



Innovation, Energy and Mines

Petroleum Branch
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February 8, 2013

Ken Frankiw
Red River Oil Inc.
Suite 600, 521 – 3rd Avenue S.W.
Calgary, Alberta T2P 3T3

Dear Ken,

RE: Sinclair Unit No. 9 Project Approval

The Petroleum Branch is pleased to grant approval of Sinclair Unit No. 9 covering the whole section 30-7-29WPM in the Daly Sinclair field. The effective date for Sinclair Unit No. 9 will be March 01, 2013.

The execution pages of the Unit Agreement are signed and attached.

Red River is reminded that there is no approval yet to start water injection and separate conversion applications are required for any existing horizontals to be converted into injectors within this new Unit. Please inform the Branch 1(one) month in advance of when Red River wants to start injection so a Waterflood Order can be created and TTEF calculated, etc.

If you have any questions in respect of the applications required please contact Leo Leonen at (204) 945-6570.

Yours truly,

Keith Lowdon
Director

Cc: Engineering, Virden
Robyn Swanson, Fekete

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