

AMENDING AGREEMENT

This AGREEMENT made this 1st day of October, A.D. 2016.

AMONG:

HER MAJESTY THE QUEEN in Right of the Province of Manitoba; and

THE RECEIVER GENERAL FOR CANADA in Ottawa in the Province of Ontario; and

COREX RESOURCES LTD., a body corporate, with an office in the City of Calgary, in the Province of Alberta; and

CRESCENT POINT RESOURCES PARTNERSHP., a partnership, with an office in the City of Calgary, in the Province of Alberta; and

COMPUTERSHARE TRUST COMPANY OF CANADA, a body corporate, with an office in the City of Calgary, in the Province of Alberta; and

FREEHOLD ROYALTIES PARTNERSHIP., a general partnership, with an office in the City of Calgary, in the Province of Alberta; and

TUNDRA OIL & GAS PARTNERSHIP, a partnership, with an office in the City of Winnipeg, in the Province of Manitoba; and

ESTATE OF KATHERINE [REDACTED] ANGELL, C/O Katherine Reid and Darci Clark, who reside in the town of Virden, in the Province of Manitoba; and

ESATE OF MARY [REDACTED] YOUNGE, C/O Kathy Reid, Executrix, who resides in the town of Virden, in the Province of Manitoba; and

JOYCE [REDACTED] WILLIAMSON, an individual who resides in the town of Belmont, in the Province of Manitoba; and

MARY [REDACTED] TURNER, an individual who resides in the City of Salmon Arm, in the Province of British Columbia; and

(hereinafter collectively referred to as the "Parties")

WHEREAS the Parties hereto are parties to, or successors in interest to parties to the Daly Unit No. 3 Plan of Unit Operation made effective June 1, 1976, which is further described in Schedule "A" hereto; (such agreement including all amendments, if any, thereto hereinafter referred to as the "Unit Agreement") and

WHEREAS the Parties hereto desire to amend the Unit Agreement to provide for infill drilling on or nearby the boundary of Daly Unit No. 3.

NOW THEREFORE IN CONSIDERATION OF THE PREMISES and mutual covenants and agreements hereinafter contained and set forth, the Parties agree as follows:

1. Effective as of the date hereof, Clause 2.04 of the Unit Agreement is deleted in its entirety and replaced by the following:

2.04. Authority for Operations

The Working Interest Owners are hereby granted the right to develop and operate the Unitized Strata without regard to the provisions of the Leases or the boundary lines of the Tracts or Spacing Units in such manner and by such means and methods as the Working Interest Owners consider appropriate. Without limiting the generality of the foregoing, the Working Interest Owners shall have the right to inject any substance or combination of substances into the Unitized Strata and to convert and use as injection wells any wells now existing or hereafter drilled into the Unitized Strata.

The Working Interest Owners are also hereby granted the right, subject to Petroleum Branch approval, to pool Spacing Units located in the Unit Area with Spacing Units located outside of the Unit Area for the purpose of drilling a horizontal well. The Spacing Unit for such horizontal wells shall be deemed to be the area as specified in the Oil and Gas Act and the Crown Royalty and Incentive Regulation (Manitoba). The share of production from such horizontal wells shall be calculated using the same methodology as set out in the above-noted Act and Regulation.

The Working Interest Owners are also hereby granted the right, subject to Petroleum Branch approval, to drill horizontal or vertical injection wells within, upon, over or across the Unit boundaries and the Working Interest Owners consent to such wells being produced prior to their conversion to injection wells.

2. The foregoing revision of the Unit Agreement shall be deemed to be incorporated in and form part of the Unit Agreement as of the date of this Amending Agreement of approval by the Petroleum Branch, Growth, Enterprise and Trade, and shall govern and determine all matters therein from and after such date.
3. Save as amended by the provisions hereof, the Unit Agreement shall continue in full force and effect and is hereby ratified and confirmed by the Parties hereto.
4. This Amending Agreement may be executed in as many counterparts as are necessary and when a counterpart has been executed by each Party, all counterparts taken together shall constitute one Agreement.

5. The provisions of this Amending Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and assigns.
6. The Parties agree that the Unit Agreement shall for all purposes be construed and interpreted according to the laws of the Province of Manitoba and that the courts having jurisdiction with respect to matters relating to the Amending Agreement shall be the courts of said Province, to the jurisdiction of which courts the Parties by their execution of this Amending Agreement do hereby submit.

RE: Consent to Proposed Amendment to the Plan for Unit Operation Governing the Unitized Management Operation and Further Development of Daly Unit No. 3

Corex Resources Ltd.
Suite 3200, 700 – 2nd Street SW
Calgary, AB T2P 2W2

Attention: David McGuinness

BE IT RESOLVED that the Operating Committee authorize the Unit Operator to make application to Oil and Gas Conservation Board of the Province of Manitoba to amend the Plan for Unit Operation Governing the Unitized Management Operation and Further Development of Daly Unit No. 3 in the manner hereinafter set out.

AND BE IT FURTHER RESOLVED that such amendments are to be effective on the 1st day of October, 2016 or at the time specified by the Oil and Gas Conservation Board of the Province of Manitoba.


1. Delete Section 2.04 of Article II and replace with:

2.04. Authority for Operations

The Working Interest Owners are hereby granted the right to develop and operate the Unitized Strata without regard to the provisions of the Leases or the boundary lines of the Tracts or Spacing Units in such manner and by such means and methods as the Working Interest Owners consider appropriate. Without limiting the generality of the foregoing, the Working Interest Owners shall have the right to inject any substance or combination of substances into the Unitized Strata and to convert and use as injection wells any wells now existing or hereafter drilled into the Unitized Strata.

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The Working Interest Owners are also hereby granted the right, subject to Petroleum Branch approval, to drill horizontal or vertical injection wells within, upon, over or across the Unit boundaries and the Working Interest Owners consent to such wells being produced prior to their conversion to injection wells.

APPROVED:  DISAPPROVED: _____
(Signature of Designated Representative or Alternate)

September 15th, 2016