.
 - b) The annual rent is payable yearly in advance in accordance to the rates established by the Department for the purpose for which this Lease is granted.
 - c) Payments required by this document are to be made payable to "The Minister of Finance" and may be delivered to the nearest departmental field office, or mailed to:

Sustainable Resource Development
Lands Division
Main Floor, Petroleum Plaza, South Tower
9915 - 108 Street
Edmonton, Alberta T5K 2G8
 - d) The Licensee shall not conduct any activity on the Lands where prior rights have been issued without the consent of the Licensee of these prior rights. A list of prior and subsisting authorizations and dispositions (prior rights) issued on the quarter sections included in this authority can be purchased from Alberta Energy, Crown Land Data Support, Telephone: 780-422-5727, or the Alberta Energy Website: <http://www.energy.gov.ab.ca>.
 - e) Surface rights plot sheets showing active dispositions, and individual activity plans can be purchased from IHS, Main Floor, Petroleum Plaza, South Tower, 9915 - 108 Street, Edmonton, Alberta, T5K 2G8, Telephone: 780-413-3380, Fax: 780-413-3383 or Website: <http://www.petrosurveys.ca>
 - f) The Licensee shall contact the registered trapper, if any trapping areas (TPA) have been issued on the quarter sections included in this authority, at least TEN DAYS PRIOR TO COMMENCING ANY ACTIVITY. This must be done by registered mail and personal communication follow-up is strongly recommended. The trapper's name and address may be obtained from Alberta Energy, Crown Land Data Support (Telephone: 780-422-5727). For other information concerning registered traplines, contact the Client and Licensing Service, Sustainable Resource Development, Edmonton, Alberta (Telephone: 780-427-5185) upon receipt of this approval. The Licensee may be responsible for any damage to traps, snares or other improvements.

SCHEDULE A**Administrative Conditions**

- g) Where applicable, the Department may, in addition to any other charges, assess a further charge of 50 cents per acre (\$1.24 per hectare) on every acre or part acre in this authority to fund the Trapper's Compensation Program. Classification of lands can be obtained from Alberta Energy, Crown Land Data Support, Telephone: 780-422-5727 or the Alberta Energy Website: <http://www.energy.gov.ab.ca>.
- h) The Licensee is responsible for obtaining any necessary federal, municipal and other permits and approvals with respect to this authority.
- i) Without restricting the provisions of section 14 of the *Dispositions and Fees Regulation*, the Licensee agrees to indemnify and hold harmless the Minister, its employees and agents from any and all third party claims, demands, actions or costs (including legal costs on a solicitor-orient basis) for which the Licensee is legally responsible, including those arising out of negligence or wilful acts by the Licensee or the Licensee's employees or agents. This hold harmless provision shall survive this Licence.
- j) The Licensee shall, at its own expense and without limiting its liabilities herein, insure its operations under a contract of General Liability Insurance, in accordance with the *Alberta Insurance Act*, in an amount not less than \$5,000,000 inclusive per occurrence, insuring against bodily injury, personal injury and property damage including loss of use thereof including all losses, damages and harm that may result from the Licensee's activities and operations on the Lands. The Licensee shall provide the Department with acceptable evidence of all the insured prior to the commencement of the Work and shall promptly provide the Department with a certified true copy of each policy upon request.
- k) The Licensee acknowledges that these are the minimum requirements that have been established by the Department. No representation or warranty of any kind is made by the Department as to the completeness or suitability of this insurance and the Licensee shall determine and satisfy itself that it has appropriate and sufficient coverage to satisfy its own risk and insurance requirements, and to cover its obligations under this Licence.
- l) This authorization is granted subject to further amendment by the Department.
2. The Licensee shall obtain prior written authorization from the Department before deviating from an approved sketch or survey plan and/or standard as identified within this authority.
3. The Licensee shall not in any way alter or modify this document. The Licensee shall immediately advise the Department of any errors or omissions in this document.
4. Notification to the Department of entry must occur within 48 hours of site entry.
5. A final submission must be submitted to the Department by the Licensee within the term of this Licence.
6. The final submission shall include:

SCHEDULE A

Administrative Conditions

- a) For an application that was submitted with a sketch plan or LIDAR survey, an as built survey plan or
 - b) For an application that was submitted with a survey plan and the location of the site has changed an as-built survey or
 - c) For an application submitted with a survey plan and the location of the site has not changed an affidavit signed by an Alberta Land Surveyor.
7. Charges calculated under Section 5 of the *Dispositions & Fees Regulation* will follow under separate cover.

All licences, authorizations and approvals issued under the *Alberta Environmental Protection and Enhancement Act*, *Water Act* or *Public Lands Act* should not be taken to mean the proponent (applicant) has complied with federal legislation. Proponents should contact Habitat Management, Central and Arctic Region, Fisheries and Oceans, at the appropriate local office as listed below, in relation to the application of federal laws relating to the *Fisheries Act* (Canada).

- Bow and Parkland Regions (403) 292-5160
- Northern East Slopes and Northeast Boreal Regions (780) 495-4220
- Prairie Region (403) 394-2920
- Northwest Boreal Region (780) 618-3220

Proponents should also contact the Navigation Protection Program, Canadian Coast Guard, 4253-97 Street, Edmonton, Alberta, T6E 5Y7, Telephone: (780) 495-6325, relating to the *Navigable Waters Protection Act*.

SCHEDULE B**Provincial Approval Standards and Operating Conditions****Approval Standards****100.1. Land Management**

- 100.1.1. Location of proposed developments shall where practical be sited as follows, unless alternative siting can be supported by Regulated Industry Standards:
- a) Use existing disturbances or be located adjacent to existing occupied industrial dispositions.
 - b) New linear developments shall:
 - i) Use existing unoccupied linear disturbances (\geq 4 metres wide).
 - ii) Parallel existing occupied linear industrial dispositions.
 - iii) Apply Integrated Land Management principles <http://www.srd.alberta.ca> found under Managing Programs > Integrated Land Management in development planning so that parallel roads closer than 250m are not created.
- 100.1.2. Locate wellsites and roads outside of natural forest openings (> 10 hectares) such as meadows when planning development activities, unless justifiable extra-ordinary conditions require alternative siting and are supported by the Energy Resources Conservation Board (ERCB), the Canadian Standards Association (CSA) and/or Occupational Health and Safety (OHS) requirements.
- 100.1.7. Temporary Work Space (as per the Temporary Field Authorization Guidelines at <http://srd.alberta.ca> found under Maps, Forms and Publications > Forms > Lands Forms) shown at the time of application for short term disposition shall be valid for the term of the short term disposition.

100.3. Soil

- 100.3.1. Permafrost degradation is not permitted.
- 100.3.2. In permafrost areas, the surface shall not be stripped.

100.4. Watercourse/Waterbody

- 100.4.1. Resource extraction activities on islands and the bed and shore of permanent waterbodies is prohibited.
- 100.4.2. Activities shall not interrupt natural drainage (including ephemeral and fens), block water flow or alter the water table.
- 100.4.4. The following watercourse setbacks for all activities from the edge of site or paralleling

SCHEDULE B**Provincial Approval Standards and Operating Conditions**

linear dispositions shall be followed:

- a) Intermittent watercourses shall have a setback of at least 45 metres from the top of the break.
- b) Small Permanent watercourses shall have a setback of at least 45 metres from the top of the break.
- c) Large Permanent watercourses shall have a setback of at least 100 metres from the top of the break.

100.4.5. The following waterbody setbacks for all activities from the edge of site or paralleling linear dispositions shall be followed

- a) A minimum setback of 45 metres of undisturbed vegetation shall be maintained from non-permanent seasonal wetlands.
- b) A minimum setback of 100 metres setback from the bed and shore of semi-permanent ponds/wetlands and shallow open water ponds and lakes.

100.4.6. Crossings shall be minimized, unless doing so results in greater disturbance (i.e. footprint hectares) and/or negative environmental impacts (e.g. impacting landscape sensitivities) than creating a new crossing.

100.4.7. All crossings shall maintain fish passage. Crossings shall be compliant with Alberta Environment's Code of Practice under the *Water Act*; Water (Ministerial) Regulation.

100.6. Provincial Grazing Reserves (PGR)

100.6.1. Activities are not permitted in fields currently being grazed or in fields scheduled for grazing in the current grazing season, unless the local Land Management Specialist has verified that the activity timing will not interfere with livestock operations.

100.6.2. In areas with irrigation fields, developments shall be on non-irrigated areas only.

100.6.3. No activities are permitted on flood-irrigated lands at any time.

100.6.4. Developments on provincial grazing reserves in the Grassland Natural Region must be sited within existing industrial disturbances, cultivated areas or improved (tame) pastures. If developments do occur on native grasslands, they shall follow all approval standards and operating conditions of the Grassland and Parkland Natural Region identified in Section 100.10 of the Approval Standards and Section 200.10 of the Operating Conditions.

100.6.5. Developments on provincial grazing reserves in forested areas that cannot use existing industrial disturbance must be located outside of improved (tame) pastures but directly adjoining (i.e. immediately adjacent to) the pasture boundary or the PGR perimeter. Where developments are required within improved (tame) pastures in forested areas that cannot use existing disturbance, they shall be located outside of, and immediately adjacent to any existing leave areas.

SCHEDULE B**Provincial Approval Standards and Operating Conditions****100.7. Rocky Mountains Forest Reserve**

- 100.7.1. Locate wellsite and associated facilities, excluding pipelines, outside of native grasslands or identified improved (tame) pasture areas, unless doing so results in greater disturbance (i.e. footprint hectares) and/or negative environmental impacts (e.g. impacting landscape sensitivities, additional watercourse crossing).

100.8. Wildlife

- 100.8.1. Locate activities away from important wildlife features including mineral licks, raptor nests, active den sites, and hibernacula by a minimum buffer distance of 100 metres. Buffer distances will be greater for identified sensitive species and features (Subsection 100.9.1.).
- 100.8.2. Where an Integrated Resource Plan or Protective Notation identifies a greater set back, the greater set back shall prevail.
- 100.8.3. In areas where limber pine and whitebark pine are encountered follow the following setbacks. High impact activities require a 300 metre setback. Medium and low impact activities require a minimum of a 30 metre setback. A description of High, Medium and Low risk developments referred to can be found in Appendix B of the Approval Standards.

Operating Conditions**200.1. Land Management**

- 200.1.1. The disposition holder shall furnish proof that the holder has complied with any and all of the provisions of the holder's disposition in a form and time required by the Minister.
- 200.1.2. Pipeline vegetation removal associated with step-out or wildcat wells shall not start until it is known that the activity is required based on a producing well.
- 200.1.4. Locate temporary activities (e.g. large camps, remote sumps) adjacent to permanent, all-weather access or to existing industrial dispositions.
- 200.1.5. Where access control is required by the Approval Standards, the control measures identified below shall be maintained, monitored and their effectiveness reported on to the SRD Area Office by March 31st each year after issuance of the final disposition:
- earthen berms,
 - permanent or temporary removal of water crossing structures
 - barricades
 - signage
 - locked gates
 - manned checkpoints
 - road security patrols.

SCHEDULE B

Provincial Approval Standards and Operating Conditions

Reports shall be immediate when a selected access control method is found to be ineffective.

- 200.1.6. Where access control is required by the Approval Standards, the potential entry point will be signed with the following text:

<p>Notices</p> <p>Under the authority of the section 54.01 of the <i>Public Lands Act</i> this road is closed beyond this point for the purpose of:</p> <ul style="list-style-type: none"> • Wildlife Management • Fisheries Management • Water Management • Vegetation Management • Security <p>Unauthorized on-highway motor vehicles are prohibited. Operators of unauthorized vehicles beyond this point may be found guilty of an offence.</p> <p>Warning: Gate may be locked without warning (<i>NOTE: use this line only if gate is used</i>)</p> <p>In case of an emergency call: 1-XXX-XXX-XXXX</p> <p>For general inquiries please call: 1-XXX-XXX-XXXX</p> <p>Commercial Users contact the disposition holder at: <i>Company Phone Number</i></p> <p>LOC No.#</p>
--

- 200.1.7. When gates are used for access control, the following conditions shall apply:
- a) Locked gates shall be constructed at locations and in a manner which will contribute to their effectiveness in preventing access to the road (in combination with applying public access restrictions).
 - b) Gates shall remain closed at all times when not in use.
 - c) Locks shall be placed in a structure that is designed to protect them from being broken.
 - d) As locks are lost or destroyed, they will be replaced as soon as the disposition holder is made aware of the need.
 - e) Gates will be designed to ensure that passage of a 4x4 vehicle is restricted. This may include the use of barrier rock, berms, ditches, placement of the gate before a bridge or other impediments to travel around the gate. All gates will be installed in such a manner that a safety hazard is not created.

SCHEDULE B**Provincial Approval Standards and Operating Conditions**

- f) Use of combination locks is required. Where this is not possible and keyed locks are used, double locking using an SRD lock is required. (Double locking refers to a company lock and a SRD lock on the same gate, allowing each party to pass using their own keys).
 - g) Disposition Holders will only make combination lock changes with prior confirmation from the Officer in charge.
- 200.1.8. For non-producing wells, the inactive portion(s) of the access road that is immediately adjacent to a public road(s) shall be closed to highway vehicle traffic within 1 year of well non-production. Method and location of access control features shall be provided to the SRD Area office in writing.
- 200.1.9. Any existing improvements (e.g. fences, water control structures, and signage) that were damaged as a result of industry activities on the land shall be repaired and/or replaced to original condition within 30 days or immediately if occupied by livestock.
- 200.1.10. Road grades and wellsite pads, including cross structures, shall be maintained for proper drainage (i.e. surface rutting is to be graded).
- 200.1.11. The application of rollback within FireSmart Community Zones shall be determined through the Consultative Notation (CNT) process in SRD.
- 200.1.12. In addition to the operating conditions in this document, all activities shall be coordinated through Energy Industry Control at (780) 842-5850 for activity on Canadian Forces Base/Area Support Unit, Wainwright and (780) 573-7206 for activity on Canadian Forces Base/Area Support Unit, Cold Lake.
- 200.1.13. Concurrent construction of a pipeline, wellsite, and access prior to proven results shall only be permitted for in-field wells for unconventional developments where a high degree of production certainty can be demonstrated.
- 200.2. Vegetation**
- 200.2.1. Manage all weeds as per the *Weed Control Act*.
- 200.2.2. Vegetation control (mechanical - mowing/brush control) along linear ROWs shall not occur between May 1st and July 31st, notwithstanding the need to comply with the *Weed Control Act* with the following exception: in Grassland and Parkland Natural Regions, vegetation control between May 1st and July 31st for vehicle access, is limited to mowing no more than a 4 metre area centered on the driving lane.
- 200.2.5. Application of chemical methods shall not occur within 30 metres of any waterbody or watercourse, unless otherwise authorized.
- 200.2.6. All equipment used shall be cleaned to be free of weeds.

SCHEDULE B**Provincial Approval Standards and Operating Conditions**

- 200.2.7. When reseeded use only seed that meets or exceeds Certified #1 as outlined in the *Canada Seeds Act and Seeds Regulations*. Seed used shall be ergot free or cleaned for removal of ergot bodies. Seed mixes are to be free of the species listed in the *Weed Control Act*. A seed analysis for each species shall be provided, to SRD, upon request.
- 200.2.8. When reseeded with native seed, seed shall be ergot free or cleaned for removal of ergot bodies. Seed mixes shall be free of the species listed in the *Weed Control Act*. Native seed shall not include any of the following agronomic species: timothy, Kentucky blue grass, creeping red fescue, smooth brome, crested wheatgrass, meadow brome, Dahurian wildRye, perennial ryegrass, Russian wildRye, Altai wildrye, alfalfa, sweet clover, Cleer milkvetch, and Kura clover. A seed analysis for each species shall be provided, to SRD, upon request.
- 200.2.9. Revegetation with trees or shrubs within the Green Area shall be consistent with the Alberta Forest Genetic Resource Management and Conservation Standards Manual located on the SRD website at <http://srd.alberta.ca> > Managing Programs > Forest Management Manuals & Guidelines.
- 200.2.10. Merchantable timber shall be salvaged unless a request for waiver is approved by SRD.
- 200.3. **Soil**
- 200.3.1. Activity shall be suspended during adverse ground conditions.
- 200.3.2. Soil and surface erosion and sedimentation shall be prevented and controlled on all disturbed lands.
- 200.3.3. Soil shall not be removed from the disposition unless authorized.
- 200.3.4. Where soil stripping occurs, salvage all topsoil. Soil horizons A and B must be stripped and stored separately. Store topsoil separately from subsoil and woody material, such that it can be distributed evenly over the disturbed area for progressive (interim) and/or final reclamation.
- 200.3.5. For forested lands, where topsoil is less than 15 centimetres, conservation shall include the topsoil plus the B-horizon up to a depth of 15 centimetres unless the B-horizon is considered unsuitable (chemically or physically).
- 200.3.6. Storage piles/windrows shall not encroach into adjacent standing timber.
- 200.3.7. Disposal pits, required in connection with the activity, shall be located in impermeable soil. Where impermeable soil is not available, impermeable tanks may be used to collect all waste and then dispose of at an authorized waste disposal facility.
- 200.3.8. Soil sterilants are prohibited.
- 200.3.11. Soil rutting shall not occur on minimal disturbance sites.
- 200.3.12. In permafrost areas, utilize snow (natural or man-made) to establish a level surface.

SCHEDULE B**Provincial Approval Standards and Operating Conditions****200.4. Watercourse/Waterbody**

- 200.4.1. Activities shall not result in the deposition or placement of debris, soil or other deleterious materials into or through any watercourse and/or waterbody, or on the ice of any watercourse and/or waterbody.
- 200.4.2. Keep watercourse crossings free of accumulated debris or ice that could impede the flow of water and subsequently cause erosion.
- a) Remove ice-dams from culverts. Culverts plugged with ice are to be re-opened to prevent flooding over the road, through the ditch, or around the crossing structure during spring thaw.
- b) Remove debris that compromises water flow immediately upstream from or under crossing structures.
- 200.4.3. The organic soil layer and lesser vegetation will not be stripped from portions of the disposition not needed for the road grade on approaches to watercourse crossings.
- 200.4.4. Where crossings have been removed, the bank or shoreline of all affected watercourses and/or waterbodies shall be immediately stabilized and/or alterations or modifications to the bank or shoreline shall be restored.
- 200.4.5. Access for water withdrawal requires a Temporary Field Authorization approval.
- 200.4.6. Bridge abutments shall not constrict the normal watercourse channel. Bridge spans shall extend beyond stream banks and abutment walls.
- 200.4.7. Water from roads, ditches and bared soil surfaces are not to be permitted to drain directly into watercourses. Where vegetated buffers alone do not retard water and sediment movement effectively, appropriate obstructions (e.g. logs, rocks, mounds) or sediment control structures shall be installed to dissipate the flow of water and capture sediment prior to entering the watercourse.
- 200.4.8. Watercourse structures shall be maintained to prevent sedimentation and erosion.
- 200.4.9. Erosion control measures (e.g. silt fences, matting, gravel, and check dams) shall be installed and maintained.

200.5. Reclamation

- 200.5.1. Conduct progressive reclamation and interim clean-up, including built but not drilled sites, for the wellsite and all associated disturbances (log decks, remote sumps, campsites, borrow sites, etc) of that disposition as per External Directive SD 2010-02 Progressive Reclamation and Interim Clean up found on the SRD website <http://www.srd.alberta.ca/> under Maps, Forms & Publications > Directives > Lands.

SCHEDULE B**Provincial Approval Standards and Operating Conditions**

200.5.2. For final reclamation, follow the 2010 Reclamation Criteria for Wellsites and Associated Facilities located <http://www.environment.alberta.ca/> under Lands > Program & Services > Reclamation & Remediation > Upstream Oil & Gas as updated or amended.

200.6. Provincial Grazing Reserves (PGR)

200.6.1. Access is permitted during frozen or dry-ground conditions only.

200.6.2. Contact the local Land Management Specialist prior to entry onto the reserve to verify that timing of the activity will not interfere with livestock operations.

200.6.3. No activity shall occur during livestock take-in or take-out dates.

200.6.4. Once the field has been grazed, and is no longer scheduled for the remainder of the grazing season, activities are permitted with approval of the local Land Management Specialist.

200.6.5. If the location of an activity prevents livestock access to identified watering facilities, provide permanent or temporary reliable and clean alternate water source(s).

200.6.6. All fence line crossings along access routes shall use appropriate structures (e.g. cattle guards, gates) so cattle cannot escape.

200.6.7. Fences surrounding oil and gas activities are required in grazing pastures within the PGR as follows:

a) All wellsites within pastures, excluding: Bow Island, Lonesome Lake, Hays, Pinhorn, Sage Creek, Seven Persons, Purple Springs and Twin River, unless otherwise directed by a Land Management Specialist.

b) During construction.

c) Revegetating of the disturbed site.

200.6.8. Fencing locations shall be reduced to the immediate surroundings of the infrastructure/facilities once construction is complete and once the disturbed area is revegetated (interim reclamation).

a) Damaged existing perimeter pasture fences, shall be repaired or rebuilt to the asset specification standards of the PGR Fence Specifications.

200.6.10. Where borrow material is required and the end product is a dug-out, a 2.5 centimetre aperture size geo-grid shall be installed to 9 metres in from the edge on both end slopes. The top end of the geo-grid shall be dug in 1 metre, folded over, and reburied.

a) 30 centimetres of 5 cm crushed gravel shall be laid over-top of the geo-grid.

SCHEDULE B

Provincial Approval Standards and Operating Conditions

- b) Salvage to topsoil: Spare subsoil shall be spread, with topsoil distributed over top. Disturbed area shall be seeded in accordance with the *Weed Control Act*.
 - c) All borrow pits should be built at a 4:1 slope on both ends, 2:1 slope on the sides and at minimum, 21 x 55 x 5 metres in size.
- 200.6.11. Progressive/Interim reclamation to pre-construction vegetation community types is required once construction of permanent facilities is complete. Reduce/minimize the fenced area around the disposition (footprint) after the area has been successfully revegetated.
- 200.6.12. Culverts shall be beveled on both ends to minimize injury to livestock. Riprap shall be placed around culvert ends.
- 200.6.13. Log storage and hauling on tame pasture allowed only during frozen-ground conditions.
- 200.6.14. Water removal from dugouts, surface ponds, springs, or water wells is not permitted within the grazing reserve unless approved by a Temporary Field Authorization.
- 200.7. Rocky Mountains Forest Reserves**
- 200.7.1. As per section 21 of the *Forest Reserve Regulation*, allotment holders must be contacted.
- 200.7.2. If the location of activity prevents livestock access to identified watering facilities, provide permanent or temporary, reliable and clean alternate water source(s).
- 200.7.4. Water removal from dugouts or developed springs is not permitted unless approved by a Temporary Field Authorization.
- 200.8. Wildlife**
- 200.8.1. All activities shall follow the industrial practices in the Alberta Bear- Human Conflict Management Strategy (Appendix A).

License of Occupation (LOC)

SCHEDULE C

Landscape Analysis Tool Report

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Time: 10:07 12 AM	
LAT Number:	0000006333
LAT Date:	2011-02-25
Project Name:	Penn West 3-25-91-13-W5
Project Description:	
Disposition Type:	License of Occupation (LOC)
Activity Type:	Class III Road (CLS3RD)

Disclaimer:
The information provided within the LAT Tool is a spatial representation of features provided for land use planning. The accuracy of these layers varies depending on the resource value being represented. Ground-truthing is required to ensure that the applicant will meet the applicable Integrated Standards and Guidelines.

SCHEDULE C

Landscape Analysis Tool Report

Base Features	
Crown Ownership:	Provincial/Untitled
Green/White Area:	Green Area
Municipality:	Northern Sunrise County
First Nations Reserve:	
Metis Settlement:	
FMA:	Dalshowa-Marubent International Ltd. (East)
FMU:	P4
National Parks:	
Ecological Reserves:	
Provincial Parks:	
Wilderness Parks:	
Wildland Parks:	
Wilderness Areas:	
Special Area:	
Military Base/Training:	
DND Air Weapons Range:	
Integrated Resource Plan (Local):	
Provincial Structures	
Corridor Wildlife:	
Restricted Area:	
Game Bird:	
Seasonal:	
Wildlife:	

SCHEDULE C

Landscape Analysis Tool Report

Sensitive Features	
Wildlife	
Greater Sage Grouse Lek and Buffer	<input type="text" value="No"/>
Greater Sage Grouse Habitat and Buffer	<input type="text" value="No"/>
Colonial Nesting Birds	<input type="text" value="No"/>
Sensitive Snake Species Range	<input type="text" value="No"/>
Swift Fox Range	<input type="text" value="No"/>
Eastern Short-horned Lizard Range	<input type="text" value="No"/>
Sensitive Amphibians Ranges	<input type="text" value="No"/>
Other Sensitive and Endangered Species	<input type="text" value="No"/>
Grizzly Bear Zone	<input type="text" value="No"/>
Special Access Zone	<input type="text" value="No"/>
Mountain Goat and Sheep Areas	<input type="text" value="No"/>
Sensitive Raptor Range	<input type="text" value="No"/>
Burrowing Owl Range	<input type="text" value="No"/>
Sharp-tailed Grouse Range	<input type="text" value="No"/>
Ord's Kangaroo Rat Range	<input type="text" value="No"/>
Piping Plover Waterbodies	<input type="text" value="No"/>
Endangered and Threatened Plants Ranges	<input type="text" value="No"/>
Caribou Zones	<input type="text" value="No"/>
Trumpeter Swan Waterbodies/Watercourse	<input type="text" value="No"/>
Key Wildlife and Biodiversity Zones	<input type="text" value="No"/>
Water	
Proximity to Waterbody	Industry will ensure that the Watercourse/Waterbodies standards and conditions as defined within the Integrated Standards and Guidelines are followed. To ensure these setbacks and buffers are addressed and maintained, it is recommended that a pre-site assessment occur.
Grassland and Parkland Natural Region	
Grassland and/or Parkland Natural Region	<input type="text" value="No"/>

SCHEDULE C

Landscape Analysis Tool Report

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<u>Quarter</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Meridian</u>	<u>Sensitive Features by Quarter Section</u>
NW	25	91	13	5	
SW	25	91	13	5	
SW	36	91	13	5	

SCHEDULE C

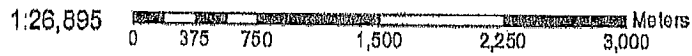
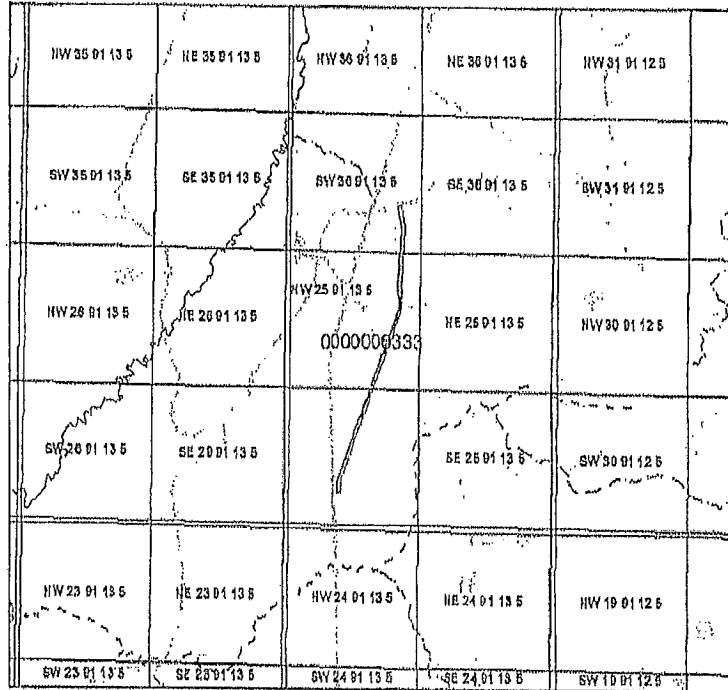
Landscape Analysis Tool Report

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Legend

- ATB Quarter Section
- DIDS Conflicts
- DIDS Applications
- ATB Township
- Perennial Stream
- Indefinite Stream
- Recurring Stream
- Splitway
- Aqueduct
- Canal
- Ditch
- Perennial Oxbow
- Recurring Oxbow
- Canal
- Dugout
- Icefield
- Inlands
- Lagoon
- Perennial Lake
- Recurring Lake
- Perennial Oxbow
- Recurring Oxbow
- Quarry
- Reservoir
- River
- Wetland



SCHEDULE C

Landscape Analysis Tool Report

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Sensitivity Approval Standards and Operating Conditions

Schedule D
Application Supplement - Access

The appropriate supplement form must be submitted for each surface disposition application. All blanks must either be filled in or 'N/A' noted where applicable.

Failure to fill out the document and form(s) completely will result in the application being rejected.

A. Access Description

1. Access width 20 m and type of access:
- | | | |
|-----------------------------------|-----------------------------------|---|
| <input type="checkbox"/> Class I | <input type="checkbox"/> Class II | <input checked="" type="checkbox"/> Class III |
| <input type="checkbox"/> Class IV | <input type="checkbox"/> Class V | <input type="checkbox"/> Class VI |

2. Will padding of the access occur? Yes No

3. Topsoil handling/Topsoil stripping width: (Check the appropriate boxes for initial and final access)
- Minimal surface disturbance (no stripping)
- Stripping Single Lift Two Lift Other Top soil will be stripped from the R.O.W. and stored along the edges. Following completion of construction the top soil will be evenly redistributed over the non-travelable portions of the road. Portions that cross over lower ground will be padded from material to be taken from a proposed borrow pit located adjacent to the access.

Explain if more than one box has been checked, _____

4. If this Access requires access controls as per the Integrated Standards and Operating Conditions, define the type of access control that will be implemented on this access. The project is not within any wildlife zone that requires access control measures. As a result, general conditions will be applied.

5. Based on the land search of the affected lands, as defined within the Integrated Standards and Operating Conditions, were any Reservations/Notations or Regional plans noted that require additional mitigation?

Provide any additional mitigation or direction as provided within the plan/notation or from the supervising Area. February 23, 2011 LSAS search did not reveal any reservations on the lands this project is to occupy. Also, an ACTMS and FWMIS search completed on February 23, 2011 did not reveal any concerns. Lastly, the LAT report did not identify any concerns.

6. Identify the date that your Historical Resources search was completed September 2010 edition of "Listing of Historic Resources"

dd/mm/yyyy

If present, what is the Historical Resource Value (HRV) of the affected lands?

- Not Listed 1 2 3 4 5

If HRV is 1-5, an 'Application for Historical Resources Act Clearance' must be submitted to the Cultural Facilities and Historical Resource Division (CFHRD) of Alberta Community Development.

Date submitted Not required
dd/mm/yyyy

Note: Activities on land that has an HRV of 4 or 5 may require a Historical Resources Impact Assessment (HRIA).

B. Watercourse Crossings

1. Do you plan to install any watercourse crossings that are exempted for notification to AENV as per the Code of Practice for Watercourse Crossings. Yes No. If 'No', you do not need to fill out the table below. If 'Yes', identify the watercourse crossings within the table below.

Crossing Number	Crossing Method	Culvert/Bridge Size Diameter (mm) x length (m)	Water-course Size Class (1-4)	LSD	Sec	Twp	Rge	Mer	Specify if restricted activity period (dd/mm/yyyy)	Class of Waterbody from COP (A,B,C,D)
	Initial	X							From	
	Final								To	
	Initial	X							From	
	Final								To	
	Initial	X							From	
	Final								To	
	Initial	X							From	
	Final								To	
	Initial	X							From	
	Final								To	

Any Notice approved as per the requirements under the Code of Practice for Watercourse Crossings are to be attached to the electronic application submission.

SCHEDULE E

Lands

SRD PLAN NUMBER: 129716 MS, 2011-03-24

PURPOSE: ACCESS ROAD (OIL AND GAS ONLY)

Affected Lands:

Qtr/LS	Sec	Twp	Rge	Mer	Qtr/LS	Sec	Twp	Rge	Mer
SW	25	91	13	5	NW	25	91	13	5
SW	36	91	13	5					

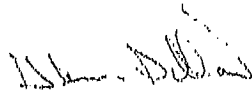
2011-03-24 08:54:26 MDT

Effective: 2011-04-04

Expiry: 2015-04-03

Disposition No: 100110648

NOW THEREFORE the Department has by its duly authorized representative executed this disposition on the date noted below



Assistant Deputy Minister, Lands Division, Alberta Sustainable Resource Development
Director, Public Lands Act

UserName: linda.sagan
Title: Supervisor
Date: Monday, 04 April 2011, 03:19 PM Mountain Daylight Time
Meaning: Authorization for Land Disposition

Effective: 2011-04-04

Expiry: 2015-04-03

Disposition No: loc110648

LESSEE: PENN WEST PETROLEUM LTD.

DISPOSITION NUMBER: MSL110673

TERM: 4 years

PURPOSE: WELLSITE

THIS SHORT TERM LEASE made in duplicate on the date of approval.

BETWEEN: HER MAJESTY THE QUEEN, in right of the Province of Alberta, as represented by the Minister of Sustainable Resource Development (the "Department")

-and-

PENN WEST PETROLEUM LTD.

, (the "Lessee"),

WHEREAS:

- A. The lands more particularly described in Schedule "B" and depicted in the plan number and version dated 129716 MS, 2011-03-24, (the "Lands") are public lands within the meaning of the Public Lands Act, R.S.A. 2000, c. P-40 (the "Act");
- B. the Department has authority under the Act and the Dispositions and Fees Regulation, A.R. 54/2000 (the "Regulations") to grant dispositions on the Lands for purposes incidental to the taking or working of certain of the mines and minerals contained in or underlying the Lands;
- C. the Lessee has the right to, or the right to work, certain of the mines and minerals contained in or underlying the Lands;
- D. the Lessee requires access to the Lands for purposes incidental to the taking or working of the said mines and minerals; and
- E. the Department and the Lessee (the "Parties") have agreed that the Lessee should have access to the Lands for the purposes of this Lease.

NOW THEREFORE the Parties hereto agree as follows:

LEASE, TERM AND RENT:

- 1. Subject to the terms and conditions of this Lease, and in consideration of the fees, covenants, conditions and stipulations herein reserved and contained on the part of the Lessee to be paid, observed, performed and kept, the Province hereby leases to the Lessee the Lands for a term of 4

Effective: 2011-04-20

Expires: 2015-04-19

Disposition No: MSL110673

THIS IS EXHIBIT " 3 " referred to in the Affidavit of

Michelle McQuade

Sworn before me this 11 day of December A.D. 20 13

[Signature]

A Commissioner for Oaths in and for the Province of Alberta ROBERT D. WOOD Barrister and Solicitor

Short Term Mineral Surface Lease

- a) damage to or destruction of the land necessarily and reasonably incurred by the Lessee in preparing, constructing and documenting development on the Lands,
- b) severance,
- c) injurious affection of other lands of the Department adjoining the land, and
- d) nuisance, inconvenience and noise caused by or arising from the operations of the lessee on the land.

Acceptance of the above-noted consideration does not absolve or relieve the Lessee from its obligation to indemnify the Department against all actions, claims and demands that may arise in the exercise or purported exercise of its duties, rights, powers and privileges granted under this Lease, and does not absolve or relieve the Lessee from liability to remediate and reclaim the Lands. The Lessee shall at all times use current and best industry practices to minimize damage, destruction, nuisance, inconvenience and noise in performing its operations on the Lands.

13. The Department agrees that the Department has the right to lease the Lands to the Lessee. Subject to the reservations and terms and conditions contained herein, the Lessee, if not in default, has the right to occupy and use the Lands without interruption or disturbance from either the Department or any person claiming through or under the Department.

CANCELLATION OR EXPIRY OR ISSUANCE OF A REPLACEMENT LEASE:

14. The Department may cancel this Lease in accordance with either sections 26 and 27 or 81 of the Act if satisfied that the Lessee has failed to comply with any of the terms or conditions set out in, or incorporated into, this Lease, whereupon all considerations, rents and charges shall be forfeited to the Department and the Lessee shall not be entitled to any compensation for work performed on the Lands or expenditures by the Lessee made incidental to this Lease.
15. Upon cancellation or expiry of the term of this Lease, and if the Department chooses to not issue a new mineral surface lease to replace it, the Lessee shall at its sole expense within a time period specified by the Department remove all infrastructure and reclaim the Lands to a condition satisfactory to the Department. If the Lessee fails to remove infrastructure and reclaim the Lands to the satisfaction of the Department, the Department may perform the work, or have the work performed, on behalf of the Lessee and all resulting charges and costs shall constitute a debt owed to the Crown.
16. Provided that the Lessee has satisfactorily complied with all applicable provisions, terms and conditions of this Lease, the Act, and Regulations, and provided the Lessee has provided to the Department a final submission referred to in Schedule "A" that is satisfactory to the Department, the Department may issue to the Lessee a long term mineral surface lease for a term of not more than 25 years.

INTERPRETATION:

17. The recitals shall form an integral part of this Lease.

Short Term Mineral Surface Lease

18. Any reference to the Act or the Regulations shall include the Act or Regulations as subsequently amended or revised, or any statutes or regulations passed in substitution thereof.
19. All provisions of the Act and Regulations that expressly or by implication relate to a Mineral Surface Lease apply to this Lease and shall be read and construed as if the same had been set out and incorporated herein.
20. Where any provisions of the Act or Regulations conflict with anything contained in this Lease, the provisions of the Act, and then the provisions of the Regulations shall prevail over this Lease.
21. All subsequent approvals, amendments or waivers issued by a Department employee responsible for the management of surface activity on the Lands must be in writing.
22. All Appendices and Schedules referred to and attached herein, and all subsequent approvals, amendments or waivers in writing form part of this Lease.
23. Service of a notice upon the Lessee may be given by personal service, electronic facsimile or ordinary mail sent to the Lessee at the Lessee's last known facsimile number or postal address recorded by the Department. Any notice shall be deemed to have been effectively given on the day delivered or sent by facsimile, or if sent by mail on the fifth day after it was mailed. It is the Lessee's responsibility to advise the Department in writing of any change in its electronic or postal addresses.
24. This Lease is governed by the laws of the Province of Alberta.
25. The Lessee acknowledges that terms of this Lease, including the name of the Recipient, may be subject to disclosure under the *Freedom of Information and Protection of Privacy Act*, R.S.A. 2000, c. F-25, as amended. The Lessee further acknowledges that *Freedom of Information and Protection of Privacy Act* applies to all information and records provided by the Lessee to the Crown and to any information and records that are in the custody or control of the Crown, and that by submitting any information and records to the Crown, the Lessee thereby waives any confidentiality or privilege respecting such information or records unless the Lessee requests, and the Crown agrees, that confidentiality or privilege be noted on a specific document and sets out reasonable and rational grounds for doing so.
26. This document is your authority to access the Lands and provides the right to, or the right to work, certain of the mines and minerals contained in or underlying the Lands. The Lessee shall retain a copy of this Lease on the job site during all phases of activity, including, if applicable, preparation, construction, development, maintenance and abandonment.
27. An original of this Lease is filed at the offices of Sustainable Resource Development, Land Dispositions Branch, 9915 - 108 Street, Edmonton, Alberta. The original will be used as the authority should any discrepancies arise in content of counterparts or subsequent copies of the original.
28. By originally submitting its application in which it agreed to be bound by the terms and conditions of any resulting disposition the Lessee is hereby deemed to have executed this Lease and is hereby bound by all terms and conditions set out in, or incorporated into, this Lease.

SCHEDULE A**Administrative Conditions**

1. The Holder of the Short Term Mineral Surface Lease shall comply with the conditions set out in this Schedule "A":

- a) The Lessee shall pay to the Department on the execution of this Lease the first year rental charges plus an additional lump-sum consideration calculated by the Department in accordance with the Department's processes approved by the Minister under Section 9.1 of the Act (collectively "the consideration") and as compensation for other initial benefits accruing to the lessee. The Lessee shall pay to the Department the recurring rental on the anniversary date in each and every year thereafter during the term of the Lease.
- b) The annual rent is payable yearly in advance in accordance to the rates established by the Department for the purpose for which this Lease is granted.
- c) Payments required by this document are to be made payable to "The Minister of Finance" and may be delivered to the nearest departmental field office, or mailed to:

Sustainable Resource Development
Lands Division
Main Floor, Petroleum Plaza, South Tower
9915 - 108 Street
Edmonton, Alberta T5K 2G8

- d) The Lessee shall not conduct any activity on the Lands where prior rights have been issued without the consent of the holder of these prior rights. A list of prior and subsisting authorizations and dispositions (prior rights) issued on the quarter sections included in this authority can be purchased from Alberta Energy, Crown Land Data Support, Telephone: 780-422-5727, or the Alberta Energy Website: <http://www.energy.gov.ab.ca>
- e) Surface rights plot sheets showing active dispositions, and individual activity plans can be purchased from IHS, Main Floor, Petroleum Plaza, South Tower, 9915 - 108 Street, Edmonton, Alberta, T5K 2G8, Telephone: 780-413-3380, Fax: 780-413-3383 or Website: <http://www.petrosurveys.ca>
- f) The Lessee shall contact the registered trapper, if any trapping areas (TPA) have been issued on the quarter sections included in this authority, at least TEN DAYS PRIOR TO COMMENCING ANY ACTIVITY. This must be done by registered mail and personal communication follow-up is strongly recommended. The trapper's name and address may be obtained from Alberta Energy, Crown Land Data Support (Telephone: 780-422-5727). For other information concerning registered traplines, contact the Client and Licensing Service, Sustainable Resource Development, Edmonton, Alberta (Telephone: 780-427-5185) upon receipt of this approval. The Lessee may be responsible for any damage to traps, snares or other improvements.

SCHEDULE A**Administrative Conditions**

- g) Where applicable, the Department may, in addition to any other charges, assess a further charge of 50 cents per acre (\$1.24 per hectare) on every acre or part acre in this authority to fund the Trapper's Compensation Program. Classification of lands can be obtained from Alberta Energy, Crown Land Data Support, Telephone: 780_422-5727 or the Alberta Energy Website: <http://www.energy.gov.ab.ca>.
 - h) The Lessee is responsible for obtaining any necessary federal, municipal and other permits and approvals with respect to this authority.
 - i) Without restricting the provisions of section 14 of the *Dispositions and Fees Regulation*, the Lessee agrees to indemnify and hold harmless the Minister, its employees and agents from any and all third party claims, demands, actions or costs (including legal costs on a solicitor-client basis) for which the Lessee is legally responsible, including those arising out of negligence or willful acts by the Lessee or the Lessee's employees or agents. This hold harmless provision shall survive this Lease.
 - j) The Lessee shall, at its own expense and without limiting its liabilities herein, insure its operations under a contract of General Liability Insurance, in accordance with the *Alberta Insurance Act*, in an amount not less than \$5,000,000 inclusive per occurrence, insuring against bodily injury, personal injury and property damage including loss of use thereof including all losses, damages and harm that may result from the Lessee's activities and operations on the Lands. The Lessee shall provide the Department with acceptable evidence of all the insured prior to the commencement of the Work and shall promptly provide the Department with a certified true copy of each policy upon request.
 - k) The Lessee acknowledges that these are the minimum requirements that have been established by the Department. No representation or warranty of any kind is made by the Department as to the completeness or suitability of this insurance and the Lessee shall determine and satisfy itself that it has appropriate and sufficient coverage to satisfy its own risk and insurance requirements, and to cover its obligations under this Lease.
 - l) This authorization is granted subject to further amendment by the Department.
2. The Lessee shall obtain prior written authorization from the Department before deviating from an approved sketch or survey plan and/or standard as identified within this authority.
 3. The Lessee shall not in any way alter or modify this document. The Lessee shall immediately advise the Department of any errors or omissions in this document.
 4. Notification to the Department of entry must occur within 48 hours of site entry.
 5. An as-built final submission must be submitted to the Department by the Lessee within the term of this Lease.

SCHEDULE A

Administrative Conditions

6. The as-built final submission shall include:

- a) For an application that was submitted with a sketch plan or LIDAR survey, an as built survey plan or
- b) For an application that was submitted with a survey plan and the location of the site has changed an as-built survey or
- c) For an application submitted with a survey plan and the location of the site has not changed an affidavit signed by an Alberta Land Surveyor.

7. Charges calculated under Section 5 of the *Dispositions & Fees Regulation* will follow under separate cover.

All licences, authorizations and approvals issued under the *Alberta Environmental Protection and Enhancement Act*, *Water Act* or *Public Lands Act* should not be taken to mean the proponent (applicant) has complied with federal legislation. Proponents should contact Habitat Management, Central and Arctic Region, Fisheries and Oceans, at the appropriate local office as listed below, in relation to the application of federal laws relating to the *Fisheries Act* (Canada).

- Bow and Parkland Regions (403) 292-5160
- Northern East Slopes and Northeast Boreal Regions (780) 495-4220
- Prairie Region (403) 394-2920
- Northwest Boreal Region (780) 618-3220

Proponents should also contact the Navigation Protection Program, Canadian Coast Guard, 4253-97 Street, Edmonton, Alberta, T6E 5Y7, Telephone: (780) 495-6325, relating to the *Navigable Waters Protection Act*.

SCHEDULE B**Provincial Approval Standards and Operating Conditions****Approval Standards****100.1. Land Management**

- 100.1.1. Location of proposed developments shall, where practical, be sited as follows, unless alternative siting can be supported by Regulated Industry Standards:
- a) Use existing disturbances or be located adjacent to existing occupied industrial dispositions.
 - c) New wellsites shall:
 - i) Use existing, unoccupied, disturbances that are within 250 metres of the proposed drill location.
 - ii) Locate the proposed wellsite adjacent to existing occupied industrial dispositions that are within 250 metres of the proposed drill location.
- 100.1.2. Locate wellsites and roads outside of natural forest openings (> 10 hectares) such as meadows when planning development activities, unless justifiable extra-ordinary conditions require alternative siting and are supported by the Energy Resources Conservation Board (ERCB), the Canadian Standards Association (CSA) and/or Occupational Health and Safety (OHS) requirements.
- 100.1.3. The following wellsite sizes shall apply, unless alternative sizing can be supported by Regulated Industry Standards:
- a) Single rig sites shall not exceed 110 metres x 100 metres or equivalent area (1.10 hectares).
 - b) Double/Triple rig sites with less than 5 metres of elevation difference from any corner to the well centre shall not exceed 120 x 120 metres or equivalent area (1.44 hectares).
 - c) Double/Triple rig sites with greater than 5 metres of elevation difference from any corner to well centre shall not exceed 130 x 130 metres or equivalent area (1.69 hectares).
 - d) Single-well pads upgraded to a multi-well pad (with existing facilities) may be extended up to 0.72 hectares to accommodate the second well centre; additional well centres may be cleared up to 0.18 hectares.

SCHEDULE B**Provincial Approval Standards and Operating Conditions**

- e) Horizontal (unconventional) well pad sites with less than 5 metres of elevation difference from any corner to well centre shall not exceed 130 metres x 130 metres or equivalent area (1.69 hectares).
 - 100.1.4. The difference in elevation from well centre to any corner of the wellsite shall not exceed 10 metres of out/fill, unless alternatives can be supported by Regulated Industry Standards.
 - 100.1.7. Temporary Work Space (as per the Temporary Field Authorization Guidelines at <http://srd.alberta.ca> found under Maps, Forms and Publications > Forms > Lands Forms) shown at the time of application for short term disposition shall be valid for the term of the short term disposition.
-
- 100.3. Soil**
- 100.3.1. Permafrost degradation is not permitted.
 - 100.3.2. In permafrost areas, the surface shall not be stripped.
- 100.4. Watercourse/Waterbody**
- 100.4.1. Resource extraction activities on islands and the bed and shore of permanent waterbodies is prohibited.
 - 100.4.2. Activities shall not interrupt natural drainage (including ephemeral and fens), block water flow or alter the water table.
 - 100.4.3. Wellsites and pipeline installations shall not be constructed within 15 metres of an ephemeral waterbody or ephemeral watercourse.
 - 100.4.4. The following watercourse setbacks for all activities from the edge of site or paralleling linear dispositions shall be followed:
 - a) Intermittent watercourses shall have a setback of at least 45 metres from the top of the break.
 - b) Small Permanent watercourses shall have a setback of at least 45 metres from the top of the break.
 - c) Large Permanent watercourses shall have a setback of at least 100 metres from the top of the break.

SCHEDULE B**Provincial Approval Standards and Operating Conditions**

- 100.4.5. The following waterbody setbacks for all activities from the edge of site or paralleling linear dispositions shall be followed:
- a) A minimum setback of 45 metres of undisturbed vegetation shall be maintained from non-permanent seasonal wetlands.
 - b) A minimum setback of 100 metres from the bed and shore of semi-permanent ponds/wetlands and shallow open water ponds and lakes.
- 100.4.6. Crossings shall be minimized, unless doing so results in greater disturbance (i.e. footprint hectares) and/or negative environmental impacts (e.g. impacting landscape sensitivities) than creating a new crossing.
- 100.4.7. All crossings shall maintain fish passage. Crossings shall be compliant with Alberta Environment's Code of Practice under the *Water Act*, Water (Ministerial) Regulation.
- 100.6. Provincial Grazing Reserves (PGR)**
- 100.6.1. Activities are not permitted in fields currently being grazed or in fields scheduled for grazing in the current grazing season, unless the local Land Management Specialist has verified that the activity timing will not interfere with livestock operations.
- 100.6.2. In areas with irrigation fields, developments shall be on non-irrigated areas only.
- 100.6.3. No activities are permitted on flood-irrigated lands at any time.
- 100.6.4. Developments on provincial grazing reserves in the Grassland Natural Region must be sited within existing industrial disturbances, cultivated areas or improved (tame) pastures. If developments do occur on native grasslands, they shall follow all approval standards and operating conditions of Grassland and Parkland Natural Region identified in Section 100.10 of the Approval Standards and Section 200.10 of the Operating Conditions.
- 100.6.5. Developments on provincial grazing reserves in forested areas that cannot use existing industrial disturbance must be located outside of improved (tame) pastures but directly adjoining (i.e. immediately adjacent to) the pasture boundary or the PGR perimeter. Where developments are required within improved (tame) pastures in forested areas that cannot use existing disturbance, they shall be located outside of, and immediately adjacent to any existing leave areas.
- 100.6.6. Kleskun Lake Provincial Grazing Reserve - Wellsite pads shall be built to a minimum elevation of 657.5 metres above sea level and a solid perimeter clay berm be maintained at a minimum level of 658.3 metres.

SCHEDULE B**Provincial Approval Standards and Operating Conditions****100.7. Rocky Mountains Forest Reserve**

- 100.7.1. Locate wellsite and associated facilities, excluding pipelines, outside of native grasslands or identified (tame) pasture areas, unless doing so results in greater disturbance (i.e. footprint hectares) and/or negative environmental impacts (e.g. impacting landscape sensitivities, additional watercourse crossing).

100.8. Wildlife

- 100.8.1. Locate activities away from important wildlife features including mineral ticks, raptor nests, active den sites, and hibernacula by a minimum buffer distance of 100 metres. Buffer distances will be greater for identified sensitive species and features (Subsection 100.9.1.).
- 100.8.2. Where an Integrated Resource Plan or Protective Notation identifies a greater set back, the greater set back shall prevail.
- 100.8.3. In areas where limber pine and whitebark pine are encountered follow the following setbacks. High impact activities require a 300 metre setback, Medium and low impact activities require a minimum of a 30 metre setback. A description of High, Medium and Low risk developments referred to can be found in Appendix B of the Approval Standards.

Operating Conditions**200.1. Land Management**

- 200.1.1. The disposition holder shall furnish proof that the holder has complied with any and all of the provisions of the holder's disposition in a form and time required by the Minister.
- 200.1.2. Pipeline vegetation removal associated with step-out or wildcat wells shall not start until it is known that the activity is required based on a producing well.
- 200.1.4. Locate temporary activities (e.g. large camps, remote sumps) adjacent to permanent, all-weather access or to existing industrial dispositions.

SCHEDULE B**Provincial Approval Standards and Operating Conditions**

- 200.1.6. Where access control is required by the approval standards, the potential entry point will be signed with the following text:

Notice

Under the authority of the section 54.01 of the *Public Lands Act* this road is closed beyond this point for the purpose of:

- Wildlife Management
- Fisheries Management
- Water Management
- Vegetation Management
- Security

Unauthorized on-highway motor vehicles are prohibited. Operators of unauthorized vehicles beyond this point may be found guilty of an offence.

Warning: Gate may be locked without warning (*NOTE: use this line only if gate is used*)

In case of an emergency call: 1-XXX-XXX-XXXX

For general inquiries please call: 1-XXX-XXX-XXXX

Commercial Users contact the disposition holder at: *Company Phone Number*

LOC No.#

- 200.1.7. When gates are used for access control, the following conditions shall apply:
- a) Locked gates shall be constructed at locations and in a manner which will contribute to their effectiveness in preventing access to the road (in combination with applying public access restrictions).
 - b) Gates shall remain closed at all times when not in use.
 - c) Locks shall be placed in a structure that is designed to protect them from being broken.
 - d) As locks are lost or destroyed, they will be replaced as soon as the disposition holder is made aware of the need.
 - e) Gates will be designed to ensure that passage of a 4x4 vehicle is restricted. This may include the use of barrier rock, berms, ditches, placement of the gate before a bridge or other impediments to travel around the gate. All gates will be installed in such a manner that a safety hazard is not created.
 - f) Use of combination locks is required. Where this is not possible and keyed locks are used, double locking using a SRD lock is required. (Double locking refers to a

SCHEDULE B**Provincial Approval Standards and Operating Conditions**

company lock and a SRD lock on the same gate, allowing each party to pass using their own keys).

g) Disposition Holders will only make combination lock changes with prior confirmation from the Officer in charge.

200.1.8. For non-producing wells, the inactive portion(s) of the access road that is immediately adjacent to a public road(s) shall be closed to highway vehicle traffic within 1 year of well non-production. Method and location of access control features shall be provided to the SRD Area Office in writing.

200.1.9. Any existing improvements (e.g. fences, water control structures, and signage) that were damaged as a result of industry activities on the land shall be repaired and/or replaced to original condition within 30 days or immediately if occupied by livestock.

200.1.10. Road grades and wellsite pads, including cross structures, shall be maintained for proper drainage (i.e. surface rutting is to be graded).

200.1.11. The application of rollback within FireSmart Community Zones shall be determined through the Consultative Notation (CNT) process in SRD.

200.1.12. In addition to the operating conditions in this document, all activities shall be coordinated through Energy Industry Control at (780) 842-5850 for activity on Canadian Forces Base/Area Support Unit, Wainwright and (780) 573-7206 for activity on Canadian Forces Base/Area Support Unit, Cold Lake.

200.1.13. Concurrent construction of a pipeline, wellsite, and access prior to proven results shall only be permitted for in-field wells for unconventional developments where a high degree of production certainty can be demonstrated.

200.2. Vegetation

200.2.1. Manage all weeds as per the *Weed Control Act*.

200.2.2. Vegetation control (mechanical - mowing/brush control) along linear ROWs shall not occur between May 1st and July 31st, notwithstanding the need to comply with the *Weed Control Act* with the following exception: In Grassland and Parkland Natural Regions, vegetation control between May 1st and July 31st for vehicle access, is limited to mowing no more than a 4 metre area centred on the driving lane.

200.2.5. Application of chemical methods shall not occur within 30 metres of any waterbody or watercourse, unless otherwise authorized.

200.2.6. All equipment used shall be cleaned to be free of weeds.

SCHEDULE B**Provincial Approval Standards and Operating Conditions**

- 200.2.7. When reseeded use only seed that meets or exceeds Certified #1 as outlined in the *Canada Seeds Act and Seeds Regulations*. Seed used shall be ergot free or cleaned for removal of ergot bodies. Seed mixes are to be free of the species listed in the *Weed Control Act*. A seed analysis for each species shall be provided, to SRD, upon request.
- 200.2.8. When reseeded with native seed, seed shall be ergot free or cleaned for removal of ergot bodies. Seed mixes shall be free of the species listed in the *Weed Control Act*. Native seed shall not include any of the following agronomic species: timothy, Kentucky blue grass, creeping red fescue, smooth brome, crested wheatgrass, meadow brome, Dahurian wildrye, perennial ryegrass, Russian wildrye, Altai wildrye, alfalfa, sweet clover, Cicer milkvetch, and Kura clover. A seed analysis for each species shall be provided, to SRD, upon request.
- 200.2.9. Revegetation with trees or shrubs within the Green Area shall be consistent with the Alberta Forest Genetic Resource Management and Conservation Standards Manual located on the SRD website at <http://srd.alberta.ca> > Managing Programs > Forest Management Manuals & Guidelines.
- 200.2.10. Merchantable timber shall be salvaged unless a request for waiver is approved by SRD.
- 200.3. Soil**
- 200.3.1. Activity shall be suspended during adverse ground conditions.
- 200.3.2. Soil and surface erosion and sedimentation shall be prevented and controlled on all disturbed lands.
- 200.3.3. Soil shall not be removed from the disposition unless authorized.
- 200.3.4. Where soil stripping occurs, salvage all topsoil. Soil horizons A and B must be stripped and stored separately. Store topsoil separately from subsoil and woody material, such that it can be distributed evenly over the disturbed area for progressive (interim) and/or final reclamation.
- 200.3.5. For forested lands, where topsoil is less than 15 centimetres, conservation shall include the topsoil plus the B-horizon up to a depth of 15 centimetres unless the B-horizon is considered unsuitable (chemically or physically).
- 200.3.6. Storage piles/windrows shall not encroach into adjacent standing timber.
- 200.3.7. Disposal pits, required in connection with the activity, shall be located in impermeable soil. Where impermeable soil is not available, impermeable tanks may be used to collect all waste and then dispose of at an authorized waste disposal facility.
- 200.3.8. Soil sterilants are prohibited.
- 200.3.10. Backfill and level remote sumps/disposal pits upon completion of operations or treatment of waste.

SCHEDULE B**Provincial Approval Standards and Operating Conditions**

- 200.3.11. Soil rutting shall not occur on minimal disturbance sites.
- 200.3.12. In permafrost areas, utilize snow (natural or man-made) to establish a level surface.

200.4. Watercourse/Waterbody

- 200.4.1. Activities shall not result in the deposition or placement of debris, soil or other deleterious materials into or through any watercourse and/or waterbody, or on the ice of any watercourse and/or waterbody.
- 200.4.5. Access for water withdrawal requires a Temporary Field Authorization approval.
- 200.4.7. Water from roads, ditches and bared soil surfaces shall not be permitted to drain directly into watercourses. Where vegetated buffers alone do not retard water and sediment movement effectively, appropriate obstructions (e.g., logs, rocks, mounds) or sediment control structures shall be installed to dissipate the flow of water and capture sediment prior to entering the watercourse.
- 200.4.9. Erosion control measures (e.g. silt fences, matting, gravel, and check dams) shall be installed and maintained.

200.5. Reclamation

- 200.5.1. Conduct progressive reclamation and interim clean-up, including built but not drilled sites, for the wellsite and all associated disturbances (log decks, remote sumps, campsites, borrow sites, etc) of that disposition as per External Directive SD 2010-02 Progressive Reclamation and Interim Clean up found on the SRD website <http://www.srd.alberta.ca/> under Maps, Forms & Publications > Directives > Lands.
- 200.5.2. For final reclamation, follow the 2010 Reclamation Criteria for Wellsites and Associated Facilities located <http://www.environment.alberta.ca/> under Lands > Program & Services > Reclamation & Remediation > Upstream Oil & Gas as updated or amended.

200.6. Provincial Grazing Reserves (PGR)

- 200.6.1. Access is permitted during frozen or dry-ground conditions only.
- 200.6.2. Contact the local Land Management Specialist prior to entry onto the reserve to verify that timing of the activity will not interfere with livestock operations.
- 200.6.3. No activity shall occur during livestock take-in or take-out dates.
- 200.6.4. Once the field has been grazed, and is no longer scheduled for the remainder of the grazing season, activities are permitted with the approval of the local Land Management Specialist.

SCHEDULE B**Provincial Approval Standards and Operating Conditions**

- 200.6.5. If the location of activity prevents livestock access to identified watering facilities, provide permanent or temporary reliable and clean alternate water source(s).
- 200.6.6. All fence line crossings along access routes shall use appropriate structures (e.g. cattle guards, gates) so cattle cannot escape.
- 200.6.7. Fences surrounding oil and gas activities are required in grazing pastures within the PGR as follows:
- a) All well sites within pastures, excluding: Bow Island, Lonesome Lake, Hays, Pinhorn, Sage Creek, Seven Persons, Purple Springs and Twin River, unless otherwise directed by a Land Management Specialist.
 - b) During construction.
 - c) Revegetating of the disturbed site.
- 200.6.8. Fencing locations shall be reduced to the immediate surroundings of the infrastructure/facilities once construction is complete and once the disturbed area is revegetated (interim reclamation).
- a) Damaged existing perimeter pasture fences, shall be repaired or rebuilt to the asset specification standards of the PGR Fence Specifications.
- 200.6.10. Where borrow material is required and the end product is a dug-out, a 2.5 centimetre aperture size geo-grid shall be installed to 9 metres in from the edge on both end slopes. The top end of the geo-grid shall be dug in 1 metre, folded over, and reburied.
- a) 30 centimetres of 5 cm crushed gravel shall be laid over-top of the geo-grid.
 - b) Salvage to topsoil: spare subsoil shall be spread, with topsoil distributed over top. Disturbed area shall be seeded in accordance with the *Weed Control Act*.
 - c) All borrow pits should be built at a 4:1 slope on both ends, 2:1 slope on the sides, and at minimum, 21 x 55 x 5 metres in size.
- 200.6.11. Progressive/Interim reclamation to pre-construction vegetation community types is required once construction of permanent facilities is complete. Reduce/minimize the fenced area around the disposition (footprint) after the area has been successfully revegetated.
- 200.6.13. Log storage and hauling on tame pasture allowed only during frozen-ground conditions.
- 200.6.14. Water removal from dugouts, surface ponds, springs, or water wells is not permitted within the grazing reserve unless approved by a Temporary Field Authorization.

SCHEDULE B

Provincial Approval Standards and Operating Conditions

200.7. Rocky Mountains Forest Reserves

- 200.7.1. As per section 21 of the *Forest Reserve Regulation*, allotment holders must be contacted.
 - 200.7.2. If the location of an activity prevents livestock access to identified watering facilities, provide permanent or temporary, reliable and clean alternate water source(s).
 - 200.7.3. Fences shall be built in grazing areas to keep livestock from entering the wellsite during drilling and production phases.
 - 200.7.4. Water removal from dugouts or developed springs is not permitted unless approved by a Temporary Field Authorization.
-

200.8. Wildlife

- 200.8.1. All activities shall follow the industrial practices in the Alberta Bear- Human Conflict Management Strategy (Appendix A).

Mineral Surface Lease (MSL)

SCHEDULE C

Landscape Analysis Tool Report

0000006334

Page 1 of 6

Time: 10:07 15 AM	
LAT Number:	0000006334
LAT Date:	2011-02-25
Project Name:	Penn West 3-25-91-13-W5
Project Description:	
Disposition Type:	Mineral Surface Lease (MSL)
Activity Type:	Multipad Well (MULTIPAD)

Disclaimer:
The information provided within the LAT Tool is a spatial representation of features provided for land use planning. The accuracy of these layers varies depending on the resource value being represented. Ground-truthing is required to ensure that the applicant will meet the applicable Integrated Standards and Guidelines.

Effective: 2011-04-20

Expiry: 2015-04-19

Disposition No: MSL110673

SCHEDULE C

Landscape Analysis Tool Report

0000006334

Page 2 of 6

Base Features	
Crown Ownership:	Provincial/Untitled
Green/Wildlife Area:	Green Area
Municipality:	Northern Sunrise County
First Nations Reserve:	
Metis Settlement:	
FMA:	Dalshowa-Marubeni International Ltd. (East)
FMU:	P4
National Parks:	
Ecological Reserves:	
Provincial Parks:	
Wilderness Parks:	
Wildland Parks:	
Wilderness Areas:	
Special Area:	
Military Base/Training:	
DND Air Weapons Range:	
Integrated Resource Plan (Local):	
Provincial Sanctuaries	
Corridor Wildlife:	
Restricted Area:	
Game Bird:	
Seasonal:	
Wildlife:	

SCHEDULE C

Landscape Analysis Tool Report

Sensitive Features	
Wildlife	
Greater Sage Grouse (Leks) and Buffer:	<input type="text" value="No"/>
Greater Sage Grouse Habitat and Buffer:	<input type="text" value="No"/>
Colonial Nesting Birds:	<input type="text" value="No"/>
Sensitive Snake Species Range:	<input type="text" value="No"/>
Swift Fox Range:	<input type="text" value="No"/>
Eastern Short-horned Lizard Range:	<input type="text" value="No"/>
Sensitive Amphibians Ranges:	<input type="text" value="No"/>
Other Sensitive and Endangered Species:	<input type="text" value="No"/>
Grizzly Bear Zone:	<input type="text" value="No"/>
Special Access Zone:	<input type="text" value="No"/>
Mountain Goat and Sheep Areas:	<input type="text" value="No"/>
Sensitive Raptor Range:	<input type="text" value="No"/>
Burrowing Owl Range:	<input type="text" value="No"/>
Sharp-tailed Grouse Range:	<input type="text" value="No"/>
Ord's Kangaroo Rat Range:	<input type="text" value="No"/>
Piping Plover Waterbodies:	<input type="text" value="No"/>
Endangered and Threatened Plants/Ranges:	<input type="text" value="No"/>
Caribou Zones:	<input type="text" value="No"/>
Trumpeter Swan Waterbodies/Watercourse:	<input type="text" value="No"/>
Key Wildlife and Biodiversity Zones:	<input type="text" value="No"/>
Water	
Proximity to Waterbody:	Industry will ensure that the Watercourse/Waterbodies standards and conditions as defined within the Integrated Standards and Guidelines are followed. To ensure these setbacks and buffers are addressed and maintained, it is recommended that a pre-site assessment occur.
Grassland and Parkland Natural Region	
Grassland and/or Parkland Natural Region:	<input type="text" value="No"/>

SCHEDULE C

Landscape Analysis Tool Report

Quarter Section					Township					Range					Meridian					Sensitive Features by Quarter Section
SW	25	91	13	5																

SCHEDULE C

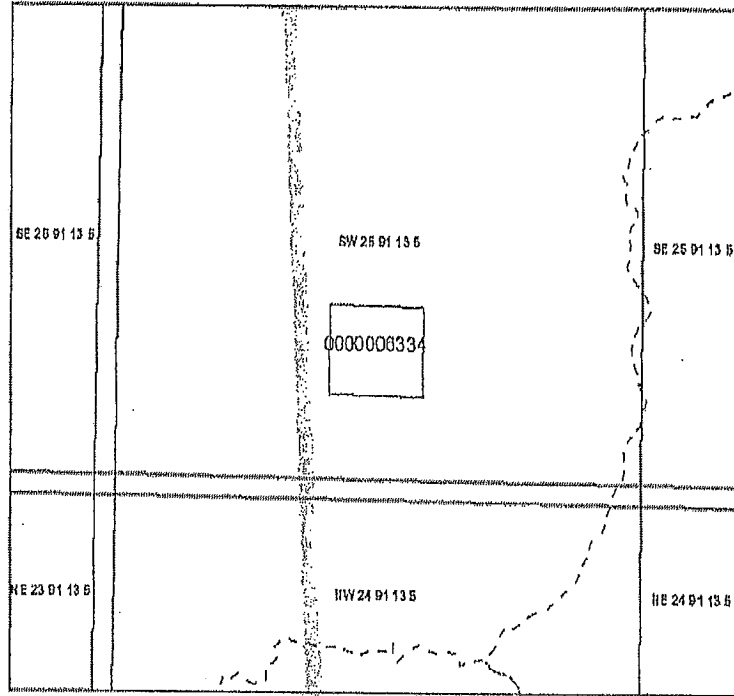
Landscape Analysis Tool Report

000006334
Page 5 of 6

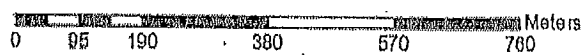


Legend

- ATS Quarter Section
- DIDS Conflict
- DIDS Application
- ATS Township
- Perennial Stream
- Indefinite Stream
- Recurring Stream
- Spillway
- Aqueduct
- Canal
- Ditch
- Perennial Oxbow
- Recurring Oxbow
- Canal
- Dugout
- Leafbed
- Island
- Lagoon
- Perennial Lake
- Recurring Lake
- Perennial Oxbow
- Recurring Oxbow
- Quarry
- Reservoir
- River
- Wetland



1:6,742



Effective: 2011-04-20

Expiry: 2015-04-19

Disposition No: MSL110673

SCHEDULE C

Landscape Analysis Tool Report

000006334
Page 6 of 6

Sensitivity Approval Standards and Operating Conditions

Schedule D: Application Supplement – Sites & Installations

Provide any additional mitigation or direction as provided within the plan/notation or from the supervising Area. February 23, 2011 LSAS search, ACIMS search and FWMIS search did not identify any concerns. Lastly, the IAT report also did not identify any concerns.

12. Identify the date that your Historical Resources search was completed March 2011 edition of "Listing of Historic Resources"

dd/mm/yyyy

If present, what is the Historical Resource Value (HRV) of the affected lands?

Not Listed 1 2 3 4 5

If HRV is 1-5, an 'Application for Historical Resources Act Clearance' must be submitted to the Cultural Facilities and Historical Resource Division (CFHRD) of Alberta Community Development.

Date submitted Not required
dd/mm/yyyy

Note: Activities on land that has an HRV of 4 or 5 may require a Historical Resources Impact Assessment (HRIA).

B. Access

How will the site be accessed? (Check boxes that apply)

Existing access held under disposition or jurisdiction (Specify disposition number and owner):
 New disposition (LOC) Access included in this application.

Note: If access is part of the site and installation application, an access supplement must be completed with respect to information not already included in this supplement and submitted with the application.

Applicable to MSL only

C. Sump

Type of sump (check appropriate box): On-site pit Above-ground tank on site
 In-ground tank on site Remote sump
 Private land Public land

Proposed mud type: Hydrocarbon: _____ Salt base: _____ Gel chem: _____

Other: Gel Chem for the surface hole and Environment Water based polymer for the horizontal hole. Environment liquids will be contained in tanks, re-used for other drilling. If they come up "dirty" they will then be disposed of at an approved facility. Gel Chem will be stored in a common remote sump and MB/C after successful testing. All solids and liquids will be disposed of meeting the G-50 guidelines. Common remote sump located at 11-23-01-13-W5

All Remote Sumps require authority under a Temporary Field Authorization. Please contact your local Area office for details.

Applicable to MSL only

D. Source of Water

1. Water Required: Yes No
2. Water source: Water well on lease Offsite water well Lake Stream River

Effective: 2011-04-20

Expiry: 2015-04-19

Disposition No: MSL110673

Schedule D: Application Supplement – Sites & Installations

Other (specify type) Possibly and existing borrow pit. Exact location and source is unknown however consultation with Forest Officer will occur prior to taking any water.

Location (if not located on lease): LSD _____ Sec _____ Twp _____ Rge _____ W _____

Access to water sources requires authority under a Temporary Field Authorization. Please contact your local Area office for details.

Effective: 2011-04-20

Expiry: 2015-04-19

Disposition No: MSL110673

SCHEDULE E

Lands

SRD PLAN NUMBER: 129716 MS, 2011-03-24

PURPOSE: WELLSITE

Affected Lands:

Qtr/LS	Sec	Twp	Rge	Mer	Qtr/LS	Sec	Twp	Rge	Mer
SW	25	91	13	5					

2011-03-24 08:54:18 MDT

Effective: 2011-04-20

Expiry: 2015-04-19

Disposition No: MSL110673

Schedule E

Non-Standard Mitigation Supplement

The appropriate supplement form must be submitted for each Non-Standard surface disposition application. All blanks must either be filled in or 'N/A' noted where applicable.
Failure to fill out the document and form(s) completely will result in the application being rejected.

A. Non-Standard Rationale

1. Provide rationale and reasons in detail as to why your company is proceeding with the Non-Standard application process?

The proposed Horizontal Multi pad lease size is 130m X 145m. This exceeds the present day, February 23, 2011 set standard of 130m X 130m. This applied for size is required for a multi pad horizontal lease. Wayne Holland of ASRD noted that back in October 2010 that the standards are being revised and Horizontal multi pad sites will be based on 130m X 130m for the first well with an additional 0.18 ha allowed for each additional well. When the standards are finally revised, at that time this site would be still be considered non-standard as the size is required due to inter-well spacing. Size will be larger by 0.01 ha

B. Identification of Standards

1. List the approval standards that your company intends not to follow?

a) Standard - #100.1.3 (e)

Specific Standard: Horizontal (unconventional) well pad sites with less than 5m of elevation change shall not exceed 130m X 130m

b) Standard - #: _____

Specific Standard: _____

c) Standard - #: _____

Specific Standard: _____

d) Standard - #: _____

Specific Standard: _____

C. Mitigation Strategies

1. What strategies are proposed to mitigate and meet the intent and objectives of the standard not being followed?
Be clear on which strategy applies to which standard(s):

a) Mitigation strategy: There is no real mitigation strategy as the applied for lease size is required for a multi pad horizontal lease. Wayne Holland of ASRD noted that the standards are being revised and Horizontal multi pad sites will be based on 130m X 130m for the first well with an additional 0.18 ha allowed for each additional well. When the standards are finally revised, at that time this site would still be considered non-standard due to inter-well spacing.

Schedule E: Non-Standard Mitigation Supplement

All non-working portions of the lease will be recontoured following completion of operations. Disturbed top soil will be evenly redistributed over the non-working portions.

- b) Mitigation strategy: _____
- c) Mitigation strategy: _____
- d) Mitigation strategy: _____
- e) Mitigation strategy: _____

D. Mitigation Discussions

1. Was the proposed strategy(ies) discussed with departmental staff? Yes No
If Yes, provide the name of who was contacted and when.

Name: Brandl Arndt Date Contacted: February 15, 2011
dd/mm/yyyy

Name: _____ Date Contacted: _____
dd/mm/yyyy

Name: _____ Date Contacted: _____
dd/mm/yyyy

Discussion comments/resolutions if any: No mitigation strategies were recommended.

E. Additional Operational Provisions

Based on the discussions with and the review by Alberta Sustainable Resource Development, the following operational provisions as provided, are to be implemented during the construction and operation of this disposition;

Provision 1: There were no operational provisions requested by ASRD.

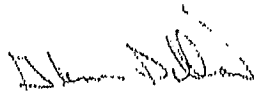
Provision 2: _____

Provision 3: _____

Provision 4: _____

Provision 5: _____

NOW THEREFORE the Department has by its duly authorized representative executed this disposition on the date noted below

A handwritten signature in dark ink, appearing to be "Rose Radomsky", written in a cursive style.

Assistant Deputy Minister, Lands Division, Alberta Sustainable Resource Development
Director, Public Lands Act

UserName: rose.radomsky

Title: Team Lead

Date: Wednesday, 20 April 2011, 08:03 AM Mountain Daylight Time

Meaning: Authorization for Land Disposition

Effective: 2011-04-20

Expiry: 2015-04-19

Disposition No: MSL110673

PennWest Exploration

Suite 200, Penn West Plaza
207 -- 9th Avenue SW
Calgary, Alberta, Canada T2P 1K3
403.777.2600 tel
403.777.2689 fax
www.pennwest.com

July 27, 2012

Express Post

Lubicon Lake Nation
P.O. Box 6731, Station Main
Peace River, Alberta T8S 1S6

Dear Sir,

RE: Upcoming License Applications
Sawn Lake Multi-Well Satellite at 10-7-01-12 W5M Re-License LS File: 11-21183
Sawn Lake Padsite & Access Road in W 25, SW 36-91-13 W5M
(BHA: 3-24 & 4-24-91-13 W5M) LS File: 10-20632

This letter is to advise you that Penn West Petroleum Ltd. (Penn West) plans to submit license applications to the Energy Resource Conservation Board (ERCB) for the above noted projects. Enclosed you will find a detailed information package for each of the projects listed.

We kindly ask that you provide, in writing, any specific concerns you may have for each of the above noted projects, within 14 days of receiving this information.

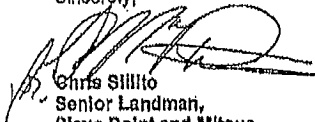
Thank you in advance for your prompt review of the enclosed information packages.

Contact Information

Chris Sillito, Senior Landman

Office: 403-777-2682
Cell: 403-826-7821

Sincerely,



Chris Sillito
Senior Landman,
Slave Point and Mitsue
Penn West Petroleum Ltd.

Penn West Exploration is a registered trade name of Penn West Petroleum Ltd.

THIS IS EXHIBIT " 4 "
referred to in the Affidavit of
Michelle McQuade
Sworn before me this 11
day of December A.D. 2013
Wood

A Commissioner for Oaths
in and for the Province of Alberta

ROBERT D. WOOD
Barrister and Solicitor



LUBICON LAKE NATION

August 3, 2012

Penn West Petroleum Ltd,
Attn: Thane Jensen, Senior Vice President - Operations
Suite 200, Penn West Plaza
207-9th Ave SW
Calgary, AB T2P 1K3
(403) 777-2500 TEL
Thane.Jensen@pennwest.com

Re: Otter Satellite Facility 12-7-88-11W5M, LS File# 11-22398
Otter Multiwell Battery 10-32-87-12W5M, LS File# 10-20661
Otter (EVI) Padsite 5-2-88-12W5M, LS File# 12-23950
Otter Satellite Facility 5-6-88-11W5M, LS File# 11-20910
Otter Satellite Facility 8-1-88-12W5M, LS File# 10-20407
Otter Satellite Facility 8-22-88-12W5M, LS File# 12-24233
Otter Satellite Facility 8-27-88-12W5M, LS File# 12-23798
Sawn Lake Multi-Well Battery 10-7-91-12W5M, LS File# 11-21183
Otter Satellite Facility 13-31-87-11W5M, LS File# 12-24233
Otter Satellite Facility 9-15-88-12W5M, LS File# 11-22399
Otter (EVI) Padsite 12-35-87-12W5M, LS File# 12-23958
Sawn Lake Pipeline 13-26 to 4-36-91-13W5M, LS File# 11-22731
Sawn Lake Pipeline 3-35 to 13-26-91-13W5M, LS File# 11-22730
Otter Multi-Well Oil Satellite Facility 9-21-89-11W5M, LS File# 12-24285
Otter Multi-Well Oil Satellite Facility 13-10-89-11W5M, LS File# 12-24284
Otter Padsite & Access Road 9-19-88-11W5M, LS File# 10-20030
Otter (EVI) Padsite & Access Road 12-35-87-12W5M, LS File# 12-24099
Sawn Lake Multi-Well Satellite 10-7-91-12W5M, LS File# 11-21183
Sawn Lake Padsite & Access Road W25, SW 36-91-13W5M, LS File# 10-20632
Otter Padsite 12-26-88-12W5M et. al., LS File# 10-20026
Sawn Lake Padsite & Access Road 13-26-91-13W5M
Sawn Lake Padsite & Access Road 1-14-91-13W5M, LS File# 10-20635
Sawn Lake Battery 16-3-92-13W5M, LS File# 12-22998
Sawn Lake Padsite & Access Road 12-24-91-13W5M, LS File# 11-20977
Compressor Station 9-12-88-12W5M
Satellite Facility 12-19-88-11W5M
Satellite Facility 12-23-88-12W5M
Compressor Station 5-12-88-12W5M
Satellite Facility 2-11-88-12W5M
Padsite 14-25-91-13W5M
Pipeline(s) 5-12 to 2-11-88-12W5M et. al.
Pipeline 2-11 to 4-11-88-12W5M

THIS IS EXHIBIT " 5 "
referred to in the Affidavit of
Michelle McQuade
Sworn before me this 11
day of December A.D. 20 13
Wood

A Commissioner for Oaths
in and for the Province of Alberta

ROBERT D. WOOD
Barrister and Solicitor

p.1 of 2

Mr. Jensen,


Please be advised we are in receipt of initial notification documents regarding the above noted projects proposed by Penn West Petroleum Ltd. within the jurisdiction of the Lubicon Lake Nation. It is the position of the Government of the Lubicon Lake Nation that these projects may raise specific concerns relating to the Nation's existing Aboriginal Title to lands in which this project is proposed. Further it is the position of the Lubicon Lake Nation that these projects may raise specific concerns related to the Traditional Land Use by Lubicon citizens in the area of the proposed project.

As a result, a meeting is again requested between officials from this office and yourself without delay to address these concerns at the Lubicon Lake Nation office. Until such a meeting has taken place and written notification is forwarded to Penn West Petroleum Ltd. from this office indicating that the Nation's concerns have been addressed to the satisfaction of Nation officials, the Consultation and Accommodation requirements regarding these files remain unsatisfied.

As noted in the accompanying notices of objection regarding these files, meetings with yourself have been requested on numerous occasions. We have noted that your commitment to meet with Lubicon officials on June 27 as indicated by James Norris, Supervisor Aboriginal Affairs Corporate was cancelled without reason provided and not rescheduled despite repeated requests.

Be further advised, pursuant to direction by the Chief and Council of the Lubicon Lake Nation, all matters relating to consultation and accommodation regarding this file must be directed to the undersigned or to alternate Industry Liaison, Mr. Tom Day @ (780) 618-5478. No other persons have been authorized by this office to deal with matters related to consultation and accommodation for the Lubicon Lake Nation.

Regards,


Garrett Tomlinson
Communications / Industry Liaison
Emergency Services Coordinator
Lubicon Lake Nation
Direct: (780) 618-3794

/Encl.

CC: Tom Day – Lubicon Lake Nation; Murray Nunns – Penn West;
Lorna Morishita – Penn West; Steve Willier – Penn West;
Paula Flynn – Land Solutions; ESRD – Slave Lake;
ESRD – Peace River; Non Routine Applications – ERCB;
Bruce Gladue – ERCB; Hon. Pearl Calahasen – MLA Alberta;
Hon. Frank Oberle – MLA Alberta; Paula Flynn – Land Solutions;



LUBICON LAKE NATION

NOTICE OF OBJECTION REGARDING PROPOSED INDUSTRIAL DEVELOPMENT

Date: Aug 3, 2012

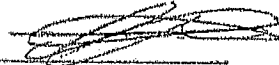
Proponent: Reyn West Petroleum LTD, Location: W25, SW 36-91-13 W6M
PAD SITE & ACCESS ROAD

Basis of Objection: Failure to consult

Purpose of consultation must be to substantially
address the concerns of the First Nation whose
lands are at issue. Per: Delgamuoch v. British Columbia

Comments: Meetings with Reyn West officials to
discuss development within Lubicon jurisdiction
have been repeatedly requested and either
cancelled without reason or unresponded to entirely

Attachments: May 29 - Email, June 1 - Email, June 26 - Email A,
June 26 - Email B, Aug 28 & 2 - Letter

Authorized Representative: G. Tomlinson Signature: 

***Note: Proponent responses to objections/concerns may be provided to the Lubicon Lake Nation attn: Chief and Council via mail to: P.O. Box 6731 Stn. Main, Peace River, AB, T8S1S5; email to LubiconLakeNation@telus.net or via appearance before Chief and Council by appointment.**

(780) 629-3945 TEL (780) 629-3939 FAX P.O. BOX 6731 PEACE RIVER, AB T8S 1S5
WWW.LUBICONLAKENATION.COM

PennWest Exploration

Suite 200, Penn West Plaza
207 – 9th Avenue SW
Calgary, Alberta, Canada T2P 1K3
403.777.2500 tel
403.777.2699 fax
www.pennwest.com

September 19, 2012

Energy Resources Conservation Board
Suite 1000, 250 – 5th Street S.W.
Calgary, AB T2P 3G4

Dear Sirs,

Re: Proposed Well License Applications

Category: C & Type: 360

PENN WEST SAWN LK HZ 4-12-91-13 (SURFACE 1-14-91-13W5M)

PENN WEST SAWN LK HZ 1-11-91-13 (SURFACE 1-14-91-13W5M)

Category: C & Type: 360

PENN WEST SAWN LK HZ 14-36-91-13 (SURFACE 14-25-91-13W5M)

PENN WEST SAWN LK HZ 16-36-91-13 (SURFACE 14-25-91-13W5M)

PENN WEST SAWN LK HZ 15-36-91-13 (SURFACE 14-25-91-13W5M)

Category: C & Type: 360

PENN WEST SAWN LK HZ 4-24-91-13 (SURFACE LS 3&4-25-91-13W5M)

PENN WEST SAWN LK HZ 3-24-91-13 (SURFACE LS 3&4-25-91-13W5M)

Penn West Exploration (Penn West) submits the subject well license applications as non-routine based on outstanding objections/concerns from Garrett Tomlinson on behalf of the Lubicon Lake Nation (the Lubicon).

Attached is a Communication Chronology that captures key meetings and conversations with the Lubicon. Additionally, attached is a copy of the Alberta Sustainable Resource Development Consultation (SRD) Logs and confirmation of completed consultation for the above noted locations.

Background

The Lubicon Lake Nation was consulted with for the above projects in early 2011. Subsequently, in March 2011 SRD issued the Review of Consultation Adequacy (Approvals) based on Penn West's consultation activities. At that time, the Lubicon expressed no concerns with or objections to these projects. Additionally, project-specific Information Packages were provided to the Lubicon in July 2012 and the Lubicon submitted Objection Notice to Penn West on August 3, 2012.

Disposition of the Application

Penn West respectfully requests that the Energy Resources Conservation Board dismiss the outstanding concerns and/or objections of the Lubicon Lake Nation for the following reasons:

- Penn West has fulfilled its consultation obligations with the Lubicon Lake Nation as specified in the *Alberta's First Nations Consultation on Land Management and Resource Development, November 14, 2007* (the Guidelines). The Guidelines state: "Although Proponents will be required to follow specific consultation procedures, Alberta remains responsible for ensuring that

THIS IS EXHIBIT " 6 "
referred to in the Affidavit of
Michelle McQuade
Sworn before me this 11
day of December A.D. 20 13
R. Wood

A Commissioner for Oaths
in and for the Province of Alberta

ROBERT D. WOOD
Commissioner and Solicitor

performance of delegated consultation activities has been adequate. Alberta has the final decision-making authority in assessing the adequacy of consultation. Where approval is given to move forward with a proposed project, Alberta has deemed consultation to have been adequate."

Alberta Sustainable Resource Development has confirmed the adequacy of our consultation efforts as per the attached Review of Consultation Adequacy letters (approvals).

- Project-specific Information Packages, compliant with the requirements of ERCB Directive 56, and survey plans were provided to the Lubicon in July 2012, yet to date we have been unable to solicit any project-specific concerns from the Lubicon. Please note, the surface locations for the wells are on Crown land and the associated Emergency Planning Zones are less than 200m. There are no residences within the emergency planning zones.

With respect to Penn West's overall ongoing consultation with Lubicon Lake Nation, to date the Lubicon's primary concerns have been related to contractor/vendor issues and economic development opportunities that are not specifically related to the proposed applications. Nonetheless, Penn West is committed to working with the Lubicon Lake Nation. To that end, Penn West extended an invitation to Mr. Garrett Tomlinson and Mr. Tom Day on behalf of the Lubicon to meet with us in Peace River in early September. This was clearly not intended to be another consultation meeting with Chief and Council and the community to fulfill SRD's requirements; rather Penn West proposed that this be a working-level meeting to focus strictly on project-specific concerns related to these and other pending ERCB license applications. Bruce Gladue from the ERCB was also invited to potential meeting. As you will see from the attached correspondence, both parties are unable to come to an agreement on attendees, location or agenda, therefore Penn West remains unaware of any project-specific concerns that they may have with respect to the above noted applications.

Penn West has made every reasonable effort to understand the objections that were submitted to the ERCB by Mr. Tomlinson on behalf of the Lubicon Lake Nation to determine if there are any outstanding issues under the ERCB's jurisdiction. In the absence of any tangible, project-specific concerns and with SRD's confirmation that Penn West's consultation was adequate and complete, Penn West respectfully requests that the Lubicon Lake Nation's objections be dismissed and the above referenced applications be approved at the Board's earliest convenience.

Please find enclosed the following documentation:

- Communication Chronology
- Survey plan
- ERCB Directive 56 wellsite project information letter
- Objection letters from Garrett Tomlinson (Aug 3, 2012)
- Correspondence regarding Penn West's request for a working-level meeting
- Directive 56 Notification Summary
- Government of Alberta Short Term Mineral Surface Lease and Short Term License of Occupation

Please contact me at 403-777-2682 if you have any questions or require additional information.

Yours truly,



Chris Sillito

Senior Landman, Slave Point

Encl.

Cc: Garrett Tomlinson
Lubicon Lake Nation

THIS IS EXHIBIT " 7 " referred to in the Affidavit of

Michelle McQuade

Sworn before me this 11

day of December A.D. 2013

SWORN

A Commissioner for Oaths
appointed by the Province of Alberta

ROBERT D. WOOD
Barrister and Solicitor

PENN WEST EXPLORATION

Lubeon Lake Nation Consultation Chronology - August 3, 2012 Objections

Lubeon Lake Nation
P.O. Box 6731
Peace River, Alberta, T8S 1S5
Contact: Mr. Garrett Tomlinson

Date of Contact	Type	Details of Contact	Note
February 22, 2012	Meeting	PW representative Randy Daniels travelled to Sawn to meet Bernard Omlinyok about water issues at Haig Lake. PW was not the culprit. Soles, a third party contractor working for one of Bernard's sub-contractors, called looking for money on his rental equipment to CDC. He discussed with Bernard medical sleeping on job sites, late for work and speeding. Doug Andersen looking for cash also.	Multiple speeding infractions and sleeping on site were recorded against the mobile services utilized by Cree Development Corp, Bernard's business.
Feb. 27, 2012	Meeting	Randy Daniels delivered the message from the safety department on Garrett Tomlinson driving infractions on FW roads. Garrett was also informed that his mobile company is deficient in safety standards, and will need to be fixed immediately or be removed from sites. Bernard wants a meeting with Thano Jensen ASAP on March 15 th .	
March 7, 2012	In person	PW safety officer removed Buffalo Safety from Penn West sites because the company did not meet the dead line for providing credentials.	

PENN WEST EXPLORATION

Lubicon Lake Nation Consultation Chronology - August 3, 2012 Objections

Lubicon Lake Nation
 P.O. Box 6731
 Peace River, Alberta, T8S 1S5
 Contact: Mr. Garrett Tomlinson

Date of Contact	Type	Details of Contact	Note
March 19, 2012	Meeting	<p>PW representatives Thano Jensen, Kelli Luft, George Bushnell, James Norris and Randy Daniels met with CDC in Little Buffalo; discussed deficiency of Buffalo Safety media standards, and the need to correct them before going back on PW sites; addressed 17+ speeding infractions by Buffalo Safety, including the owner, Garrett Tomlinson.</p> <p>Informed CDC that they were deficient in their vendor management requirements: have not signed a Master Services Agreement, WCB was deficient, COR was not completed after 2 years of pursuing. All would need to be addressed, as well as any other deficiency before working for PW again. In the interim, PW will, in alignment with its Aboriginal Procurement Policy, potentially start working with all the other local Aboriginal companies.</p> <p>Garrett indicated that this was against Bernard's regulations, and PW is playing politics. Bernard will then want to start enforcing his Treaty Rights and doing site visits.</p> <p>PW response: PW has enough work for all local companies, and PW welcomes CDC back when it meets all vendor requirements.</p>	
March 28, 2012	Meeting	<p>PW's Thano Jensen, James Norris and Randy Daniels meet with CDC; They deliver PW vendor requirements that are required before CDC can go to work. Bernard Ominnyak claims PW is playing politics again by hiring other Lubicon companies. Bernard claims blood will flow and it will be on PW's hands.</p>	
May 29, 2012	Letters	<p>PW's Aboriginal Relations Representative, Chris Sillio, receives 9 letters of potential concern from Lubicon Lake Nation from Garrett Tomlinson, the Nation's Industry Liaison regarding several PW projects that required First Nations Consultation (FNC).</p>	<p>These letters were cc'd to the IRCB. PW will now consider the Lubicon a Party of Interest for all developments in the Lubicon area, regardless of whether locations require FNC or not.</p> <p>No site specific concerns were identified in these letters.</p>

PENN WEST EXPLORATION

Lubleon Lake Nation Consultation Chronology - August 3, 2012 Objections

Lubleon Lake Nation
 P.O. Box 6731
 Peace River, Alberta, T8S 1S8
 Contact: Mr. Garrett Tomlinson

<i>Date of Contact</i>	<i>Type</i>	<i>Details of Contact</i>	<i>Note</i>
June 5, 2012	Phone Call	Phone call between PW's Supervisor of Corporate Aboriginal Affairs, James Norris, and Garrett Tomlinson. Garrett requested a meeting with Bernard Ominayak.	
June 8, 2012	Meeting	Meeting between Bernard Ominayak and Garrett Tomlinson of Lubleon Lake Nation and James Norris and Bruce Cook of PW in Little Buffalo to discuss concerns. Since Bernard's company is not working with PW at the moment, due to unfulfilled vendor requirements, Bernard's team is not able to undertake site visits for consultation purposes as it is building out sites. Therefore, James and Bernard agreed that site visits will commence as soon as possible to address possible concerns.	The meeting focused more on agreeing that site visits were necessary due to the current circumstances between PW and Cree Development Corporation. No concerns were addressed at this meeting.
August 3, 2012	Letter	Penn West received Letter of Objection from Lubleon Lake Nation	No specific project concerns were outlined in the letter of objection. Response letter and meeting request sent August 24, 2012 (see below)
August 14, 2012	Meeting	Meeting between LLN leadership and Thane Jensen (Senior Vice President) of Penn West. With respect to our recent applications, Penn West informed that very few applications involve new land, and applications are mostly about increasing existing facility capacity and/or re-licensing to sour specifications. No discussion ensued about community concerns associated with LLN's objections.	
August 16, 2012	Letter	Garrett Tomlinson to Thane Jensen about the August 14 meeting. Letter indicates that LLN is anticipating further discussion about their site concerns associated with their recent objections.	The topic of site concerns (as per objections) or follow-up to these concerns was not mentioned during the meeting
August 23, 2012	Phone Call	James Norris left message at the LLN office for Garrett to call.	

PENN WEST EXPLORATION

Lubicon Lake Nation Consultation Chronology - August 3, 2012 Objections

Lubicon Lake Nation
 P.O. Box 6731
 Peace River, Alberta, T8S 1S5
 Contact: Mr. Garrett Tomlinson

<i>Date of Contact</i>	<i>Type</i>	<i>Details of Contact</i>	<i>Note</i>
August 23, 2012	Phone Call	Steve Willer spoke to Garrett Tomlinson. Garrett said no site visits would occur, as he couldn't pay anyone, until Penn West paid all outstanding site visit invoices. No feedback provided on the site.	Due to ongoing legal considerations, Penn West advised LLN by email on July 18, 2012 and on August 21, 2012 that it was unable to process site visit invoices submitted in the name of Cree Development Corp. Penn West advised LLN to resubmit the invoices in the name of LLN and the invoices would be processed. No invoices were resubmitted.
August 24, 2012	Email / Letter	Chris Billito emailed a letter requesting a meeting with Garrett Tomlinson and Tom Day on behalf of Lubicon. Bruce Gladue from the ERCB was also invited to this meeting. The meeting was proposed to be a working meeting to focus strictly on project-specific concerns related to Lubicon's August 3 rd letter of objection. The meeting is proposed for September 5 or Sept 6, 2012.	Penn West was awaiting a response from Lubicon by August 29, 2012.
August 29, 2012	Email	Garrett Tomlinson provided an email response to Penn West's letter of August 24, 2012 regarding Penn West's request for a meeting. Lubicon did not want to meet with Penn West under the conditions set forth in the foregoing letter.	Penn West is preparing a response to Lubicon.
August 30, 2012	Email / Letter	Penn West provided an email that included a letter responding to Garrett Tomlinson reiterating the importance of a meeting at a neutral location prior to proceeding with any Ritsu Chief and Council meetings. James Norris will continue to represent the interests of Penn West's Aboriginal Relations Department.	Penn West proposed meeting on September 5, 2012 or the week of September 10 thru 14, 2012 at a neutral location.

PENN WEST EXPLORATION

Lubicon Lake Nation Consultation Chronology - August 3, 2012 Objections

Lubicon Lake Nation
 P.O. Box 6731
 Peace River, Alberta, T8S 1S5
 Contact: Mr. Garrett Tomlinson

<i>Date of Contact</i>	<i>Type</i>	<i>Details of Contact</i>	<i>Note</i>
September 6, 2012	Email	Garrett Tomlinson provided an email response to Penn West's letter of August 30, 2012 regarding Penn West's request for a meeting. Lubicon reiterated that they did not want to meet with Penn West under the conditions set forth in the foregoing letter and their position remains unchanged.	Penn West is preparing a response to Lubicon.
September 11, 2012	Email / Letter	Penn West provided an email with a letter responding to Garrett Tomlinson advising Lubicon that Penn West is unable to accept meeting conditions as outlined in Lubicon letter dated Sept 6/12. Outlined previous meetings on Lubicon lands which included members of Executive Team.	Penn West still believes a smaller group of individuals at a working level meeting would be more effective to discuss consultation issues. Remains committed to fulfilling obligations regarding consultation.

VIA MAIL AND EMAIL

September 14, 2012

Chief Bernard Ominayak and Council
c/o Garrett Tomlinson
Lubicon Lake Nation
PO Box 6731
Peace River, AB T8S 1S5

Dear Chief Ominayak:

Dear Mr. Tomlinson:

RE: APPLICATIONS NO. 1732370, 1732372, 1732848, 1732849, 1732851, 1732852,
1732916, 1732921, 1732923, & 1732924
PENN WEST PETROLEUM LTD.
FOR LICENCES TO DRILL 10 CRUDE OIL WELLS FROM 3 PAD SITES
SAWN LAKE FIELD

THIS IS EXHIBIT " 8 "
referred to in the Affidavit of

Michelle McQuade

Sworn before me this 11

day of December A.D. 2013
Wood

A Commissioner for Oaths
in and for the Province of Alberta
ROBERT D. WOOD
Solicitor and Solicitor

APPLICATION NO.	SURFACE LOCATION	BOTTOMHOLE LOCATION
1732370	4-24-91-13W5M	4-23-91-13W5M
1732372		4-13-91-13W5M

APPLICATION NO.	SURFACE LOCATION	BOTTOMHOLE LOCATION
1732848	5-30-88-11W5M	4-25-88-12W5M
1732849		5-25-88-12W5M
1732851		12-25-88-12W5M
1732852		13-25-88-12W5M

APPLICATION NO.	SURFACE LOCATION	BOTTOMHOLE LOCATION
1732916	8-25-88-11W5M	1-30-88-11W5M
1732921		8-30-88-11W5M
1732923		9-30-88-11W5M
1732924		16-30-88-11W5M

At a meeting on September 14, 2012, the Energy Resources Conservation Board (ERCB/Board) considered the Lubicon Lake Nation's (the LLN) objection contained in letters dated May 29, 2013 (assumed to be misdated and should read 2012), June 1, 2012, and June 24, 2012. The Board has also considered the subject applications, survey plans, participant involvement information, the Alberta Sustainable Resource Development's (now Alberta Environment and Sustainable Resource Development) letters confirming the adequacy of consultation for the proposed pad sites dated April 13, 2012, April 26, 2012, and May 22, 2012, and the response of Penn West Petroleum Ltd. (Penn West) to LLN's submissions.

For the reasons that follow, the Board has determined that the LLN has not met the test to initiate a hearing of the subject applications under subsection 26(2) of the *Energy Resources Conservation Act* (ERCA).

Under subsection 26(2) of the ERCA, the Board must hold a hearing of an application if it appears to the Board that its decision on that application may directly and adversely affect the rights of a person. The Court of Appeal of Alberta has indicated that to meet the test under subsection 26(2) two things must be established:

- (1) the claim, right or interest asserted by the person is known to law; and
- (2) that such right or interest may be directly and adversely affected by the application.

This test ensures that if the LLN has legal rights or interests that may be directly and adversely affected by a Board decision, the LLN will be given an opportunity to present its concerns at a hearing before the ERCB, who will make a decision on the application having regard to all evidence before it.

The Board decides whether the test under subsection 26(2) is met on a case-by-case basis, taking into account the specific facts and circumstances of each application and any objections received.

In its letters, submitted by Garrett Tomlinson, on behalf of the LLN, concerns were expressed with regard to impacts the proposed wells might have on LLN's aboriginal rights and traditional land use in the project area. The LLN notes that the area of the proposed pad sites is home to animals that continue to be hunted for food, income, and to some plants used for medicinal and ceremonial purposes by the LLN and the proposed project would, therefore, infringe upon the LLN's rights. Furthermore, the LLN expressed concerns that the access road and pad construction will have an impact on the local wetland areas near the 8-25 & 5-30 sites thereby, impacting the animals and medicinal plants. The LLN letters also included photographs that appear to depict animal tracks and medicinal plants found in the proposed project area. The LLN also expressed concern regarding signs located in the project area meant to warn citizens of the dangers presented by these sites. The LLN is of the view that these signs could cause concern to Lubicon citizens to such an extent that they attempt to exercise their rights to hunting, trapping and gathering in other areas.

In its response letter dated July 20, 2012, Penn West stated that a review of Alberta Land Standing indicates that the lands under consideration are Crown lands and that it received the necessary letters from the Alberta Environment and Sustainable Resource Development (formerly Alberta Sustainable Resource Development) confirming the adequacy of its consultation for the project. Penn West acknowledged the presence of mammals in all of the areas in which it operates, however stated that it follows existing regulations and is diligent in minimizing its long-term impacts upon the ecology. Regarding the Sty-sagi-was and other unidentified herbs referenced in the LLN letter, Penn West stated that the photographs appeared to be of High Bluebells found throughout Northern Alberta in the boreal forest that are not listed as endangered species. It further noted that there are no water bodies within 100 m of the pad site

locations under consideration, and that Penn West will meet and exceed regulatory requirements for every construction project for industrial development. .

With regards to the presence of signage on its sites, it stated that are intended to warn the public of potential dangers associated with industrial developments and it maintained that safety has and always will be Penn West's greatest priority.

In deciding whether you or the LLN meet the test under subsection 26(2), the Board considered the following principles and facts.

In the decision *Dene Tha' First Nation v. Alberta (Energy and Utilities Board)* 2005 ABCA 68, the Court of Appeal of Alberta stated

[14] It was argued before us that more recent case law on *prima facie* infringement of aboriginal or treaty rights changed things. But the Board still needed some facts to go on. It is not compelled by this legislation to order intervention and a hearing whenever anyone anywhere in Alberta merely asserts a possible aboriginal or treaty right. Some degree of location or connection between the work proposed and the right asserted is reasonable. What degree is a question of fact for the Board. (*underlining added*)

The concerns outlined in LLN's submissions with respect to impacts on the traditional land use by the LLN members in the area of the proposed project are general in nature. They refer to the existence of certain animals, plants, and wetland areas as well as a concern over safety signage in or near the project area but do not provide information to indicate how the proposed wells might specifically and locally impact the LLN's members' use of or access to what are claimed as traditional lands so as to demonstrate a sufficient degree of location or connection between the activity proposed in the subject applications and the rights asserted.

Based on the considerations above, the Board finds that approval of the proposed wells would not have a direct and adverse effect on LLN's rights to its traditional land use. Therefore, based on all the information before the Board and the fact that Penn West must comply with all applicable ERCB regulations for the drilling and operation of the proposed wells, it does not appear that the LLN members have rights or interests that may be directly and adversely affected by the approval of the subject applications. As a result, the LLN do not appear to have met the test to initiate a hearing of the applications pursuant to subsection 26(2) of the ERCA.

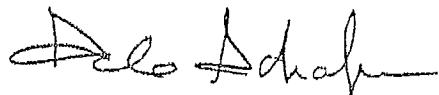
Based on the above and following confirmation that the subject applications meet all applicable requirements, the Board intends to approve the applications and issue the well licences.

The ERCA and *ERCB Rules of Practice* (Rules) provide mechanisms for and outline the requirements applicable to review and appeal of decisions made by the ERCB. Please refer to sections 39, 40 and 41 of the ERCA and section 48 of the Rules.

Page 4

If you have any questions, please contact David Miles, Applications Specialist, at 403-297-3582.

Yours truly,

A handwritten signature in cursive script, appearing to read "Dale Schafer".

Dale Schafer
Manager, Business Operations and Development Group
Applications Branch

cc: Elaine Powell, Penn West (via e-mail)
Chris Sillito, Penn West (via e-mail)
ERCB St. Albert Field Centre (via e-mail)

September 14, 2012

Chief Bernard Ominayak and Council
c/o Garrett Tomlinson
Lubicon Lake Nation
PO Box 6731
Peace River, AB T8S 1S5

Dear Chief Ominayak:

Dear Mr. Tomlinson:

**RE: APPLICATIONS NO. 1739156 & 1739157 (FORMERLY 1731744 & 1731748)
(APPLICATIONS)
APPLICATION BY PENN WEST PETROLEUM LTD. (PENN WEST)
FOR AMENDMENTS TO TWO FACILITY LICENCES
LOCATIONS: LSD 14-25-91-13W5M & 3-36-91-13W5M
SAWN LAKE FIELD**

At a meeting on September 14, 2012, the Energy Resources Conservation Board (ERCB/Board) considered the Lubicon Lake Nation's (the LLN) objection contained in letters dated June 1, 2012 and June 22, 2012. The Board has also considered the Applications, process flow diagrams, participant involvement information, Alberta Sustainable Resource Development's (now Alberta Environment and Sustainable Resource Development (AESRD)) letter confirming the adequacy of consultation for the Applications dated March 10, 2011, and the response of Penn West Petroleum Ltd. (Penn West) to LLN's submissions.

You will note the reference above to four ERCB application numbers. By way of explanation, after your objection was submitted, but before the ERCB made a decision on the Applications, Penn West withdrew Applications No. 1731744 & 1731748 in order to correct the application schedules. Penn West then resubmitted Applications No. 1739156 & 1739157 in replacement and your objection was linked to them.

For the reasons that follow, the Board has decided that the LLN has not met the test under the *Energy Resources Conservation Act* (ERCA) that would entitle the LLN to a hearing of the Applications before the Board.

Under subsection 26(2) of the *Energy Resources Conservation Act* (ERCA), the Board must hold a hearing of an application if it appears to the Board that its decision on that application may directly and adversely affect the rights of a person. The Court of Appeal of Alberta has indicated that to meet the test under subsection 26(2) two things must be established:

- (1) the claim, right or interest asserted by the person is known to law; and

THIS IS EXHIBIT " 9 "
referred to in the Affidavit of
Michelle McDowd
Sworn before me this 11
day of December A.D. 20 12
[Signature]
A Commissioner for Oaths
in and for the Province of Alberta
ROBERT D. WOOD
Barrister and Solicitor

(2) that such right or interest may be directly and adversely affected by the application.

This test ensures that if you have legal rights or interests that may be directly and adversely affected by a Board decision, you will be given an opportunity to present concerns at a hearing before the ERCB, who will make a decision on the application having regard to all evidence before it.

The Board decides whether the test under subsection 26(2) is met on a case-by-case basis, taking into account the specific facts and circumstances of each application and any objections received.

In its letters, submitted by Garrett Tomlinson, on behalf of the LLN, concerns were expressed with regard to impacts the proposed facility amendments might have on LLN's aboriginal rights and traditional land use in the project area. The LLN notes the sites are home to animals that continue to be hunted for food, income, medicinal and ceremonial purposes. The sites proposed at 14-25-91-13W5M and 3-36-91-13W5M have herbs and plants that are commonly used by the LLN community. Furthermore, the LLN expressed concern regarding signs located in the area of the project, stating that signs meant to warn citizens of the dangers presented by these sites could cause concern to Lubicon citizens to such an extent that they attempt to exercise their rights to hunting, trapping and gathering in other areas. The LLN letters further state the area of the proposed project is supportive of large mammal travel and that mammal tracks were noted in the immediate vicinity of the existing lease. Also, bone and fur fragments from Lynx/Bobcat digestive processes were noted within close proximity from an apparent pool of contaminated water and a leaking chemical barrel was noted at the 14-25 lease site, which had no protective measures in place to prevent the substance from spilling directly onto the ground. Lastly, the LLN expressed concerns with noise emanating from the operating pumpjacks, stating they can be heard as far away as 300m, which has the effect of driving off wildlife in the area.

In its response letter dated July 20, 2012, Penn West stated that a review of Alberta Land Standing has determined that the lands under consideration are Crown Lands and that it received the necessary letters from Alberta Environment and Sustainable Resource Development (formerly Alberta Sustainable Resource Development) confirming the adequacy of its consultation for the project. Penn West acknowledged the presence of mammals in all of the areas in which it operates, and stated that it follows existing regulations and is diligent in minimizing its long-term impacts upon the ecology. Regarding the Sty-sagi-was and other unidentified herbs referenced in the LLN letter, Penn West stated that the photographs appeared to be of High Bluebells found throughout Northern Alberta in the boreal forest that are not listed as endangered species.

Penn West acknowledged a stain at the 14-25 lease and noted that it proactively reported it to the ERCB. Penn West continues to mitigate this stain under the ERCB's direction.

Penn West noted that the presence of signage on its sites is intended to warn the public of potential dangers associated with industrial developments. It maintained that public, contractor and employee safety has and always will be Penn West's greatest priority.

With regards to noise, Penn West stated it follows all established standards regarding pump jack operations and noise. It stated that it follows all protocols set out by the regulators.

In deciding whether you or the LLN meet the test under subsection 26(2), the Board considered the following principles and facts.

In the decision *Dene Tha' First Nation v. Alberta (Energy and Utilities Board)* 2005 ABCA 68, the Court of Appeal of Alberta stated

[14] It was argued before us that more recent case law on *prima facie* infringement of aboriginal or treaty rights changed things. But the Board still needed some facts to go on. It is not compelled by this legislation to order intervention and a hearing whenever anyone anywhere in Alberta merely asserts a possible aboriginal or treaty right. Some degree of location or connection between the work proposed and the right asserted is reasonable. What degree is a question of fact for the Board. (*underlining added*)

The Board notes that the applications in question pertain to amendments to the license for existing and operating facilities that will not involve any new surface activity.

The concerns outlined in LLN's submissions with respect to impacts on the traditional land use by the LLN members in the area of the existing facilities provide information regarding animals and plants that may be in the area, and observations of the surrounding area. They do not provide information on how the proposed changes to the facility licences might specifically and locally impact the LLN's members' use of or access to traditional lands so as to demonstrate a sufficient degree of location or connection between the activity proposed in the subject applications and the rights asserted.

Based on the considerations above, the Board finds the approval of the proposed licence amendments would not have a direct and adverse effect on LLN's rights to its traditional land use. Based on the information before the Board and the fact that Penn West must comply with all applicable ERCB regulations for the operation of the facilities, it does not appear that the LLN members have rights or interests that may be directly and adversely affected by the approval of the subject applications. As a result, the LLN do not appear to have met the test to initiate a hearing of the applications pursuant to subsection 26(2) of the ERCA.

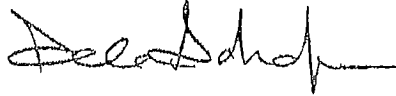
Based on the above, and following confirmation that the subject applications meet all applicable requirements, the Board intends to approve the applications and issue the well licences.

The *Energy Resources Conservation Act (ERCA)* and *ERCB Rules of Practice (Rules)* provide mechanisms for and outline the requirements applicable to review and appeal of decisions made by the ERCB. Please refer to sections 39, 40 and 41 of the ERCA and section 48 of the Rules.

If you have any questions, please contact David Miles, Applications Specialist, at 403-297-3582.

Page 4

Yours truly,

A handwritten signature in black ink, appearing to read "Dale Schafer". The signature is fluid and cursive, with a long horizontal stroke at the end.

Dale Schafer
Manager, Business Operations and Development Group
Applications Branch

cc: Jay Farrell, Penn West (via e-mail)
Chris Sillito, Penn West (via e-mail)
ERCB St. Albert Field Centre (via e-mail)

O'Reilly & Associés

A V O C A T S

1155, RUE UNIVERSITY, BUREAU 1007, MONTRÉAL (QUÉBEC) H3B 3A7
TÉLÉPHONE (514) 871-8117 • TÉLÉCOPIEUR (514) 871-9177
james.oreilly@oraassociés.ca

THIS IS EXHIBIT " 10 "
referred to in the Affidavit of

Michelle McQuade

Sworn before me this 11

day of December A.D. 2013

[Signature]

A Commissioner for Oaths
in and for the Province of Alberta
James ROBERT D. WOOD
Barrister and Solicitor
The Law Society of Alberta

Email: murray.nunns@pennwest.com

September 20, 2012

Penn West Petroleum Ltd.
Suite 200, Penn West Plaza
207 – 9th Avenue SW
Calgary, Alberta
T2P 1K3

COPY

Attention: Murray Nunns, President and CEO

Re: Proposed Projects of Penn West Petroleum Ltd. in Lubicon Lake Cree
Nation Traditional Lands

Dear Sirs:

We act on behalf of the Lubicon Lake Nation and Chief Bernard Ominayak. The Lubicon Lake Nation has aboriginal rights and asserts jurisdiction over substantial areas of land in northern Alberta containing in excess of 8,500 square miles. This area includes all of the areas in and around Halg Lake, in which Penn West Petroleum Ltd. proposes to drill wells.

The Lubicon Lake Nation has never ceded any of its rights by treaty or otherwise. It has also enacted a law relating to its traditional territory.

The full consent of the Lubicon Lake Nation is required in respect to all development projects in the Nation's traditional territory.

The issue of the rights of the Lubicon Lake Nation has been the object of serious controversy in Canada and internationally for over 70 years. In 1988, the Lubicon Lake Nation was a party to the Grimshaw Accord, which contemplated the setting aside of land in and around Halg Lake, as one of the three(3) Reserves for the Lubicon Lake Nation.

The proposed drilling and other activities of your company will not only interfere with the rights and jurisdiction of the Lubicon Lake Nation, but will seriously jeopardize the use by the Lubicon Lake Nation and its people of its traditional territory and cause irreparable damage to the Lubicon Lake Nation.

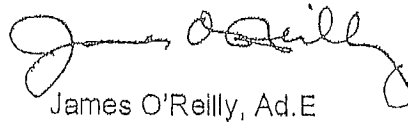
We have been informed that the ERCB, by letter of September 14, 2012, has purported to approve applications by Penn West Petroleum Ltd. for amendments to two facility licenses and licenses to drill ten crude oil wells in the Sawn Lake Field, in the immediate area of the proposed Lubicon Reserve at Halg Lake.

Any such authorization of the ERCB remains subject to the full and direct consent of the Lubicon Lake Nation, which consent has not been given.

The present is therefore to advise you that failing the authorization and consent of the Lubicon Lake Nation respecting any of the activities and projects of your company in the Nation's traditional territory and particularly the projects in and around Haig Lake, the Lubicon Lake Nation will vigorously oppose such activity, developments and projects and will avail itself of all legal recourses in order to prevent any such projects.

Kindly govern yourselves accordingly.

O'REILLY & ASSOCIÉS



James O'Reilly, Ad.E

- cc. Chief Bernard Omlnayak, Lubicon Lake Cree Nation (by email)
- Terry Munro, Munro & Associates Inc. (by email)
- Hon. John Duncan, Minister AAND (by fax)
- Premier Alison Redford, Government of Alberta (by fax)
- Hon. Robin Campbell, Minister of Aboriginal Relations Alberta (by fax)
- Ms. Sandra Folkins, Dept. of Justice of Alberta (by email) (403) 297-2001
- Mr. Shaun Mellen, Dept. of Justice of Canada (by email) (490) 495-5307
- Mr. George Arcand, Regional Director General of Alberta, AAND (by email)

Lorne Ternes - Facilitator hired by INAC

(403) 984-9825

PennWest Exploration

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Phone: (403) 218-8721
Fax: (403) 539-5980
Email: keith.luft@pennwest.com

September 27, 2012

Via Email (james.oreilly@orassocies.ca)

O'Reilly & Associés
1155 Rue University, Bureau 1007
Montreal, QC H3B 3A7

Attention: James O'Reilly

Re: Penn West Petroleum Ltd. ("Penn West") / Lubicon Lake Cree Nation
("Lubicon")

Your letter dated September 20, 2012 to Penn West's Murray Nunns has been referred to me for reply. Please address all further correspondence with respect to these matters to me.

Penn West recognizes that some of its activities occur on Lubicon's traditional lands. We are also mindful of the Crown's duty to consult (and accommodate, where appropriate) with Lubicon, and of Penn West's obligations to fulfill those Crown responsibilities to the extent that the Crown has delegated them to us.

We believe that we have done so, both in regard to the ERCB applications referred to in your letter, and otherwise. Furthermore, we remain willing to continue discussions with Lubicon leadership or its members, either with regard to specific projects or more generally.

Yours truly,

PENN WEST PETROLEUM LTD.


Keith Luft
General Counsel & Senior Vice President,
Stakeholder Relations

THIS IS EXHIBIT " 11 "
referred to in the Affidavit of

Michelle McQuade

Sworn before me this 11

day of December A.D. 2012

Robert D. Wood

A Commissioner for Oaths
in and for the Province of Alberta

ROBERT D. WOOD
Barrister and Solicitor

Licence No. 0454377
 Well Name PENN WEST HZ SAWN LK 3-24-91-13
 Licensee PENN WEST PETROLEUM LTD.
 Well Type PRODUCTION
 Substance Name CRUDE OIL
 Formation Name SLAVE POINT FM

THIS IS EXHIBIT " 12 " referred to in the Affidavit of Michelle McQuade Sworn before me this 11 day of December A.D. 20 13

A Commissioner for Courts in and for the Province of Alberta
ROBERT D. WOOD
 Justice and Solicitor

Surface Location LSD 03-25-091-13 W5M

Surface Co-ordinates 200.0 metres North 412.5 metres East

(As measured or calculated from the exterior boundaries of the quarter section)

Unique ID	100/03-24-091-13W5/0	Surface Rights	ALBERTA CROWN
Field	SAWN LAKE	Mineral Rights	ALBERTA CROWN
Well / Confidential Status	OUT(C)	Projected Depth	3300 metres
Field Centre	ST. ALBERT (Ph. (780) 460-3800)	Terminating Zone	SLAVE POINT FM
Emergency Planning Zone	0.19 km	Ground Elevation	758.6 metres

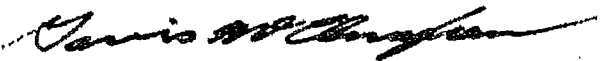
Number of occupied dwellings, public facilities, and/or places of business inside the EPZ 0

This licence expires on 30th day of January 2014 if well has not been spudded.

Dated at Calgary, Alberta this

11 day of January 2013.

Application Number 1739732



For Energy Resources Conservation Board

WELL LICENCE

Licence No. 0454404
 Well Name PENN WEST HZ SAWN LK 4-24-91-13
 Licensee PENN WEST PETROLEUM LTD.
 Well Type PRODUCTION
 Substance Name CRUDE OIL
 Formation Name SLAVE POINT FM

THIS IS EXHIBIT " 13 "
 referred to in the Affidavit of
Michelle McQuade
 Sworn before me this 11
 day of December A.D. 2013

A Commissioner for Oaths
 in and for the Province of Alberta
ROBERT D. WOOD
 Barrister and Solicitor

Surface Location LSD 04-25-091-13 W5M
 Surface Co-ordinates 200.0 metres North 397.5 metres East

(As measured or calculated from the exterior boundaries of the quarter section)

Unique ID 100/04-24-091-13W5/0 Surface Rights ALBERTA CROWN
 Field SAWN LAKE Mineral Rights ALBERTA CROWN
 Projected Depth 3300 metres

Free / Confidential Status OUT(C)

Field Centre ST. ALBERT Terminating Zone SLAVE POINT FM
 (Ph. (780) 460-3800) Ground Elevation 758.6 metres

Emergency Planning Zone 0.19 km

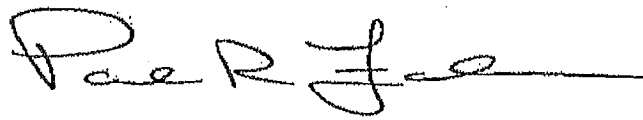
Number of occupied dwellings, public facilities, and/or places of business inside the EPZ 0

This licence expires on 31st day of January 2014 if well has not been spudded.

Dated at Calgary, Alberta this

11 day of January 2013.

Application Number 1739739



For Energy Resources Conservation Board

January 30, 2013

Chief Bernard Ominayak and Council
 c/o Garrett Tomlinson
 Lubicon Lake Nation
 PO Box 6731
 Peace River, AB T8S 1S5

THIS IS EXHIBIT " 14 "
 referred to in the Affidavit of

Michelle McQuade

Sworn before me this 11

day of December A.D. 2013

[Signature]

A Commissioner for Oaths
 in and for the Province of Alberta
ROBERT D. WOOD
 Notary and Solicitor

RE: **PENN WEST PETROLEUM LTD.
 PROPOSED FACILITIES, FACILITY AMENDMENTS, & WELLS**

APPLICATION NO.	LOCATION	H2S CONTENT
1739456	09-12-088-12W5M (FACILITY)	0.057 %
1739457	12-19-088-11W5M (FACILITY AMENDMENT)	0.057 %
1739467	05-06-088-11W5M (FACILITY AMENDMENT)	0.057 %
1739468	13-31-087-11W5M (FACILITY AMENDMENT)	0.057 %
1739732	SURFACE LOCATION 03-25-091-13W5M; BOTTOMHOLE 03-24-091-13W5M (WELL)	1.18 %
1739739	SURFACE LOCATION 04-25-091-13W5M; BOTTOMHOLE 04-24-091-13W5M (WELL)	1.18 %
1739938	SURFACE LOCATION 14-25-091-13W5M; BOTTOMHOLE 14-36-091-13W5M (WELL)	1.18 %
1739942	SURFACE LOCATION 14-25-091-13W5M; BOTTOMHOLE 15-36-091-13W5M (WELL)	1.18 %
1739945	SURFACE LOCATION 14-25-091-13W5M; BOTTOMHOLE 16-36-091-13W5M (WELL)	1.18 %
1740166	13-10-089-11W5M (FACILITY)	0.00 %
1740170	09-21-089-11W5M (FACILITY)	0.00 %
1740502	10-32-087-12W5M (FACILITY AMENDMENT)	0.057 %

1740963	SURFACE LOCATION 12-26-088-12W5M; BOTTOMHOLE 13-27-088-12W5M (WELL)	0.05 %
1740973	SURFACE LOCATION 12-26-088-12W5M; BOTTOMHOLE 05-27-088-12W5M (WELL)	0.05 %
1740978	SURFACE LOCATION 12-26-088-12W5M; BOTTOMHOLE 04-27-088-12W5M (WELL)	0.05 %
1741113	SURFACE LOCATION 12-26-088-12W5M; BOTTOMHOLE 12-27-088-12W5M (WELL)	0.05 %
1741213	SURFACE LOCATION 01-14-091-13W5M; BOTTOMHOLE 01-11-091-13W5M (WELL)	1.18 %
1741250	SURFACE LOCATION 01-14-091-13W5M; BOTTOMHOLE 04-12-091-13W5M (WELL)	1.18 %
1742885	10-07-091-12W5M (FACILITY AMENDMENT)	0.90 %

(Collectively the "Applications")

At a meeting on January 30, 2013, the Energy Resources Conservation Board (ERCB/Board) considered the Lubicon Lake Nation's (LLN) objection contained in your letters dated August 3, 2012. The Board has also considered the Applications and supporting documents.

For the reasons that follow, the Board has determined that you have not met the test to initiate a hearing on the Applications under subsection 26(2) of the *Energy Resources Conservation Act (ERCA)*.

Under subsection 26(2) of the ERCA, the Board must hold a hearing of an application if it appears to the Board that its decision on that application may directly and adversely affect the rights of a person. The Court of Appeal of Alberta has indicated that to meet the test under subsection 26(2) two things must be established:

- (1) the claim, right or interest asserted by the person is known to law; and
- (2) that such right or interest may be directly and adversely affected by the application.

This test ensures that if you have legal rights or interests that may be directly and adversely affected by a Board decision, you will be given an opportunity to present your concerns at a hearing before the ERCB, who will make a decision on the application having regard to all evidence before it.

The Board decides whether the test under subsection 26(2) is met on a case-by-case basis, taking into account the specific facts and circumstances of each application and any objections received.

In the decision *Dene Tha' First Nation v. Alberta (Energy and Utilities Board)* 2005 ABCA 68, the Court of Appeal of Alberta stated

[14] It was argued before us that more recent case law on *prima facie* infringement of aboriginal or treaty rights changed things. But the Board still needed some facts to go on. It is not compelled by this legislation to order intervention and a hearing whenever anyone anywhere in Alberta merely asserts a possible aboriginal or treaty right. Some degree of location or connection between the work proposed and the right asserted is reasonable. What degree is a question of fact for the Board. (*underlining added*)

In your letters, you state that Penn West has failed to consult and that the project may “raise specific concerns related to the Traditional Land Use by Lubicon citizens in the area of the proposed project”.

With regard to your statement that Penn West has failed to consult, the Board notes that Penn West responded directly to you in a letter dated August 24, 2012. In the letter, PennWest outlined its attempts to consult with the LLN, and provided a suggestion with respect to further meetings. It also submitted letters of Adequacy of Consultation from ASRD (now AESRD), dated December 15, 2010 and February 3, 2011, indicating that consultation for this project with the LLN is complete.

The ERCB sent the LLN a Notice of Objection asking for further information on November 28, 2012, to which the Board did not receive a reply.

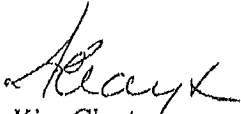
Based on all the information before the Board, it does not appear that the LLN have rights or interests that may be directly and adversely affected by approval of the proposed project. Accordingly, the Board finds that LLN has not met the test to initiate a hearing of the Applications under subsection 26(2) of the ERCA. As such, following confirmation that the Applications meet the Board’s regulatory requirements, the Board intends to approve the Applications and issue the licences.

The Board is aware that Penn West and the LLN have recently reached an agreement with respect to some of the applications in the area of this project. The Board is encouraged by this, and urges both parties to continue to meet.

Please be advised that the *Energy Resources Conservation Act (ERCA)* and the *ERCB Rules of Practice (Rules)* provide mechanisms for and outline the requirements applicable to review and appeal of decisions made by the ERCB. Please refer to sections 39, 40, and 41 of the *ERCA* and section 48 of the *Rules*.

If you have any questions, please contact David Miles at 403-297-3582.

Yours truly,

A handwritten signature in cursive script, appearing to read "K. Clayton".

Kim Clayton
Manager, Facilities Applications Group
Applications Branch

cc: Jay Farrell, Penn West (via e-mail)
Chris Sillito, Penn West (via e-mail)
Keely Cameron, ERCB Counsel (via e-mail)
ERCB St. Albert Field Centre (via e-mail)

THIS IS EXHIBIT " 15 " referred to in the Affidavit of

Michelle McQuade

Sworn before me this 16

day of December A.D. 2013

Wood

A Commissioner for Oaths
in and for the Province of Alberta
ROBERT D. WOOD
Barrister and Solicitor

From: Nicole Braun (SRD) [mailto:Nicole.Braun@gov.ab.ca]

Sent: Monday, February 25, 2013 3:17 PM

To: SRD.FNConsultLands-EDS.M

Cc: Kurt Borzel; Dion Lawrence; Aaron Davydiuk; Angela Green; Dennis Leask; Heather White; Jan Simonson; Jennica Goulet; Jennifer Filax; Jody Butt; John Bruce (SRD); Lesley Marchant; Magdalena Jordan; Marcus Ruehl; Robert Oakley; Sean Trostem; Shannon Shewchuk; Tammy Proulx; Jenny Ferbey; Nadine Kheshen; Nicole Keef; Rilee Letendre; Shilpa Maracle

Subject: Important Information Regarding the Lubicon Lake Band

On February 15, 2013 the Lubicon Lake Band held an election at Cadotte Lake, Alberta. The Governments of Canada and Alberta recognize the election of Mr. Billy Joe Laboucan as Chief. Chief and Council have requested that Alberta refer to them as the **Lubicon Lake Band**. On February 21, 2013 the new Chief and Council signed a Band Council resolution directing a consultation contact. This information became effective on Friday February 22, 2013 when the information was updated to the Aboriginal Relations website <http://www.aboriginal.alberta.ca/576.cfm>. The following is the new consultation contact information for the Lubicon Lake Band.

Lubicon Lake Band
Wayne Auger
Box 1351
St. Isidore, AB
T0H 3B0
780-219-5662

Accordingly, the Lubicon Lake Nation Notification Strategy, Government of Alberta Interim Directive is no longer in effect.

It has been identified that you are currently in consultation with the Lubicon Lake Band.

For those projects that are currently active (already begun consulting with the Lubicon Lake Band through the previous interim directive) you are directed to provide the project notification package to Mr. Auger and to explain to him that consultation is active and ongoing (having begun under the previous directive with the previous consultation contact) and to discuss with him what he needs to complete the consultation process.

All consultation with any other party claiming to represent the Lubicon Lake Band will no longer be recognized by Alberta, and is to stop immediately.

Please direct your questions to Kurt Borzel 780-523-6560 or Dion Lawrence 780-538-8097

Thank you,

Nicole Braun, RPFT
Team Lead
First Nations Consultation Approvals Unit
780-778-7174

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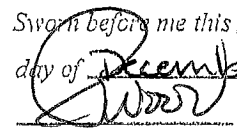
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THIS IS EXHIBIT " 16 "
referred to in the Affidavit of

Michelle McQuade

Sworn before me this 11

day of December A.D. 2013



A Commissioner for Oaths
in and for the Province of Alberta
ROBERT D. WOOD
Barrister and Solicitor

Modified: February 22, 2013

Treaty 8 First Nation Consultation Contacts

Athabasca Chipewyan First Nation *[Updated December 5, 2012]*

Doreen Somers

A/Director	220 Taiganova Crescent	Office: 780-791-3311
ACFN Industry Relations Corporation	Fort McMurray, AB T9K 0T4	Cell: n/a Fax: 780-791-3632 Email: doreen.somers@acfn.com

Beaver First Nation *[Updated September, 2011]*

James Kelly

Consultation Consultant Beaver First Nation	12314 – 103 Street Edmonton, AB T5G 2K3	Office: 780-222-4916 Cell: n/a Fax: n/a Email: n/a
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Bigstone Cree Nation *[Updated September 26, 2012]*

Cheryl Moberly

Manager Government and Industry Relations	PO Box 1710 Wabasca, AB T0G 2K0	Office: 780-891-3836 Cell: n/a Fax: n/a Email: Cheryl.moberly@bigstone.ca
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Chipewyan Prairie First Nation *[Updated November 23, 2012]*

Shaun Janvier

Director Chipewyan Prairie Industry Relations Corporation	205, 10020 Franklin Ave. Fort McMurray, AB T9H 2K6	cc: Stacey Mouille Environmental Coordinator Chipewyan Prairie Industry Relations Corporation Cell: 780-404-6226 Email: environment@cpirc.ca
Cell: 780-881-9206 Email: director@cpirc.ca	Phone: 780-715-3401 Fax: 780-715-3463	cc: Chris Heavy Shield Special Projects Chipewyan Prairie Industry Relations Corporation Cell: 780-404-6433 Email: chris.heavyshleld@cpirc.ca

NOTE: Please copy Stacey Mouille and Chris Heavy Shield by email on all information provided to Shaun Janvier. There is no need to provide hard copies to Stacey or Chris.

Treaty 8 First Nation Consultation Contacts

Dene Tha' First Nation *[Updated December 12, 2012]*

Baptiste Metchooyeah

Consultation Coordinator
Dene Tha' First Nation

PO Box 120
Chateh, AB
T0H 0S0

Office: 780-321-3775

Cell: n/a

Fax: 780-321-3886

Email: Baptiste.Metchooyeah@denetha.ca

Driftpile First Nation *[Updated January 9, 2013]*

Danny Bellerose

Consultation Liaison
Driftpile First Nation

PO Box 30
Driftpile, AB
T0G 0V0

Office: n/a

Cell: 780-507-1511

Fax: 780-355-3650

Email: dannybellerose@gmail.com

NOTE: Address all registered mail to First Nation.

Duncan's First Nation *[Updated November 13, 2012]*

Conroy Sewepagaham

Consultation Officer
Duncan's First Nation

PO Box 148
Brownvale, AB
T0H 1Z0

Office: 780-597-3777

Cell: n/a

Fax: 780-597-3920

Email: csewepagaham@sis.net

Fort McKay First Nation *[Updated December 7, 2012]* — For consultation related to government consultation & initiatives:

Karla Buffalo

Fort McKay First Nation

PO Box 5360
Fort McMurray, AB
T9H 3G4

Office: 780-828-2480

Cell: 780-715-8113

Fax: 780-828-4086

Email: kbuffalo@fortmckay.com

Fort McKay First Nation *[Updated December 7, 2012]* — For consultation related to resource development that requires an SRD

Margaret Luker

Fort McKay First Nation

PO Box 5360
Fort McMurray, AB
T9H 3G4

Office: 780-828-2480

Cell: 780-881-3731

Fax: 780-828-4086

Email: mluker@fortmckay.com

Treaty 8 First Nation Consultation Contacts

Fort McKay First Nation *[Updated December 7, 2012]* — For consultation related to resource development that requires EPEA, Water Act approval or Waste Licence:

Daniel Stuckless

Fort McKay First Nation

PO Box 5360
Fort McMurray, AB
T9H 3G4

Office: 780-828-2480
Cell: 780-370-6177
Fax: 780-828-4086
Email: dstuckless@fortmckay.com

Fort McMurray #468 First Nation *[Updated November 19, 2012]*

Kyle Gladue

Government & Regulatory
Affairs Coordinator
Fort McMurray #468 First
Nation IRC

PO Box 6130
Fort McMurray, AB
T9H 4W1

Office: 780-334-2293
Cell: 780-370-4449
Fax: 780-334-2457
Email: irc.gov.liaison@fmmn468.com

Horse Lake First Nation *[Updated January 23, 2013]*

Chief and Council

Box 303
Hythe, AB
T0H 2C0

Office: 780-356-2248
Cell: n/a
Fax: 780-356-3666
Email: n/a
Website: n/a

Kapawe'no First Nation *[Updated February 5, 2012]*

Michelle Knibb

First Nation Liaison
Kapawe'no First Nation

PO Box 10
Grouard, AB
T0G 1C0

Office: 1-800-443-2044
Cell: 780-523-6366
Fax: 780-800-6998
Email: michelleknibb@gmail.com

NOTE: If sending registered mail, please address to Kapawe'no First Nation rather than the individual.

Little Red River Cree Nation *[Updated September 3, 2012]*

Harvey Sewepagaham

Director/Consultation
Coordinator
Little Red River Cree Nation

PO Box 30
John D'or Prairie, AB
T0H 3X0

Office: 780-759-3912
Cell: n/a
Fax: 780-759-3780
Email:
harvey.sewepagaham@littleredriverforestry.ca

Treaty 8 First Nation Consultation Contacts

Loon River First Nation *[Updated February 8, 2013]*

Eva Whitehead and Staff

Manager	PO Box 189	Office: 780-649-2211
Loon River First Nation	Red Earth Creek, AB	Cell: 780-649-4213
Consultation Unit	T0G 1X0	Fax: 780-649-3873
		Email: tlus@loonriver.ab.ca

Lubicon Lake Band *[Updated February 22, 2013]*

Wayne Auger

Lubicon Lake Band	PO Box 1351	Office: 780-219-5662
	St. Isidore, AB	Cell: n/a
	T0H 3B0	Fax: n/a
		Email: n/a

Mikisew Cree First Nation *[Updated October 18, 2012]* — For Consultation related to resource development requiring an application to SRD.

Linda Aidnell

Land Use Coordinator	206, 9401 Franklin Ave.	Office: 780-714-6500, Ext. 222
Government and Industry	Fort McMurray, AB	Cell: n/a
Relations	T9H 3Z7	Fax: 780-715-4098
		Email: linda.aidnell@mcfngir.ca

Mikisew Cree First Nation *[Updated October 18, 2012]* — For Consultation related to resource development requiring an EPEA, Water Act Approval, or Waste license.

Cathleen O'Brien

Regulatory Affairs Coordinator	206, 9401 Franklin Ave.	Office: 780-714-6500, Ext. 222
Government and Industry	Fort McMurray, AB	Cell: n/a
Relations	T9H 3Z7	Fax: 780-715-4098
		Email: Cathleen.obrien@mcfngir.ca

Mikisew Cree First Nation *[Updated October 18, 2012]* — For Consultation related to government consultation for all other policy and/or regulation matters.

Sebastien Fekete

Government Liaison	206, 9401 Franklin Ave.	Office: 780-714-6500, Ext. 222
Government and Industry	Fort McMurray, AB	Cell: n/a
Relations	T9H 3Z7	Fax: 780-715-4098
		Email: sebastien.fekete@mcfngir.ca

Treaty 8 First Nation Consultation Contacts

Peerless Trout First Nation #478 *[Updated January 11, 2013]*

Doreen Seeseequon

Consultation Coordinator
Peerless Trout First Nation

PO Box 128
Peerless Lake, AB
T0G 2W0

Office: 780-869-3985

Cell: n/a

Fax: 780-869-3986

Email: doreen.seeseequon@ptfn.net

Sawridge First Nation *[Updated December 7, 2012]*

Winona Twin

Liaison
Sawridge First Nation

PO Box 326
Slave Lake, AB
T0G 2A0

Office: 780-849-4249

Cell: 780-843-6917

Fax: n/a

Email: consultation@sawridgefirstnation.com

NOTE: If sending registered mail, please address to Sawridge First nation rather than the individual.

Smith's Landing First Nation *[Updated January 11, 2013]*

Chief

Smith's Landing First Nation

PO Box 1470
Fort Smith, NWT
X0E 0P0

Office: 867-872-4950

Cell: n/a

Fax: 867-872-5154

Email: n/a

Sturgeon Lake Cree Nation *[Updated October 15, 2012]*

Curtis Mitchell

Consultation Coordinator
Sturgeon Lake Cree Nation
PO Box 757
Valleyview, AB
T0H 3N0
Cell: 780-524-7471
Email: n/a

AND

Office: 780-524-3307
Fax: 780-524-2711

Alfred Goodswimmer

PO Box 757
Valleyview, AB
T0H 3N0
Cell: 780-552-3452
Email: n/a

Treaty 8 First Nation Consultation Contacts

Sucker Creek First Nation *[Updated September 26, 2012]*

Clayton Cuningham

Director of Consultation
Sucker Creek First Nation

PO Box 65
Enilda, AB
T0G 0W0

Office: 780-523-4426
Cell: n/a
Fax: n/a
Email: n/a

Swan River First Nation *[Updated November 30, 2011]*

Darryel Sowan

Swan River First Nation

PO Box 270
Kinuso, AB
T0G 1K0

Office: 780-775-3536
Cell: 780-843-9351
Fax: 780-775-3796
Email: n/a

Tallcree First Nation *[Updated November 14, 2012]*

Clinton Laboucan

Consultation Manager
Tallcree First Nation

PO Box 100
Fort Vermillion, AB
T0H 1N0

Office: 780-927-4111
Cell: n/a
Fax: 780-927-4375
Email: n/a

Whitefish Lake First Nation *[Updated September 26, 2012]*

Darren Auger

Consultation Coordinator
Whitefish Lake First Nation

PO Box 255
Atikameg, AB
T0G 0C0

Office: 780-767-2658
Cell: 780-805-0953
Fax: 780-767-2962
Email: ddauger73@live.ca

Woodland Cree First Nation *[Updated January 29, 2012]*

Chief and Council

General Delivery
Cadotte Lake, AB
T0H 0N0

Office: 780-629-3803
Cell: n/a
Fax: 780-629-3898
Email: n/a

Please note that the date of update for each First Nation may reflect changes to the Consultation Contact or other information such as address, phone number or email.

Please contact Aboriginal Relations at 780-644-4945 with any concerns, inconsistencies or errors related to this listing.

Treaty 8 First Nation Consultation Contacts

Athabasca Chipewyan First Nation *[Updated December 5, 2012]*

Doreen Somers

A/Director	220 Taiganova Crescent	Office: 780-791-3311
ACFN Industry Relations Corporation	Fort McMurray, AB T9K 0T4	Cell: n/a Fax: 780-791-3632 Email: doreen.somers@acfn.com

Beaver First Nation *[Updated April 6, 2013]*

Kieran Broderick

Beaver First Nation	Box 270 High Level, AB T0H 1Z0	Office: n/a Cell: 250-793-4595 Fax: 780-927-4064 Email: Kieran.Broderick@beaverfirstnation.ab.ca
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Bigstone Cree Nation *[September 7, 2013]*

Melvin Beaver

Director	PO Box 1710	Office: 780-891-3836 ext. 290
Government and Industry Relations	Wabasca, AB T0G 2K0	Cell: 780-953-2099 Fax: 780-891-2136 Email: melvin.beaver@bigstone.ca

Chipewyan Prairie First Nation *[Updated September 17, 2013]*

Shaun Janvier

Director	cc: Stacey Mouille	cc: Linda Aidnell
Chipewyan Prairie Industry Relations Corporation	Environmental Coordinator Chipewyan Prairie Industry Relations Corporation	Regulatory and Consultation Coordinator Chipewyan Prairie Industry Relations Corporation
Cell: 780-881-9206	Cell: 780-404-6226	Cell: 780-215-7105
Email: director@cpirc.ca	Email: environment@cpirc.ca	Email: linda.aidnell@cpirc.ca
205, 10020 Franklin Ave. Fort McMurray, AB T9H 2K6 Phone: 780-715-3401 Fax: 780-715-3463	cc: Chris Heavy Shield Special Projects Chipewyan Prairie Industry Relations Corporation Cell: 780-404-6433 Email: chris.heavyshield@cpirc.ca	

NOTE: Please copy Linda Aidnell, Stacey Mouille and Chris Heavy Shield by email on all information provided to Shaun Janvier. There is no need to provide hard copies to Linda, Stacey or Chris.

Treaty 8 First Nation Consultation Contacts

Dene Tha' First Nation *[Updated September 12, 2013]*

Baptiste Metchooyeah

Consultation Manager
Dene Tha' First Nation
Office: 780-321-3774
Cell: 780-841-8933
Email:
Baptiste.Metchooyeah@denetha.ca

PO Box 120
Chateh, AB
T0H 0S0
Fax: 780-321-3886

cc: (Alternate) Thomas Ahkimnachie
Field Consultation Coordinator
Office: 780-321-3775
Cell: 780-841-3757
Email: Thomas.Ahkimnachie@denetha.ca

Driftpile First Nation *[Updated July 18, 2013]*

Danny Bellerose

Consultation Liaison
Driftpile First Nation
Cell: 780-507-1511
Email:
dannybellerose@gmail.com

AND

PO Box 30
Driftpile, AB
T0G 0V0
Fax: 780-355-3650

Ruthy Degner
Driftpile Consultation Assistant
Driftpile First Nation
Office: 780-355-3868
Cell: 780-536-8458
Email: consultation@driftpilecreenation.com

NOTE: Address all registered mail to First Nation.

Duncan's First Nation *[Updated November 13, 2012]*

Conroy Sewepagaham

Consultation Officer
Duncan's First Nation

PO Box 148
Brownvale, AB
T0H 1Z0

Office: 780-597-3777
Cell: n/a
Fax: 780-597-3920
Email: csewepagaham@sis.net

Fort McKay First Nation *[Updated December 7, 2012]* — For consultation related to government consultation & Initiatives:

Karla Buffalo

Fort McKay First Nation

PO Box 5360
Fort McMurray, AB
T9H 3G4

Office: 780-828-2480
Cell: 780-715-8113
Fax: 780-828-4086
Email: kbuffalo@fortmckay.com

Fort McKay First Nation *[Updated December 7, 2012]* — For consultation related to resource development that requires an SRD application:

Margaret Luker

Fort McKay First Nation

PO Box 5360
Fort McMurray, AB
T9H 3G4

Office: 780-828-2480
Cell: 780-881-3731
Fax: 780-828-4086
Email: mluker@fortmckay.com

Please contact Aboriginal Relations at 780-644-4945 with any concerns, inconsistencies or errors related to this listing.

Treaty 8 First Nation Consultation Contacts

Fort McKay First Nation [Updated December 7, 2012] – For consultation related to resource development that requires EPEA, Water Act approval or Waste Licence:

Daniel Stuckless

Fort McKay First Nation

PO Box 5360
Fort McMurray, AB
T9H 3G4

Office: 780-828-2480
Cell: 780-370-6177
Fax: 780-828-4086
Email: dstuckless@fortmckay.com

Fort McMurray #468 First Nation [Updated October 11, 2013]

Harry Cheecham

Land Use Manager
Fort McMurray #468 First
Nation IRC

PO Box 6130
Fort McMurray, AB
T9H 4W1

Office: 780-334-2400
Cell: 780-880-2937
Fax: 780-334-2015
Email: irc.environmental@fmmfn468.com

Horse Lake First Nation [Updated November 7, 2013]

Barry Hochstein

President
HLFN Industry Relations
Corporation
Cell: 780-933-6503
Email: bhochstein@hlfnirc.com

PO Box 18
Hythe, AB
T0H 2C0
Office: 780-356-2472
Fax: n/a

cc: Katherine Horseman
Email: katherine@hlfnirc.com

NOTE: Please cc all correspondence to the consultation office to Katherine Horseman at: katherine@hlfnirc.com.

Kapawe'no First Nation [Updated October 10, 2013]

Michelle Knibb

First Nation Liaison
Kapawe'no First Nation

PO Box 10
Grouard, AB
T0G 1C0

Office: 1-800-443-2044
Cell: 780-523-6366
Fax: 780-800-6998
Email: n/a

NOTE: If sending registered mail, please address to Kapawe'no First Nation rather than the individual.

Little Red River Cree Nation [Updated September 3, 2012]

Harvey Sewepagaham

Director/Consultation
Coordinator
Little Red River Cree Nation

PO Box 30
John D'or Prairie, AB
T0H 3X0

Office: 780-759-3912
Cell: n/a
Fax: 780-759-3780
Email: harvey.sewepagaham@littleredriverforestry.ca

Treaty 8 First Nation Consultation Contacts

Loon River First Nation *[Updated February 8, 2013]*

Eva Whitehead and Staff

Manager Loon River First Nation Consultation Unit	PO Box 189 Red Earth Creek, AB T0G 1X0	Office: 780-649-2211 Cell: 780-649-4213 Fax: 780-649-3873 Email: tlus@loonriver.ab.ca
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Lubicon Lake Band *[Updated October 18, 2013]*

Wayne Auger

Consultation Manager Lubicon Lake Band	PO Box 1351 St. Isidore, AB T0H 3B0	Office: 780-629-2356 Cell: 780-219-5662 Fax: 780-629-2473 Email: w_auger@hotmail.com
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Mikisew Cree First Nation *[Updated September 7, 2013]*

Melanie Dene

Consultation Coordinator Government and Industry Relations	206, 9401 Franklin Ave. Fort McMurray, AB T9H 3Z7	Office: 780-714-6500, Ext. 506 Cell: n/a Fax: 780-715-4098 Email: consultation@mcfngir.ca
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Peerless Trout First Nation #478 *[Updated August 30, 2013]*

Doreen Seeseequon

Consultation Coordinator Peerless Trout First Nation	PO Box 128 Peerless Lake, AB T0G 2W0	Office: 780-869-3985 Cell: 780-649-0545 Fax: 780-869-3986 Email: doreen.seeseequon@ptfn.net
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Sawridge First Nation *[Updated December 7, 2012]*

Winona Twin

Liaison Sawridge First Nation	PO Box 326 Slave Lake, AB T0G 2A0	Office: 780-849-4249 Cell: 780-843-6917 Fax: n/a Email: consultation@sawridgefirstnation.com
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NOTE: If sending registered mail, please address to Sawridge First Nation rather than the individual.

Treaty 8 First Nation Consultation Contacts

Smith's Landing First Nation *[Updated August 14, 2013]*

Chief Andrew Wandering

Spirit

Smith's Landing First Nation

Email: chief@slfn196.com

PO Box 1470

Fort Smith, NT

X0E 0P0

Office: 867-872-4950

Fax: 867-872-5154

cc: Jeff Dixon

Lands & Resource Coordinator

&

Lorraine MacDonald

Band Manager

NOTE: Please copy all correspondence to Jeff Dixon, Lands and Resource Coordinator and Lorraine MacDonald, Band Manager.

Sturgeon Lake Cree Nation *[Updated October 10, 2013]*

Alfred Goodswimmer

Consultation Manager

Sturgeon Lake Cree Nation

PO Box 757

Valleyview, AB

T0H 3N0

Office: 780-524-3307

Cell: 780-524-6766

Fax: 780-524-2711

Email: alfredg@sturgeonlake.ca

NOTE: Sturgeon Lake Cree Nation would like proponents to send originals in the mail rather than fax.

Sucker Creek First Nation *[Updated September 17, 2013]*

Clayton Cunningham

Director of Consultation

Sucker Creek First Nation

Box 65

Enilda, AB

T0G 0W0

Office: 780-523-4426

Cell: n/a

Fax: n/a

Email: n/a

Swan River First Nation *[Updated November 30, 2011]*

Darryel Sowan

Swan River First Nation

PO Box 270

Kinuso, AB

T0G 1K0

Office: 780-775-3536

Cell: 780-843-6333

Fax: 780-775-3796

Email: n/a

Tallcree First Nation *[Updated August 30, 2013]*

Mike Cardinal

Interim Consultation Manager

Tallcree First Nation

Box 100

Fort Vermilion, AB

T0H 1N0

Office: 780-927-4111

Cell: n/a

Fax: 780-927-4375

Email: n/a

Please contact Aboriginal Relations at 780-644-4945 with any concerns, inconsistencies or errors related to this listing.

Treaty 8 First Nation Consultation Contacts

Whitefish Lake First Nation *[Updated April 10, 2013]*

Darren Auger

Consultation Coordinator
Whitefish Lake First Nation

PO Box 255
Atikameg, AB
T0G 0C0

Office: 780-767-2658
Cell: 780-516-2730
Fax: 780-767-2962
Email: ddauger73@live.ca

Woodland Cree First Nation *[Updated March 26, 2013]*

Isaac Laboucan-Avirom

Councillor
Lands & Consultation
Email:
Isaac@woodlandcree.net

General Delivery
Cadotte Lake, AB
T0H 0N0
Phone: 780-629-3803
Fax: 780-629-3898

cc: Lawrence Lamouche
Email: Lawrence@woodlandcree.net

Please note that the date of update for each First Nation may reflect changes to the Consultation Contact or other information such as address, phone number or email.



LUBICON LAKE NATION

VIA EMAIL

April 2, 2013

Penn West Exploration
Attn: David Middleton – Executive Vice President
Suite 200, Penn West Plaza
207 - 9th Avenue SW
Calgary, Alberta T2P 1K3
Telephone: (403) 777-2500
David.Middleton@Pennwest.com

THIS IS EXHIBIT " 17 "
referred to in the Affidavit of
Michelle McQuade

Sworn before me this 11
day of December A.D. 2013
Robert D. Wood

A Commissioner for Oaths
in and for the Province of Alberta

ROBERT D. WOOD
Barrister and Solicitor

RE: Resource Development within Lubicon Lake Nation Lands, Notice to Industry

Good day,

The attached notice has been drafted for the benefit of resource companies intending to develop lands within Lubicon Jurisdiction known as 'the Teardrop'. The government of the Lubicon Lake Nation has made extensive efforts to find mutually respectful ways to allow responsible development to occur on our lands despite the ongoing jurisdictional concerns between Alberta, Canada and the Lubicon Lake Nation. The Chief, Council and Elders' Council of the Lubicon Lake Nation intend to continue these efforts to find mutually respectful and beneficial ways to develop Lubicon lands responsibly. However, as a result of actions by the Government of Canada to undermine the authority of the rightful Government of the Lubicon Lake Nation we are providing the following notice to industry in an effort to clarify the position of the Lubicon Lake Nation.

Regards,

Garrett Tomlinson, EMT
Communications / Industry Liaison
Emergency Services Coordinator

CC: Hon. Robyn Campbell – Minister Aboriginal Relations, Alberta
Frank Oberle – MLA, Alberta
Cole Pederson – Executive Director Aboriginal Consultation, Alberta



LUBICON LAKE NATION

April 2, 2013

NOTICE TO INDUSTRY PROPONENTS

The Lubicon Lake Nation:

- Is a Sovereign and self-determining Nation with our authority, autonomy and jurisdiction fully intact and operational.
- Has self-determining powers which include (but are not limited to) those inherent rights to our land and territory, our peoples, and our decision making. Self-determination includes decision-making in all area of Lubicon Lake Nation life. This includes cultural, social, spiritual, governmental, legal and economic self-determination.
- Continues to exercise our sovereign authorities and self-determining powers over our land, territories and peoples. Our Nation has never ceded territory or authority for our Nation to a Canada or any other foreign jurisdiction nor acknowledged the jurisdiction of any other Nation, including Canada, to make decisions related to our territory, peoples or governance of the same.
- Has always followed our customary leadership and selection system. We have always acted in accordance with our custom related to recognition and acceptance of Lubicon Lake Nation peoples.
- Leadership was selected on June 25, 2009 and affirmed in accordance with our Custom leadership selection code on July 19, 2012.
- Provides notice that any other process that professes to be a Lubicon Lake Nation process is not supported by the Nation, fraudulent and rendered no results applicable to or binding on the Lubicon Lake Nation. Any other individual(s) holding them out to be the leadership of the Lubicon Lake Nation do so without authority and without the support of the people of the Lubicon Lake Nation.
- Intends to persist in our pursuit of justice for the Lubicon Lake Nation, addressing the rumoured and illegal activities and conflict of interest which Canada formulated, perpetuated, accommodated, endorsed and/or acknowledged in international and other venues in order to address and seek redress for the illegal activities and conflict of interest.

And Whereby:

- The Government of Canada appears to be attempting to unlawfully forcibly apply foreign jurisdictional authority, legislative standards, economic force and political pressure to the Lubicon Lake Nation;
- The Government of Canada continues to provide misinformation regarding the rightful governance of the Nation, including the housing of the portfolio for economic activities in our traditional territory;
- Our Government, including Chief and Council and our Elders' Council have been recognized by the Lubicon Lake Nation as the representative government for our people; and
- Our Government has responsibility for, among other things, economic development and consultation and accommodation related to our territoriality.

We Provide Notice That:

- The Lubicon Lake Nation as represented by our government: Chief Bernard Ominayak, the Council and Elders' Council of the Lubicon Lake Nation, continues to act as we have been mandated to do so by the people of the Lubicon Lake Nation;
- Our Sovereignty, self-determination, governance, and Customs (for example, customary leadership selection processes and authority for economic development) remain in place and authoritative in Lubicon Lake Nation territory;
- Our roles as protector of the land, advocates for our People and governmental portfolio holders for land, territoriality, economic development and consultation (among others) continue;
- We will continue to abide by our laws and customs as we have always done. This includes our laws, customs and customs related to all areas of our governance (for example, our customary leadership selection process, customary recognition of Lubicon Lake Nation peoples, authority for economic development, and processes related to elections, appeals, etc.);
- We will understand attempts to undermine, ignore or otherwise subvert our laws and customs as acts of invasion and we will respond accordingly;
- Industry and industry proponents in Lubicon Lake Nation territory are expected to abide by Lubicon Lake Nation laws and customs; and
- Industry and industry proponents continue to work with our Consultation Unit in developing mutually reciprocal relationships. Our Consultation Unit contact information remains as follows:

Consultation Unit
Lubicon Lake Nation
Box 6731
Peace River, Alberta T8S 1S5
Phone: (780) 629-3945
Fax: (780) 629-3939
Email: Consultation@LubiconLakeNation.ca

Signed,

Original Signed

Chief Bernard Ominayak

Original Signed

Councillor Walter Whitehead

Original Signed

Councillor Alphonse Ominayak

Original Signed

Councillor Dwight Gladue

Original Signed

Councillor Bryan Laboucan

Original Signed

Councillor Larry Ominayak

Original Signed

Councillor George Whitehead

Original Signed

Councillor Dwight Jordle Sawan



LUBICON LAKE NATION

November 25, 2013

David E. Roberts – President & CEO
Pennwest Exploration
Suite 200, Penn West Plaza
207 - 9th Avenue SW
Calgary, Alberta T2P 1K3
David.Roberts@pennwest.com

THIS IS EXHIBIT " 18 "
referred to in the Affidavit of
Michelle McQuade
Sworn before me this 11
day of December A.D. 2013
[Signature]

Re: PennWest Fax Nov 22, 2013 "Re: Alleged Trespass at 3-25-91-13W5"

Mr. Roberts,

A Commissioner for Oaths
in and for the Province of Alberta
ROBERT D. WOOD
Barrister and Solicitor

The Lubicon Lake Nation is in receipt of a faxed letter of November 22, 2013 on your behalf by Keith Luft, General Counsel, which is attached to this letter. The letter indicates that your company intends to continue their exploration project within the Lubicon Territory despite our outstanding objections, lack of consent and now formal, legal orders relating to trespass on Lubicon Lake Nation lands.

The letter indicates that this work has been authorized by a so-called "Lubicon Lake Band". As you well know, our people form a Nation and the *Indian Act* is irrelevant to our rights, interests and authority over our Traditional Lands. In any event, no *Indian Act* band as such has authority over our Traditional Lands. We have never signed treaty with the Crown and retain full title to our lands without designation of reserves under the *Indian Act*. The fact that your company has been intentionally misled by the Provincial and Federal Government regarding who the holders of the Aboriginal Rights and Title to our lands is of no consequence to us. Neither level of government has the authority to make such a determination. As such, the so-called "Lubicon Lake Band" has no authority to deal with, speak to or withdraw the objections regarding development of OUR lands. The token communications that you purport to be "engagement" have become clearly anything but meaningful engagement and our people see through this charade. As was made explicitly clear on November 19, 2013, the majority of Lubicon Lake Nation people are supportive of the Government of the Lubicon Lake Nation that they elected on May 30, 2013 and its positions. The people of the Lubicon Lake Nation have indicated to our Government that they remain ready and willing to take action to defend those positions.

Finally, to be absolutely clear, the Lubicon Lake Nation as represented by its lawful Government, has not given PennWest consent to enter upon, develop or exploit our lands and resources. As indicated in the order issued by this Government on November 21, 2013 "the strictest standard of enforcement of the Lubicon lake Nation laws will be applied."

Govern yourselves accordingly,

Chief Bernard Ominayak
Lubicon Lake Nation

/encl.

- CC: National Chief Shawn Atleo – AFN; Grand Chief Matthew Cooncome – Grand Council of Crees;
- Bill Namagoose – Grand Council of Crees; Chief Wallace Fox – Onion Lake Cree Nation;
- Thomas Mulcair, MP – Official Opposition; Justin Trudeau, MP – Liberal;
- James Anaya – UNHRC; Michelle McQuade – Pennwest;
- S. Keith Luft; Pennwest; Rick George – Pennwest;

(780) 629-3945 TEL (780) 629-3939 FAX P.O. BOX 6731 PEACE RIVER, AB T8S 1S5

WWW.LUBICONLAKENATION.COM

PennWest Exploration

Suite 200, Penn West Plaza
207 - 9th Avenue SW
Calgary, Alberta, Canada T2P 1K9
403.777.2690 tel
403.777.2699 fax
www.pennwest.com

Keith Luft
General Counsel & Senior Vice President,
Corporate Services
Phone: (403) 218-0721
Fax: (403) 539-5980
Email: keith.luft@pennwest.com

November 22, 2013

Via Fax (780) 629-3939

Lubicon Lake Nation
P.O. Box 6731
Peace River, AB T8S 1S5

Attention: Chief Barnard Ominayak

Dear Chief Ominayak:

Re: Alleged Trespass at 3-25-91-13W5

Mr. Roberts is out of the office today. I have your letter dated November 21 and attachments.

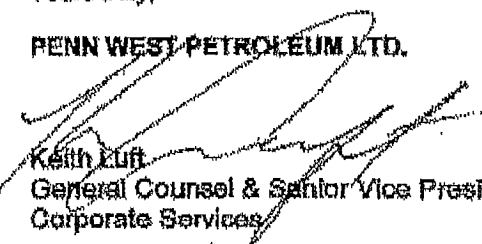
As you well know, Penn West has been instructed by Provincial and Federal authorities that consultation with the Lubicon people is to be conducted through Lubicon Lake Band. We have done so, and they have authorized the work which is the subject of your objections.

Moreover, contrary to the suggestion in your letter, Penn West has continued to engage with your group on our development plans, notwithstanding that formal consultation is conducted through Lubicon Lake Band.

As you are aware, we have been trying to make arrangements to meet and we remain willing to meet with you next week to discuss these issues. For reasons set out above, however, we do not intend to vacate the work sites in the meantime.

Yours truly,

PENN WEST PETROLEUM LTD.


Keith Luft
General Counsel & Senior Vice President,
Corporate Services

THIS IS EXHIBIT " 19 "
referred to in the Affidavit of
Michelle McQuade

Sworn before me this 11
day of December A.D. 20 13
WSR

A Commissioner for Oaths
in and for the Province of Alberta

ROBERT D. WOOD
Barrister and Solicitor




LUBICON LAKE NATION

NOTICE


PennWest Exploration is hereby advised that an Order was passed on November 21, 2013 by the Chief and Council of the Lubicon Lake Nation respecting illegal use and/or occupation of the Lubicon Lake Nation lands by PennWest Exploration. PennWest Exploration is subject to the Order and the laws governing the same. Failure to comply with the Order will result in the application and enforcement of Lubicon Lake Nation laws to their fullest extent.

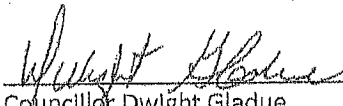
THIS NOTICE is made and approved at a duly convened meeting of the Lubicon Lake Nation Chief and Council this 21 day of November, 2013.

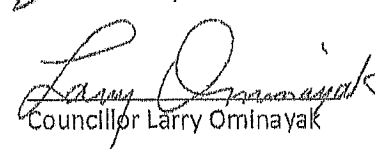
Signed on Behalf of the Lubicon Lake Nation by


Councillor Alphonse Ominayak


Chief Bernard Ominayak


Councillor Bryan Laboucan


Councillor Dwight Gladue


Councillor Larry Ominayak


Councillor Dwight Jordle Sawan



(780) 629-3945 TEL (780) 629-3939 FAX P. O. BOX 6731 PRACE RIVER, AB T8S 1S5

WWW.LUBICONLAKENATION.COM

THIS IS EXHIBIT " 20 "
referred to in the Affidavit of
Michelle McQuade

Sworn before me this 11
day of December A.D. 2013

Wood

A Commissioner for Oaths
in and for the District of Columbia

ROBERT D. WOOD
Registrar and Solicitor



Chronological no. 21-1113-A
 File reference no. FNCR 21-1113-A

LUBICON LAKE NATION
 ORDER AND COUNCIL RESOLUTION

Quorum consists of four (4) Council Members				
Date of duly convened meeting	Day	Month	Year	Province
	2 1	1 1	1 3	ALBERTA

WHEREAS: Pursuant to the authority inherent in the Lubicon Lake Nation, some of which is encoded in *The Law of the Lubicon Lake Indian Nation Respecting Use of its Traditional Territory (1988)* and addressed further in the *Lubicon Lake Nation Trespass Law (2012)*,

WHEREAS: Penn West is hereby ordered to cease all acts constituting a breach of *The Law of the Lubicon Lake Indian Nation Respecting Use of its Traditional Territory (1988)*, including but not limited to the:

- occupation of Lubicon Lake Nation land (s.3)
- extraction or attempt to extract resources on Lubicon Lake Nation Land (s.4)
- exploration, drilling, cutting of seismic lines or any use of the lands of the Lubicon Lake Nation (s.5)
- entering, remaining on, erecting any constructions, maintain any installations, works or facilities on Lubicon Lake Nation land (s.7)

WHEREAS: Unless and until the Lubicon Lake Nation's Government, on behalf of the Lubicon Lake Nation and consisting of Chief Ominayak and Councillors Alphonse Ominayak, Bryan Laboucan, Dwight Gladue, Larry Ominayak, Dwight Jordie Sawan and Elders' Council Members Joe Laboucan and Walter Whitehead consent thereto pursuant to *The Law of the Lubicon Lake Indian Nation Respecting Use of its Traditional Territory*,

AND WHEREAS: Penn West Exploration's breach of this law will constitute an illegal and prohibited purpose and trespass as defined in the *Lubicon Lake Nation Trespass Law (s.5)*. Such a breach will result in enforcement pursuant to *The Law of the Lubicon Lake Indian Nation Respecting Use of its Traditional Territory (ss. 9, 11, and 20)* and to the enforcement mechanism recorded in the *Lubicon Lake Nation Trespass Law (ss. 6--10)*. In all cases, the strictest standard of enforcement of the Lubicon Lake Nation laws will be applied.

NOW THEREFORE BE IT RESOLVED:

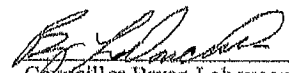
THIS ORDER IS HEREBY made and approved at a duly convened meeting of the Lubicon Lake Nation Chief and Council this 21 day of November, 2013.


 Elders' Council Member


 Elders' Council Member


 Chief Bernard Ominayak

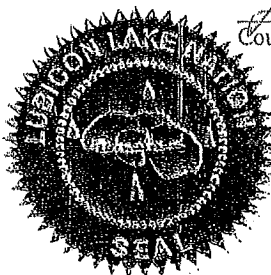

 Councillor Alphonse Ominayak


 Councillor Bryan Laboucan


 Councillor Dwight Gladue


 Councillor Larry Ominayak


 Councillor Dwight Jordie Sawan

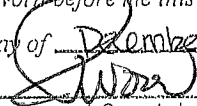


THIS IS EXHIBIT " 21 "
referred to in the Affidavit of

Michelle McQuade

Sworn before me this 11

day of December A.D. 2013



A Commissioner for Oaths
in and for the Province of Alberta

ROBERT D. WOOD
Barrister and Solicitor

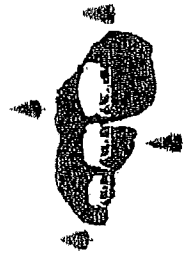
Operation Frack Off! / PennWest Trespass Against Lubicon

PennWest: Go Frack Yourselves!

Over the last 3 years the Government of the Lubicon Lake Nation led by Chief Ominiyak and his Council have increasingly pressured oil and gas giant PennWest Petroleum Ltd. (TSE: PWT) to account for their activity in Lubicon Lake Nation territory which has never been ceded to any Government for development by the Nation.

The following issues have been repeatedly raised for answer since 2010:

- What are the potential effects of PennWest's fracking exploration to the health, safety and environment of the Lubicon people?
- Why have PennWest's operations continually caused an increase in toxic H2S or "sour Gas" in PennWest development areas and products?
- Why won't PennWest provide a detailed outline of their multi-year and quarterly development plans with accurate dates of expected development?
- What measures will PennWest take to mitigate the destruction of Lubicon traditional income, such as trapping?
- If the Lubicon have never ceded authority to Canada, why is PennWest allowing them to dictate whether the Lubicon have consented to these developments?



LUBICON LAKE NATION

Never Let Our Land Die

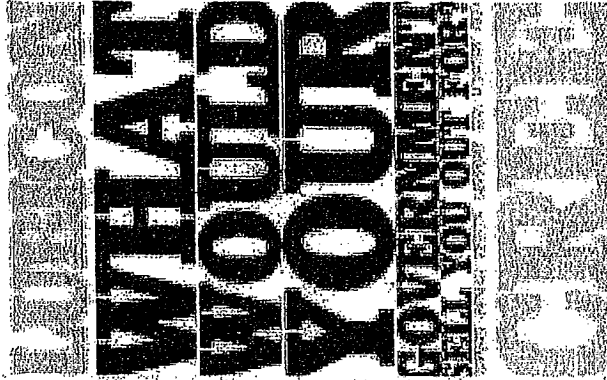
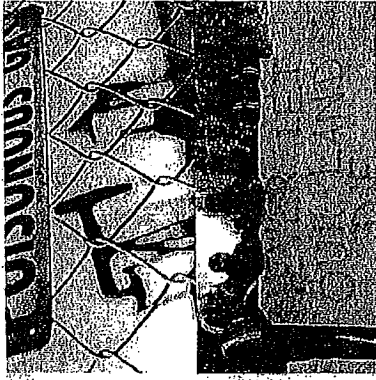
Lubicon Lake Nation

P.O. Box 6731, Stn. Main
Peace River, AB T8S1S5

Phone: 780-676-5945

Fax: 780-626-5959

E-mail: info@LubiconLakeNation.ca



Lubicon Lake Nation Takes A Stand

On November 18, 2013 it became clear that PennWest Explorators had no respect for the authority, autonomy and sovereignty of the Lubicon Lake Nation or its Government.

Citizens found a PennWest contractor casing two leases for a drilling and fracking operations within Lubicon Lake Nation lands without consent or even clear notice.

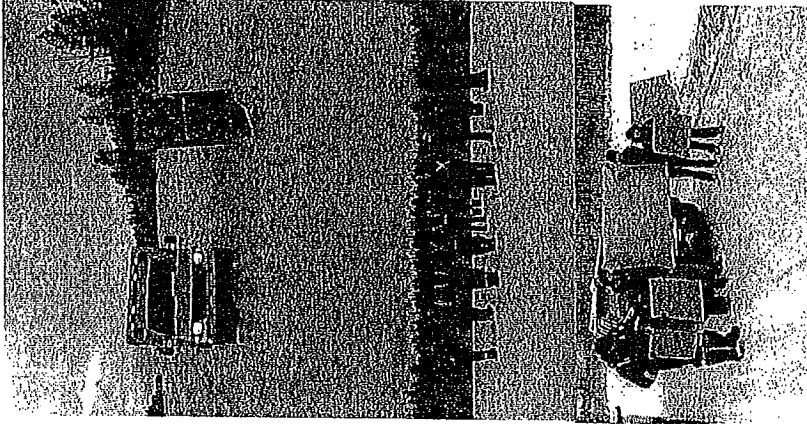
On November 19, 2013 Lubicon Lake Nation citizens attended the PennWest proposed lease and stopped their operations.

PennWest contacted Chief Ominayak and agreed to stand down operations until a meeting took place to resolve the issues.

On November 20, 2013 PennWest restarted their operations without any meeting or notice.

On November 21, 2013 the Government of the Lubicon Lake Nation issued a Trespass Notice and Order to vacate in accordance with the Government of the Lubicon Lake Nation Trespass Law 2012-21.

On November 22, 2013 PennWest directed a letter to Chief Ominayak refusing to comply with the order.

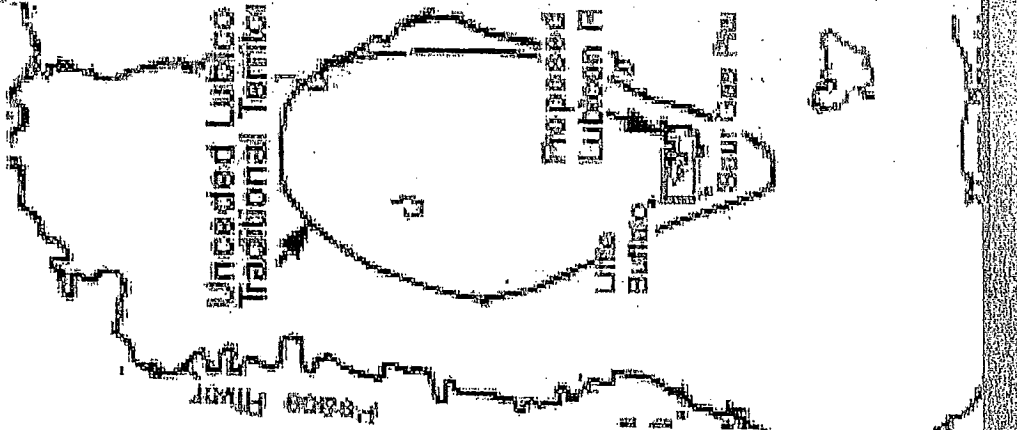


Muskratze Sokahikan Enowuk

Who We Are

Our people were put on our land in order to protect the territory, the land and all of its occupants. Our history began long before colonial intrusion and invasion. We have been on our Traditional Territory since time began. Our families lived peacefully together, sometimes gathering in celebration, mourning, or to participate in our traditional economy. Our people were rich as our land was abundant. We traveled the whole of it with our families, sometimes joining with other families in summer and winter homes.

We have always been self-determining with a large degree of familial autonomy. Our families, historically, were represented in the governance and decision-making in our Nation. Elders, women, and youth held and hold important roles in our Nation. All of our citizens participated in the egalitarian economy, providing economic stability and shared wealth. Our laws were and are lived laws: our citizens knew and understood the laws and legal orders as they were taught to every citizen, from birth until death. Through this process we came to know the responsibility for our land and our Sovereign relationship with and obligation to our territories. All of our actions then and now are grounded in this shared understanding that as original peoples living in our original territory we are imbued with Sovereign responsibilities to our territory.



THIS IS EXHIBIT " 22 "

referred to in the Affidavit of

Michelle McQuade

Sworn before me this 11

day of December A.D. 2013

Wood

A Commissioner for Oaths
in and for the Province of Alberta

ROBERT D. WOOD
Barrister and Solicitor

Nov/25/13

Why have you decided to work with the
Inac Selected group? When the Lubicon people
people voted Bernard Om and his councillors
sing # following the ~~constitution~~ traditional laws
and ^{the} custom code of elections. Clearly
Inac does not make decisions
based on what the Lubicon
people want. They are violating
our rights ~~and~~ ^{as} human indigenous
people. ~~We~~ ^{You don't} have not signed with the
government ~~and~~ or signed away any
treaty rights. You as an oilfield
company and as human beings
should respect our ~~treaty~~
traditional treaty rights and ~~to~~
unceded territory and consult
with the proper selected chief
and council and not the Inac group.
~~You~~ You know as well as we
do what the situation is
with our fight against the
Inac and the federal government is.
It should be in your best
~~We are a~~ interest to work with
the families of Lubicon members
~~that live here in Little Buffalo~~
and not outside contractors
that are not even Lubicon
members. We need to protect
our rights and lands and
support our families at once.

And with that being said.

If a decision is not made here today, we demand that you shut down the Sawn Lake job site where the monk's contractor is working, or put the Lubicon membered contractors their to work.

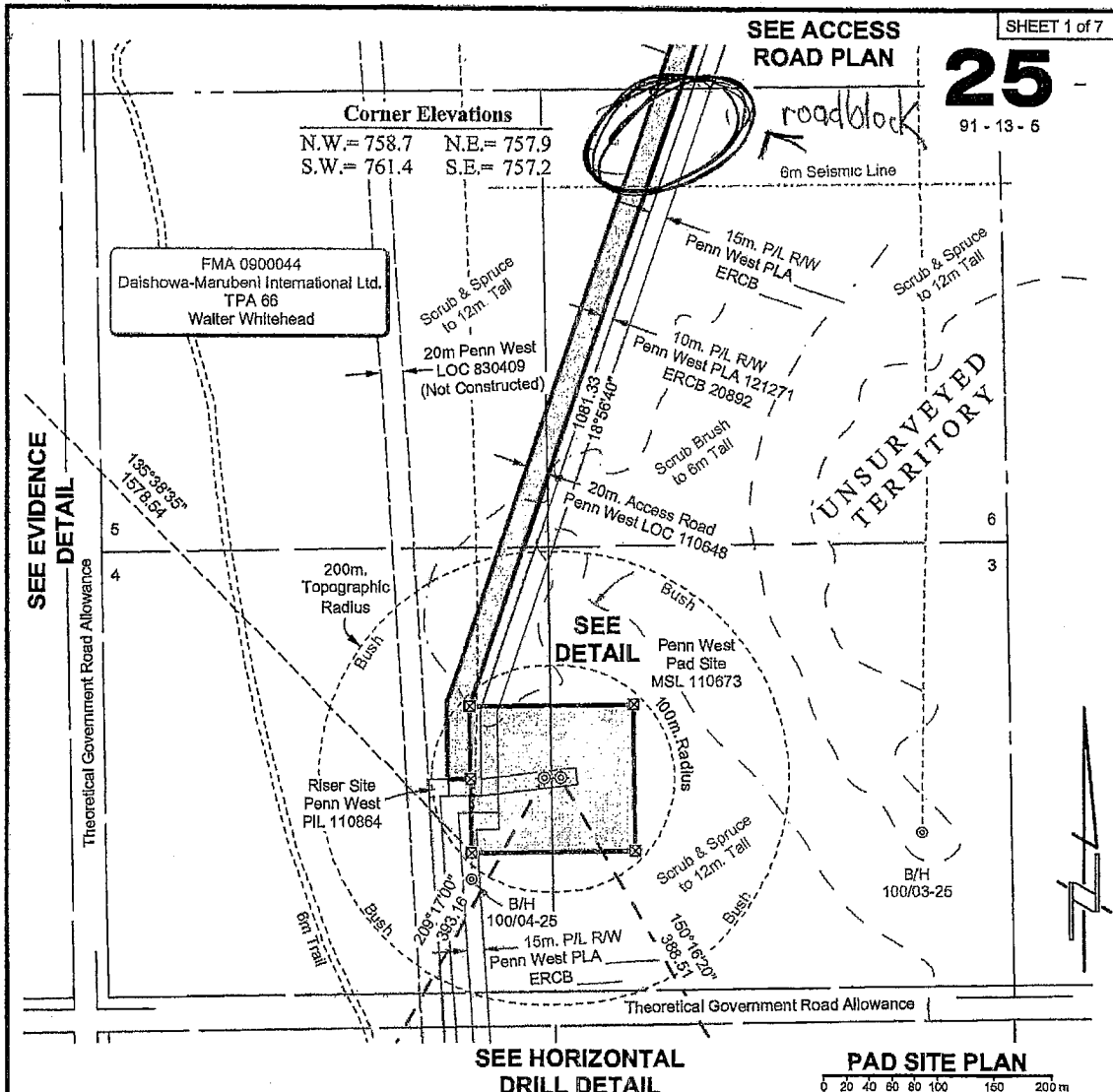
Ladies of Lubicon Lake
Nation.

THIS IS EXHIBIT " 23 "
referred to in the Affidavit of
Michelle McQuade

Sworn before me this 11
day of December A.D. 2013
WSD

A Commissioner for Oaths
in and for the Province of Alberta

ROBERT D. WOOD
Barrister and Solicitor



Plan Showing LIDAR Survey of

PENN WEST HZ SAWN LK 3-24-91-13

PENN WEST HZ SAWN LK 4-24-91-13

Pad Site (MSL 110673) and Access Road (LOC 110648)

from a Surface Location in

L.S. 3 & 4 Sec. 25 Twp.91 Rge.13 W. 5 M.

NORTHERN SUNRISE COUNTY

I, Michael A. Stewart, Alberta Land Surveyor, solemnly declare that

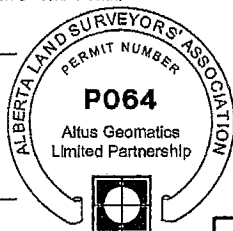
1. the survey represented by this plan was made under my personal supervision,
2. the survey was made in accordance with good surveying practices and in accordance with the provisions of the Surveys Act,
3. the survey was performed on the date of January 4th, 2011, and that this plan is true and correct, and is prepared in accordance with the provisions of the Public Lands Act,
4. and I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath.

Michael Stewart
 Alberta Land Surveyor

Declared before me at the City of Edmonton
 in the Province of Alberta
 this 22nd day of May, 2013

L. Hopkins

Leslie Hopkins - Exp. Nov. 2, 2014
 A Commissioner for Oaths in and
 for the Province of Alberta.



Plan information is based on Lidar Data collected by Airborne Imaging Inc. (June & August 2008 - Projects 1156 & 1174). As-Built Survey to Follow.

AREAS:	HECTARES	ACRES
Pad Site	= 1.885	4.66
Access Road	= 3.503	8.66
Total	= 5.388	13.32

Unless indicated otherwise, Bearings and Coordinates are based on the NAD 83 (Original) datum, UTM Grid projection referred to the Central Meridian 117° W. (Zone 11) and were derived by G.N.S.S.

Combined Scale factor used = 0.999527
 Datum: ASCM 865600, Elev. 488.120 (Geoid HT 2.0)
 To convert UTM Bearings to Bearings referred to the Central Meridian of the Twp. add 0°49'35"

OPERATOR:
 PENN WEST PETROLEUM LTD.

Land File No: 10-20632

3	Updated Plan	May 7, 2013	SZ - BL
2	Updated Plan	Mar. 23, 2012	WL GS
0	Issued	Feb. 23, 2011	BC - DS
REV.	REVISION	DATE	INITIALS
3	File: 135239W-R3	Job No.: 135239-E	
	Client File No: 85756/85758	AFE No: A11370267	

Altus Geomatics

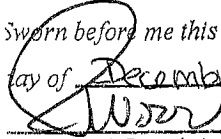
Toll Free: 1-800-465-6233
 www.altusgeomatics.com

THIS IS EXHIBIT " 24 "
referred to in the Affidavit of

Michelle McQuade

Sworn before me this 11

day of December A.D. 2013



A Commissioner for Oaths
in and for the Province of Alberta

ROBERT D. WOOD
Barrister and Solicitor



LUBICON LAKE NATION

November 26, 2013

For Immediate Release

Lubicon Lake Nation Tells Penn West Petroleum to Frack Off: Peaceful Occupation of Penn West Petroleum Site Begins

Little Buffalo, AB/ The Lubicon Lake Nation people have been driven to enforce their Law against PENN WEST PETROLEUM LTD. (TSX: PWT); (NYSE: PWE) today on an oil lease site located in their Territory by peacefully occupying a nearby access road. The oil and gas giant Penn West has indicated they intend to drill and use hydraulic fracturing at the location. The site is at the headwaters of a nearby lake, bordered by the traditional Lubicon community of Kinosew Sakahikan referred to provincially as Haig Lake. Long-time Chief Bernard Ominayak said this evening: "We have never signed treaty, ceded our land, nor sold it to anybody. It's high time that all resource companies operating on Lubicon Lake Nation lands, including Penn West, as well as the Provincial and Canadian governments respect that and stop destroying Lubicon land and stealing Lubicon resources."

The Lubicon Lake Nation has not signed treaty with the Crown or any other foreign body at any time. As such, they remain the sole title holders and retain the Aboriginal rights to their land and resources and do not recognize the authority of the Province to issue any type of permits to industry for the exploitation of Lubicon land. The Government of the Lubicon Lake Nation requires industry to obtain the free, prior and informed consent from the Nation prior to any environmentally harmful project moving forward. This hasn't happened in this case according to Chief Ominayak. Penn West has been repeatedly informed by the Nation that no foreign government, including any Canadian endorsed, illegal, Indian Act formed government, will represent the Lubicon Lake Nation with regards to their lands.

On November 18, 2013, a group of Lubicon Lake Nation people visited the Penn West jobsite to inquire about the presence of equipment and large number of Penn West personnel on location, as the Lubicon Lake Nation was not properly consulted and has not given their consent to Penn West. Initially, Penn West agreed to halt the work and attend a meeting on November 20, 2013. The following day the company called to cancel the meeting and restarted their illegal operations. As a result, the Government of Lubicon Lake Nation passed a Council Resolution and Order indicating that Penn West was trespassing on Lubicon land and had to vacate the territory immediately. This Order was issued in accordance with two Lubicon statutes that had been passed by the Government of the Lubicon Lake Nation in 1988 and 2012. The Government of the Lubicon Lake Nation is enforcing these laws as they would any other and expect the RCMP to join them to do the same.

Following receipt of the Orders, on November 25, 2013, Penn West representatives met at the Lubicon Lake Nation Administration Office with Chief Ominayak, Council, Elders' Council representatives and a group of Lubicon Lake Nation citizens. Penn West refused to address the issues and presented a hardline position: They would not engage with the Lubicon Lake Nation government nor would they cease their operations. Lubicon citizens and representatives

(780) 629-3945 TEL (780) 629-3950 FAX P.O. Box 6731 Peace River, AB T8S 1S5
WWW.LUBICONLAKENATION.COM

outlined yet again that they were being forced into third world living conditions, only to watch while oil and gas companies like Penn West extract billions of dollars in oil and gas from their lands.

Forced into this difficult position, the people of the Lubicon Lake Nation have travelled one hour deep into their territory and indicate that they intend to remain at the location until Penn West ceases operations and takes their requests seriously, as Penn West's development is having real consequences on their health, wellbeing and lands of the Lubicon Lake Nation, including the air, water, soils and animal habitats.

For More Information Contact:

Councillor Dwight Gladue
Lubicon Lake Nation
P.O. Box 6731 Stn. Main
Peace River, AB T8S 1S3
(780) 625-4208 Direct
(780) 629-3939 Fax
admin@LubiconLakeNation.ca
www.LubiconLakeNation.ca

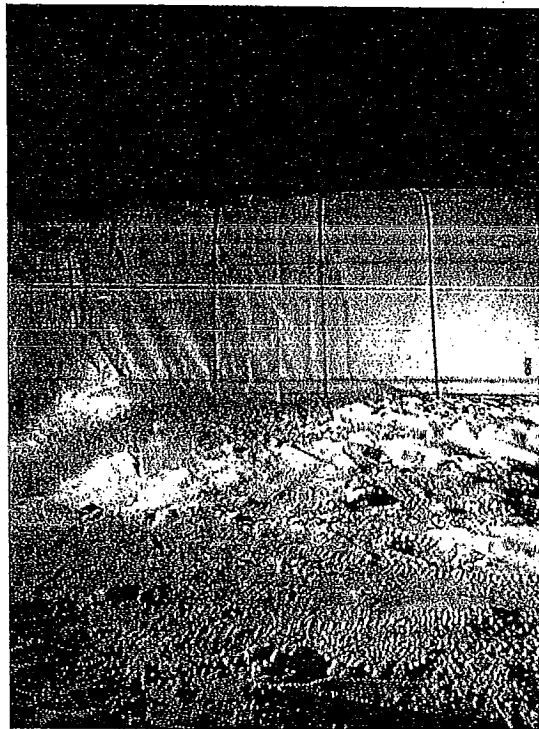


Lubicon Lake Nation
@LubiconNation

Follow

#Lubicon build shelter across
@PennWestEx access! Ingenuity + tenacity
= #FrackOFF pic.twitter.com/SLwjIJAMcx

Reply Retweet Favorite More



THIS IS EXHIBIT " 25 "
referred to in the Affidavit of
Michelle McQuade
Sworn before me this 11
day of December A.D. 20 13
[Signature]

A Commissioner for Oaths
in and for the Province of Alberta
ROBERT D. WOOD
Barrister and Solicitor

15 RETWEETS 1 FAVORITE



5:58 PM - 3 Dec 13

Flag media

Don't miss any updates from Lubicon Lake Nation

Join Twitter today and follow what interests you!

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TEXT FOLLOW LUBICONNATION TO 21212 IN CANADA

Search **Sign up**

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THIS IS EXHIBIT " 26 "
referred to in the Affidavit of

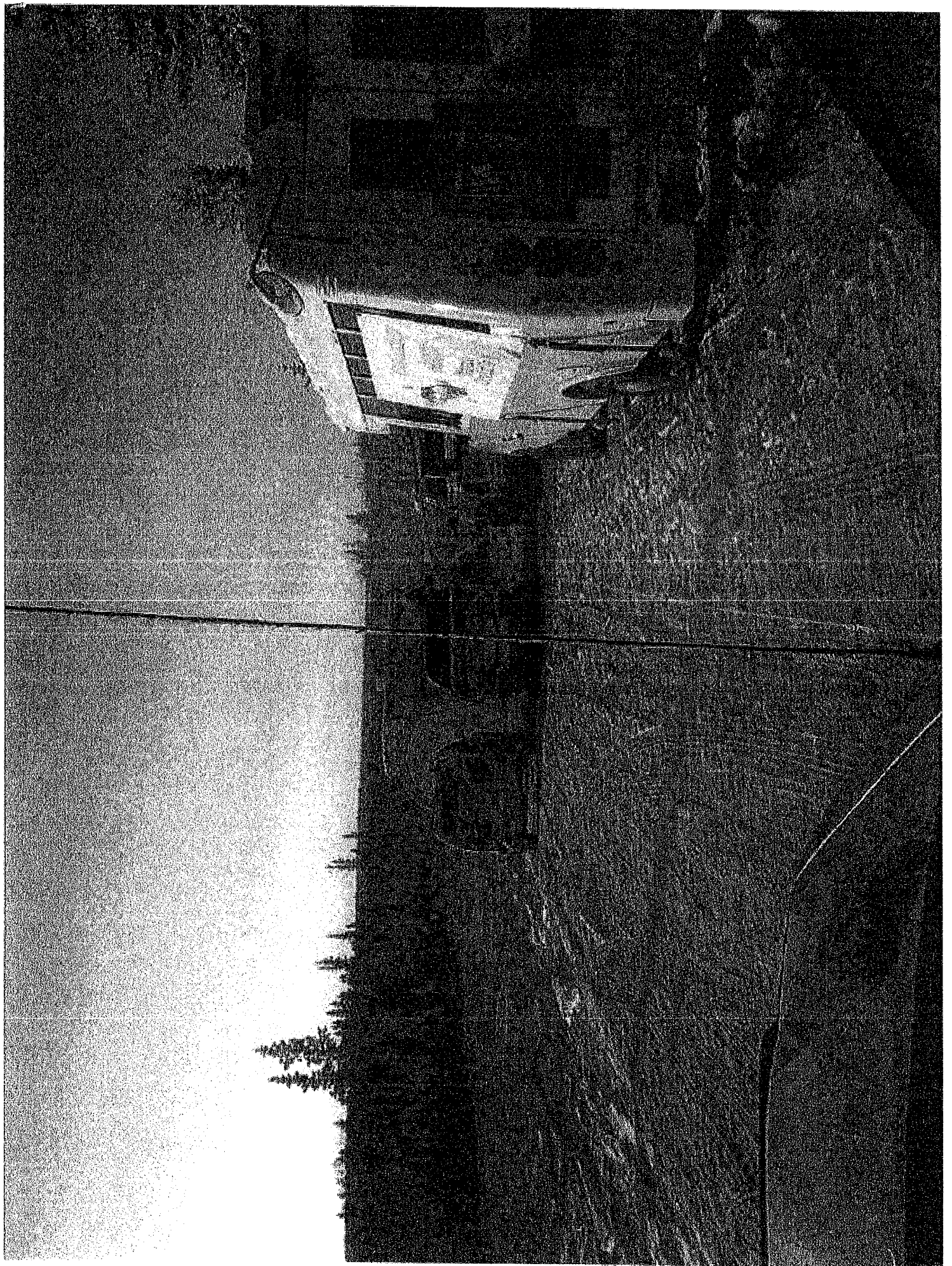
Michelle McDoude

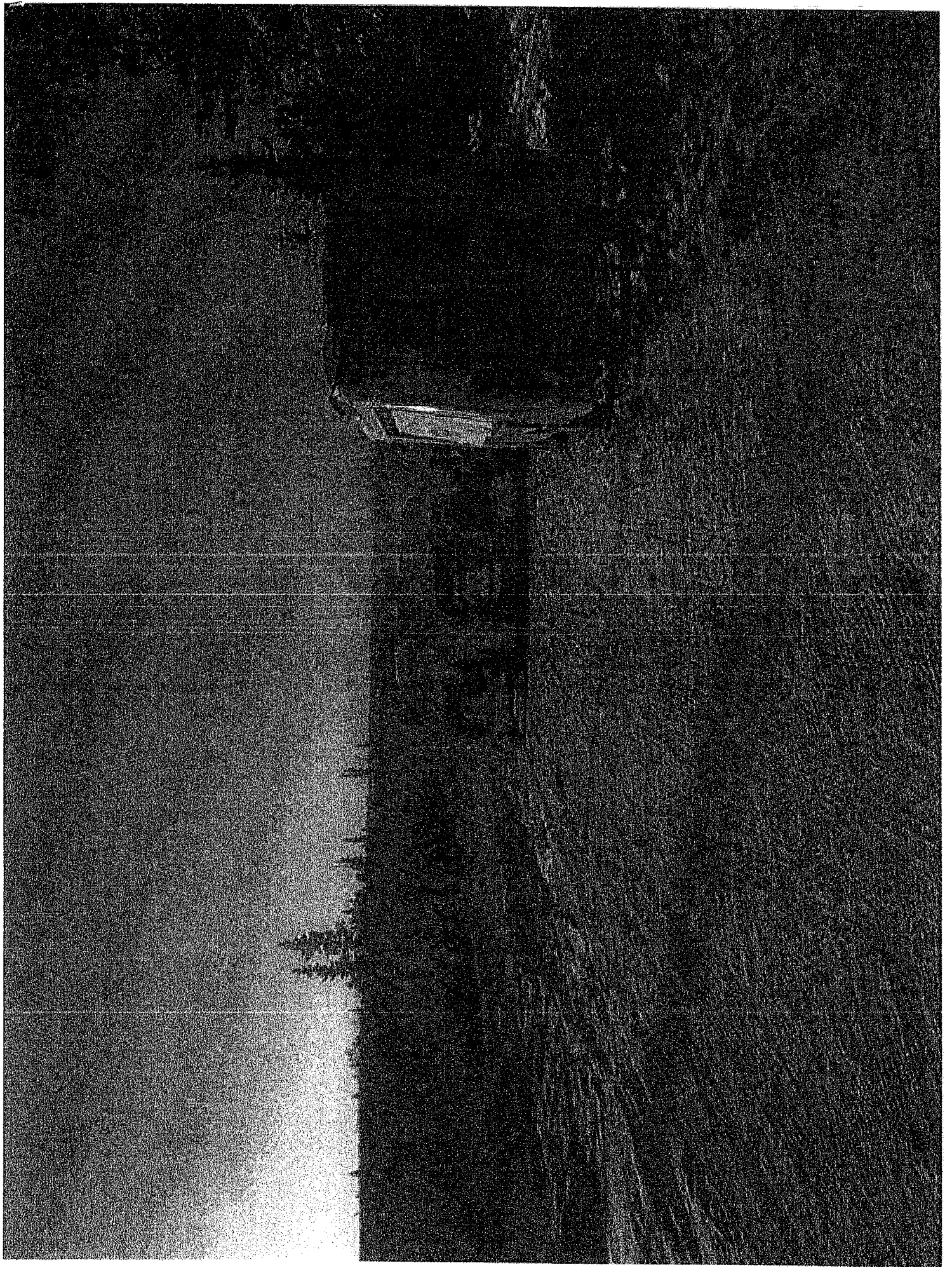
Sworn before me this 11

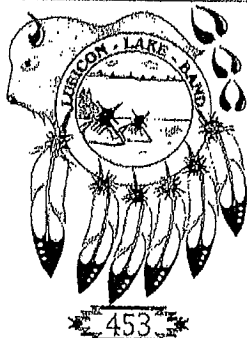
day of December A.D. 20 13

[Signature]

A Commissioner for Oaths
in and for the Province of Ontario
ROBERT D. WOOD
Barrister and Solicitor







THIS IS EXHIBIT " 27 " referred to in the Affidavit of Michelle McQuade

Sworn before me this 11 day of December A.D. 2013

Robert D. Wood
A Commissioner for Oaths in and for the Province of Alberta

ROBERT D. WOOD
Barrister and Solicitor

Michelle McQuade
General Manager, Health, Safety, Environment and Regulatory
Penn West Petroleum Ltd.
Suite 200, Penn West Plaza, 207-9th Avenue SW
Calgary, AB, T2P 1K3

Dear Michelle et al:

As the federally and provincially recognized authority and governance, the Lubicon Lake Band Chief and Council do hereby authorize any action to be deemed appropriate so as to prevent and to desist any illegal work stoppage by Mr. Bernard Ominiyak or anyone under his direction.

The two areas where active work is being jeopardized is in the Sawn Field in the specific location 14-25-091-13W5, and in the Otter Field with the specific location of 14-11-088-12W5.

We also approve that the Royal Canadian Mounted Police to take any action regarding Mr. Bernard Ominiyak, a Lubicon member or any others, who may act as the Chief and Council in their attempts for work stoppage and illegal blockades.

Thank you for your cooperation.

Sincerely

Nov. 19, 2013

Chief Billy Joe Laboucan _____

Councillor Mike Ominiyak _____

Councillor Brian Laboucan _____

Cc. RCMP Cpl. C. J. Blize, Watch Commander, email: corey.j.blize@rcmp-grc.gc.ca

LUBICON LAKE BAND #453 BOX 1351 ST. ISIDORE, AB T0H 3B0



LUBICON LAKE NATION

December 2, 2013

For Immediate Release

Lubicon Lake Nation Sues PennWest Petroleum Ltd. (TSX: PWT); (NYSE: PWE) for Trespass and Destruction of Traditional Lands

Little Buffalo, AB/ The Government of the Lubicon Lake Nation has filed a lawsuit against oil and gas giant PENN WEST PETROLEUM LTD. (TSX: PWT); (NYSE: PWE) late Friday following a week of protest and enforcement of a trespass related eviction order by the Lubicon Lake Nation people at a Penn West site. The assembly has been dubbed: Operation "FrackOff"; the Penn West Eviction, and began on Tuesday November 26. "The Lubicon people have sent a message loud and clear by assembling at the Penn West location to enforce our laws, now it's up to us as their government to support them in every way we can." Chief Bernard Ominayak said from his office this morning.

The statement of claim argues that because the Government of Canada did not enter into Treaty with the Lubicon as required by Canadian law prior to developing oil and gas on Lubicon lands, the leases issued to Penn West by the province of Alberta are null and void. It goes further, stating that the development has caused irreparable harm to the Lubicon way of life, including hunting, fishing, trapping, their ability to travel in their lands, as well as their ability to use ground water and gather plants for medicines.

The statement of claim indicates that Penn West has acted in "bad faith" in their dealings with the Lubicon Lake Nation and that the Lubicon are entitled to an immediate injunction restraining any further work from continuing until the issues are resolved. As for the people assembled at the Penn West site, despite heavy winter storms and below freezing temperatures, they have unanimously indicated that they won't be leaving until the company and the province agrees to respect the jurisdiction of the Government of the Lubicon Lake Nation over their lands.

For More Information Contact:

Councillor Dwight Gladue
Lubicon Lake Nation
P.O. Box 6731 Stn. Main
Peace River, AB T8S 1S3
(780) 625-4208 Direct
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admin@LubiconLakeNation.ca
www.LubiconLakeNation.ca
Twitter: @LubiconNation

THIS IS EXHIBIT " 28 "
referred to in the Affidavit of
Michelle McQuade
Sworn before me this 11
day of December A.D. 2013
[Signature]
A Commissioner for Oaths
in and for the Province of Alberta

ROBERT D. WOOD
Barrister and Solicitor