

COURT / ESTATE FILE NUMBERS	25-3131451
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
	IN THE MATTER OF THE <i>BANKRUPTCY AND INSOLVENCY ACT</i> , RSC 1985, c B-3, AS AMENDED
	AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF AVILA ENERGY CORPORATION
DOCUMENT	<b>AFFIDAVIT OF DONALD BENSON</b>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MILLER THOMSON LLP Barristers and Solicitors 525-8 <sup>th</sup> Avenue SW, 43 <sup>rd</sup> Floor Calgary, AB, Canada T2P 1G1  Attention: Dustin L. Gillanders/James W. Reid  Phone: 306.667.5616/402-298-2418 Email: dgillanders@millerthomson.com/ jwreid@millerthomson.com  File No.: 0287592.0001

**AFFIDAVIT OF DONALD BENSON  
SWORN NOVEMBER 18, 2024**

I, Donald Benson, of the City of Winnipeg, in the Province of Manitoba, MAKE OATH AND SAY THAT:

1. I am the President and Chief Executive Officer ("**CEO**") of the Applicant, Avila Energy Corporation ("**Avila**") and as such, I have personal knowledge of the facts and matters deposed to herein, unless stated to be based upon information and belief, in which case I believe same to be true.
2. This Affidavit is sworn in support of the application (the "**Application**") by Avila returnable November 27, 2024, before the Court of King's Bench of Alberta (the "**Court**").
3. I have previously sworn an affidavit in these proceedings on October 7, 2024.

4. Unless otherwise stated, monetary figures in this Affidavit are expressed in Canadian dollars.

## INTRODUCTION

5. On September 20, 2024, Avila filed a notice of intention to make a proposal (the “**NOI Proceedings**”) pursuant to section 50.4(1) of *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”) and FTI Consulting Canada Inc. consented to act as proposal trustee under the BIA (in such capacity, the “**Proposal Trustee**”).
6. The NOI Proceedings are part of a planned restructuring process that Avila determined, in consultation with its professional advisors, had to be undertaken in the best interests of Avila and its stakeholders, and after identifying no viable alternative processes due to Avila’s insolvency.
7. Pursuant to section 50.4(8) of the BIA, the initial stay period under these proceedings was from September 20, 2024 to October 20, 2024.
8. On October 18, 2024 the initial stay period under these proceedings was extended from September 20, 2024 to December 2, 2024.

## NATURE OF THE APPLICATION AND OVERVIEW OF RELIEF SOUGHT

9. This Affidavit is made in support of the Application before the Court seeking the following relief, among other things:
  - (a) abridging the time for service of this Application and the supporting materials, as necessary, and deeming service thereof to be good and sufficient;
  - (b) pursuant to section 50.4(9) of the BIA, extending the time by which Avila may file a proposal to their creditors for a 45-day period from the date following the current deadline to do so such that Avila may file a proposal up to and including 11:59 p.m. (local Calgary time) on January 16, 2025, or such other date as this Honourable Court may order; and
  - (c) granting such further and other relief as counsel may request and this Honourable Court may deem appropriate.

## BACKGROUND

### *Operations and Organization*

10. Avila is an established producer, explorer and developer of energy in Canada with its head office being located in Calgary, Alberta. Attached hereto as **Exhibit "A"** is the Alberta Corporate search for Avila dated September 30, 2024.
11. Avila is the owner of roughly 125,875 acres (net) of developed and undeveloped mineral rights in Canada within a network of over 250kms of associated pipelines and natural gas processing facilities.
12. Avila is publicly listed on the Canadian Stock Exchange (CSE:VIK.CN).

### *Financial Circumstances*

13. Avila along with its predecessor company, Petro Viking Energy Inc., has been in the energy production business since 2010 acquiring the bulk of its current operational assets in 2021 from 611890 Alberta and which included, amongst other things, the operational licenses for oil and gas production (the "**Licenses**").
14. The Licenses were originally held in a wholly owed subsidiary of 611890 Alberta Ltd. named Avila Exploration and Development Ltd. ("**Avila Exploration**") and were intended to be transferred to Avila in 2021.
15. When Avila purchased the Licenses and when the Licenses were being transferred (in 2023), the Alberta Energy Regulator ("**AER**") introduced Directive 067 which outlines the eligibility requirements for acquiring and holding energy licenses and approvals in Alberta. A copy of Directive 067 is attached as hereto as **Exhibit "B"**.
16. In July 2023, the AER Applications branch approved Avila Energy Corporation for Limited Eligibility.
17. Avila could not accept the conditions for Limited Eligibility and Avila requested a Regulatory Appeal for the Limited Eligibility decision.
18. Avila has since and during the NOI Proceeding amalgamated with Avila Exploration to and holds the Licenses. The delay in the Licenses being held by Avila resulted in delay in operations.

19. Further, as of the date of the NOI Proceedings, certain producing assets of Avila had been contaminated by a third-party (by introducing H<sub>2</sub>S to its system) which caused a shut down of Avila's production facility.

***Since Filing the NOI Proceedings***

**A. Meeting with Creditors and Stakeholders**

20. Since the filing of these NOI Proceedings I have been engaging with creditors and stakeholders of Avila.
21. In particular I have had multiple conversations with the Avila board and its investors discussing the NOI Proceedings and Avila's path forward.
22. Additionally, I have engaged in extensive communications, including email correspondence and multiple telephone calls with Avila's current largest secured creditor.

**B. Transferred and Identified Assets into Avila**

23. Avila along with its management team completed the transfer of land from Quattro Exploration and Production Ltd. ("**Quattro**") to the name of Avila (the "**Lands**"). The Lands were known to be Avila property prior to the NOI Proceedings however the transfer was delayed by Quattro. A copy of the land transfer documents are attached as **Exhibit "C"**. The inclusion of the Lands will be of great benefit to Avila and its creditors.
24. As a result of the transfer of the Lands, 22 wells located at Donalda in Stettler Country which were shut in are now in compliance with the Alberta Energy Regulator requirements for producing wells and are now able to be put into production. These wells require further capital expenditure and I anticipate that this will occur from cash flow starting in January or February. Effectively, Avila has a net increase of 22 wells.

25. Since the first extension of the NOI Proceedings Avila has restored 48 wells to production.

**C. Insurance Refund**

26. Avila has been diligently working to file the requisite insurance documents to obtain a refund relating to its reporting policies. The insurance reporting forms were filed last week and the refund is impending.

D. Investigation of Assets and Investments

27. I have been diligently working with the Chief Operating Officer, Lars Glimhagen to review historical transactions and records of Avila. We have been working together to further identify the assets of Avila and the various sales and investments which occurred prior to my being appointed CEO.
28. We have reached out to former investors, board members and other stakeholders to determine the nature of certain investments and sales which took place prior to the NOI Proceedings. We continue our investigations as set out later in this affidavit and believe clarity on these issued will be to the benefit of Avila's creditors.

E. Managing Well Sites

29. On Friday November 15, 2024 TC Energy identified that the flow order for Bear Hills meter station (station 30209, LSD NW-11-45-27 4) an asset owned by Avila was nil flow starting November 14, 2024 at 10:00 AM MST. A copy of the email notice from TC Energy is attached as **Exhibit "D"**.
30. This shut down is a result of a farmer in this location accidentally ripping open a pipeline beside Avila's 5-29 facility. ATCO is currently having this repaired but it will have a slight effect on Avila's production as this pipeline will likely be shut down for one week. Ultimately, this shut down effects 32 of 48 wells in this area owned by Avila.

F. Discussions with the Alberta Energy Regulator

31. Since the filing of the NOI Proceedings I have met with the Alberta Energy Regulator and discussed the assets, wells and status of Avila.
32. These discussions were without prejudice but very positive for the ongoing operations and business of Avila.
33. On November 19, 2024, Avila along with the Proposal Trustee will be meeting with the Alberta Energy Regulator to further discuss the ongoing operations and future production and actions of Avila.

***Further Actions to Be Taken***

34. Avila is determining whether it requires the sale of certain assets in order to fund the NOI Proceedings and create a viable proposal to creditors.

35. Avila requires time to review its financial position and determine the necessity of any assets sales.
36. I understand that if Avila sells any of its assets during the NOI Proceedings it can only do so after obtaining approval from this Honourable Court.
37. Further, it has recently come to my attention that certain suspicious financial transactions may have occurred prior to my becoming CEO. These transactions in some instances resulted in prominent board members resigning over these controversial transactions and Avila suffering a monetary loss.
38. Avila requires time to complete a thorough review of the books, accounts, records and assets. It is my intention to hire a forensic auditor to review all books and records of Avila in order to determine if any recovery is plausible and/or possible. At this stage we believe recovery may be available and as such, would benefit creditors.

### **RELIEF REQUESTED**

#### ***Extension of Time to File a Proposal***

39. An extension of time for Avila to file a proposal is necessary to allow Avila to restructure its affairs, complete any asset sales and transaction if needed, conduct its forensic audit and investigation and formulate a proposal.
40. Since filing these NOI Proceedings, in addition to the actions outline above, Avila has been diligently complying with the various requirements under the BIA, including:
  - (a) preparing and analyzing the list of creditors;
  - (b) providing the Proposal Trustee with access to Avila's employees, directors and books and records;
  - (c) completing cash-flow statements;
  - (d) meeting with various creditors and stakeholders;
  - (e) reviewing assets and accounts; and
  - (f) diligently creating the framework for a successful proposal.

41. Avila is working diligently and in good faith and with a view to maximize value for its creditors and other stakeholders.
42. I understand that in order to continue to work toward the formulation and filing of a proposal, Avila requires an extension of the time period within which they may file a proposal to its creditors. In this regard:
  - (a) Avila has acted and is acting in good faith and with due diligence both in the period prior to and since filing the NOI Proceedings;
  - (b) an extension will enhance Avila's abilities to make a viable proposal;
  - (c) an extension will allow Avila to take the following steps: sell any assets as may be required to fund any proposal; investigate certain transactions taken place prior to the NOI Proceedings and complete a forensic audit; and formulate a proposal.
43. The NOI Proceedings and their continuation are in the best interests of all stakeholders, and is the most economical process to maximize value for all stakeholders and continue Avila as a going concern.
44. The updated cash flow to be filed in the NOI Proceedings supports the extension. Avila prepared cash projections which include payments and capital projects (the "**Avila Cash Projections**"). The Avila Cash Projections demonstrate significant revenues and projections. Copies of the Avila Cash Projections for Natural Gas at \$2.00 and \$2.50, are attached as **Exhibits "E" and "F"**.
45. I do not believe that an extension will prejudice any of the creditors.
46. The Proposal Trustee is supportive of the Application.

**CONCLUSION**

47. I swear this Affidavit in support of the Application and any other proper purpose in connection with these NOI proceedings.

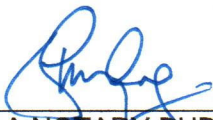
✓ ~~SWORN~~ **AFFIRMED** ✓  
BEFORE ME at the City of )  
Winnipeg in the Province of Manitoba, )  
this 18<sup>th</sup> day of November, 2024. )  
)  
)  
)  
)  
)  
)  
)

\_\_\_\_\_  
A Notary Public in and for the Province  
of Manitoba

  
\_\_\_\_\_  
**DONALD BENSON**



This is Exhibit "A" referred to in the Affidavit of Donald Benson sworn before me this 18<sup>th</sup> day of November 2024 **AFFIRMED**



---

A NOTARY PUBLIC IN AND FOR MANITOBA



# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2024/09/30  
 Time of Search: 09:39 AM  
 Search provided by: MILLER THOMSON LLP - CALGARY  
 Service Request Number: 43030005  
 Customer Reference Number: 0287592.0001

**Corporate Access Number:** 2015117605  
**Business Number:** 818976268  
**Legal Entity Name:** AVILA ENERGY CORPORATION

## Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
NEW WEST ENERGY INC.	2010/01/25
PETRO VIKING ENERGY INC.	2021/12/03

**Legal Entity Status:** Active  
**Alberta Corporation Type:** Named Alberta Corporation  
**Registration Date:** 2010/01/13 YYYY/MM/DD  
**Date of Last Status Change:** 2018/02/14 YYYY/MM/DD

**Revival/Restoration Date:** 2018/02/14 YYYY/MM/DD

## Registered Office:

**Street:** 201-1439 17 AVE SE  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2G1J9

## Records Address:

**Street:** 201-1439 17 AVE SE  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2G1J9

**Email Address:** INFO@AVILAEXPL.COM

## Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
VAN BETUW	LEONARD			83 DISCOVERY RIDGE MOUNT	CALGARY	ALBERTA	T3H5G2	LEONARD@AVILAEXPL.COM

**Directors:**

**Last Name:** DECTER  
**First Name:** JEFF  
**Street/Box Number:** 779 RANCHVIEW CIRCLE NW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T3G1B1

**Last Name:** LUCERO  
**First Name:** DANIEL  
**Street/Box Number:** 093 TACASALUMA  
**City:** MONTELIBANO  
**Country:** COLOMBIA

**Last Name:** VALENTINE  
**First Name:** CHRIS  
**Street/Box Number:** 2305 CALLE LAUREL APT PH1001  
**City:** SAN JUAN  
**Postal Code:** 00912  
**Country:** PUERTO RICO

**Last Name:** VAN BETUW  
**First Name:** LEONARD  
**Middle Name:** B.  
**Street/Box Number:** 83 DISCOVERY RIDGE MOUNT  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T3H5G2

**Transfer Agents:**

**Legal Entity Name:** COMPUTERSHARE TRUST COMPANY OF CANADA  
**Corporate Access Number:** 309229359  
**Street:** 800-324 8 AVE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P2Z2

**Details From Current Articles:**

**The information in this legal entity table supersedes equivalent electronic attachments**

**Share Structure:** SEE ATTACHED SCHEDULE "A"  
**Share Transfers Restrictions:** NONE  
**Min Number Of Directors:** 3  
**Max Number Of Directors:** 15

**Business Restricted To:** NONE  
**Business Restricted From:** NONE  
**Other Provisions:** SEE ATTACHED SCHEDULE "B"

**Holding Shares In:**

<b>Legal Entity Name</b>
PETRO VIKING MANAGEMENT CORP.

**Other Information:**

**Last Annual Return Filed:**

File Year	Date Filed (YYYY/MM/DD)
2023	2023/09/15

**Outstanding Returns:**

Annual returns are outstanding for the 2024 file year(s).

**Filing History:**

List Date (YYYY/MM/DD)	Type of Filing
2010/01/13	Incorporate Alberta Corporation
2010/04/07	Name/Structure Change Alberta Corporation
2017/03/02	Status Changed to Start for Failure to File Annual Returns
2017/07/02	Status Changed to Struck for Failure to File Annual Returns
2018/02/14	Initiate Revival of Alberta Corporation
2018/02/14	Complete Revival of Alberta Corporation
2020/02/20	Update BN
2021/12/03	Name Change Alberta Corporation
2022/10/07	Update Plan of Arrangement - No Amendment
2023/02/06	Change Agent for Service
2023/02/06	Change Address
2023/09/15	Change Director / Shareholder
2023/09/15	Enter Annual Returns for Alberta and Extra-Provincial Corp.

**Attachments:**

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
<a href="#">Share Structure</a>	ELECTRONIC	2010/01/13
<a href="#">Other Rules or Provisions</a>	ELECTRONIC	2010/01/13
<a href="#">Other Rules or Provisions</a>	ELECTRONIC	2010/04/07

Articles/Plan of Arrangement/Court Order	10000407142523593	2022/10/07
Letter - Spelling Error	10000507138681915	2023/01/17

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



This is Exhibit "B" referred to in the Affidavit of Donald Benson sworn before me this 18<sup>th</sup> day of November 2024 <sup>for</sup> AFFIRMED



---

A NOTARY PUBLIC IN AND FOR MANITOBA



# Directive 067

**Release date: March 15, 2024**

**Effective date: March 15, 2024**

**Replaces previous edition issued April 13, 2023**

## Eligibility Requirements for Acquiring and Holding Energy Licences and Approvals

---

### Contents

1	Introduction	2
2	Business Associate Codes .....	2
3	Licence Eligibility Types .....	2
4	Obtaining General Licence Eligibility .....	3
4.1	Residency Requirements .....	4
4.2	Insurance .....	4
4.3	Fee .....	5
4.4	Financial Information .....	5
4.5	Unreasonable Risk.....	6
5	Maintaining Licence Eligibility .....	7
6	Restriction of Licence Eligibility .....	9
7	Application to Amend Licence Eligibility .....	9

---

## 1 Introduction

Acquiring and holding a licence or approval for energy development in Alberta is a privilege, not a right. The *Oil and Gas Conservation Act*, *Pipeline Act*, *Geothermal Resource Development Act*, *Mineral Resource Development Act*, *Oil and Gas Conservation Rules*, *Pipeline Rules*, *Geothermal Resource Development Rules*, *Brine-Hosted Mineral Resource Development Rules*, and *Rock-Hosted Mineral Resource Development Rules* contain requirements related to eligibility for acquiring and holding licences and approvals. This directive expands on those requirements.

This edition complements new functionality for submitting the required financial information (Schedule 3) in OneStop and requirements to clarify the process and timing for licensees and parent companies for information submission.

This directive has been amended to support the AER's expanded mandate to regulate geothermal and mineral resources and includes references to the various acts and rules.

## 2 Business Associate Codes

The *Oil and Gas Conservation Act*, *Pipeline Act*, *Geothermal Resource Development Act*, and *Mineral Resource Development Act* require that a person (which includes a corporation) hold a subsisting identification code in order to apply to the AER for a licence or approval under those acts. The AER has referred to these as business associate (BA) codes. The AER no longer issues BA codes. These are issued through Petrinex.

- 1) Any party that seeks to apply for and hold AER licences or approvals must first apply for and obtain a BA code through Petrinex ([www.petrinex.ca](http://www.petrinex.ca)). Parties who hold a BA code are not permitted to hold AER licences or approvals unless the AER has determined they are eligible to do so.

## 3 Licence Eligibility Types

The AER may grant licence eligibility with or without restrictions, terms, and conditions, or it may refuse to grant licence eligibility. There are three licence eligibility types:

- **No Eligibility:** Not eligible to acquire or hold licences or approvals for wells, facilities, or pipelines.
- **General Eligibility:** Eligible to acquire or hold licences and approvals for all types of wells, facilities, or pipelines.
- **Limited Eligibility:** Eligible to acquire or hold only certain types of licences and approvals, or eligibility is subject to certain terms and conditions.



Restrictions, terms, and conditions may include

- the types of licences or approvals that may be held,
- the number of licences or approvals that may be held,
- additional scrutiny required at the time of application for or transfer of a licence or approval,
- requirement to provide security,
- requirements regarding the minimum or maximum working interest percentage permitted,
- a requirement to address outstanding noncompliances of current or former AER licensees that are directly or indirectly associated with the applicant or its directors, officers, or shareholders, and
- anything else the AER considers appropriate in the circumstances.

#### **4 Obtaining General Licence Eligibility**

Once a person has a BA code, they may apply to the AER for licence eligibility by submitting schedules 1 and 3 (and 2, if applicable) through the designated information submission system. Upon review of the information provided, the AER may request additional information, including reserves information. The AER may audit the information provided for accuracy and completeness at any time before or after granting eligibility.

Requests for licence eligibility that do not contain all the information required will be summarily closed.

The AER will assess the information provided in the application, along with any other relevant information, and will determine whether the applicant meets the eligibility requirements for acquiring and holding AER licences or approvals.

- 2) An applicant must be an individual or a corporation that meets the requirements of section 20 of the *Oil and Gas Conservation Act*, section 21 of the *Pipeline Act*, section 7(2) of the *Geothermal Resource Development Act*, section 9(2) of the *Mineral Resource Development Act*, or section 7 of the *Rock-Hosted Mineral Resource Development Rules*.
- 3) An applicant must sign a declaration attesting to the truth and completeness of the application, consenting to the release and collection of compliance information regarding the applicant from other jurisdictions and regulators as applicable, and attorning to the jurisdiction of Alberta (Schedule 1).

#### 4.1 Residency Requirements

- 4) An applicant must
- a) be resident in Alberta, as defined in section 1.020(2.1) of the *Oil and Gas Conservation Rules*, section 1(6) of the *Pipeline Rules*, section 2 of the *Geothermal Resource Development Rules*, section 2 of the *Brine-Hosted Mineral Resource Development Rules*, and section 2 of the *Rock-Hosted Mineral Resource Development Rules*; or
  - b) appoint an agent that is resident in Alberta (schedule 2) and have that appointment approved by the AER, as required by section 91 of the *Oil and Gas Conservation Act*, section 19 of the *Pipeline Act*, section 20 of the *Geothermal Resource Development Act*, and section 49 of the *Mineral Resource Development Act*; or
  - c) be exempt from the resident/agent requirement (granted under specific circumstances set out in section 1.030 of the *Oil and Gas Conservation Rules*, section 1.1 of the *Pipeline Rules*, section 5 of the *Geothermal Resource Development Rules*, section 6 of the *Brine-Hosted Mineral Resource Development Rules*, and section 6 of the *Rock-Hosted Mineral Resource Development Rules*).

For these purposes, “resident” means,

- in the case of an individual, having their home in and being ordinarily present in Alberta or,
  - in the case of a corporation, having a director, officer, or employee that has their home in and is ordinarily present in Alberta and is authorized to make decisions about the licensing and the operating of the well, facility, or pipeline and about implementing the directions of the AER regarding the well, facility, or pipeline.
- 5) Both the applicant and the agent (if appointed) must meet all the licence eligibility requirements set out in this directive.

#### 4.2 Insurance

- 6) At the time of applying for licence eligibility, applicants must have and maintain comprehensive general liability insurance with minimum coverage of \$1 000 000.
- 7) Applicants must submit a certificate of proof of insurance or a statement of the insurer describing the coverage, effective date, and termination date of the insurance.
- 8) Should eligibility be granted, the licensee or approval holder must maintain reasonable and appropriate insurance coverage for the operations of the company, including
  - a) pollution coverage sufficient to cover the cost of removal and cleanup operations required as a result of an incident, and

- b) sufficient coverage for loss or damage to property or bodily injury caused during operations.
- 9) Unless otherwise authorized, an applicant, licensee, or approval holder must have insurance issued from a company registered in Alberta to provide insurance in Alberta.
- 10) Upon request, information regarding coverage and content of the insurance must be provided.

The AER may require the licensee, or approval holder to obtain additional insurance; at all times, the licensee is solely responsible for maintaining appropriate levels of insurance given the nature and scope of operations.

#### 4.3 Fee

For most licence eligibility types, a fee is required. The amount of the fee is prescribed in section 17.010 of the *Oil and Gas Conservation Rules*, Schedule 1 of the *Geothermal Resource Development Rules*, Schedule 1 of the *Brine-Hosted Mineral Resource Development Rules*, and the schedule to the *Rock-Hosted Mineral Resource Development Rules* and may be waived or varied by the AER if circumstances warrant.

Applications that do not include the required fee will be summarily closed.

#### 4.4 Financial Information

Financial statements and financial summary (Schedule 3) will be used by the AER to

- assess licensee eligibility,
  - assess the capabilities of licensees and approval holders to meet their regulatory and liability obligations throughout the energy development life cycle,
  - administer our liability management programs, and
  - ensure the safe, orderly, and environmentally responsible development of energy resources in Alberta throughout their life cycle.
- 11) An applicant must submit a complete financial summary (Schedule 3) through the designated information submission system.
    - a) Full audited financial statements must be submitted when available, matching the totals in Schedule 3. If audited statements are not available, those prepared by management may be acceptable.
    - b) In the case of an applicant that is a new company with no financial history, details of financing must be provided (Schedule 3).

- c) If the financial records of the applicant are consolidated into another corporation's consolidated financial statements (the "parent corporation"), then a financial summary (Schedule 3) for the parent corporation and its consolidated financial statements must also be submitted.

Upon review of the information provided, the AER may request additional information. Financial information provided to the AER under this requirement will be kept confidential for the period outlined in section 12.152(2) of the *Oil and Gas Conservation Rules*, section 94 of the *Geothermal Resource Development Rules*, section 102 of the *Brine-Hosted Mineral Resource Development Rules*, and section 41 of the *Rock-Hosted Mineral Resource Development Rules*.

#### 4.5 Unreasonable Risk

12) An applicant must not, in the AER's opinion, pose an unreasonable risk.

In assessing whether the applicant, licensee, or approval holder poses an unreasonable risk, the AER may consider any of the following factors:

- failure to maintain in Alberta persons who are authorized to make decisions and take actions on behalf of the licensee or approval holder to address any matters or issues that arise in respect of the wells, well sites, facilities, facility sites, or pipelines of the licensee or approval holder
- the compliance history of the applicant, licensee, or approval holder, including its directors, officers, and shareholders in Alberta and elsewhere
- the compliance history of entities currently or previously associated or affiliated with the applicant, licensee, or approval holder or its directors, officers, and shareholders
- outstanding noncompliances of current or former AER licensees or approval holders that are directly or indirectly associated or affiliated with the applicant, licensee, or approval holder or its directors, officers, or shareholders
- the experience of the applicant, licensee, or approval holder and its directors, officers, and shareholders
- corporate and ownership structure
- working interest participant arrangements, including participant information and proportionate shares
- the financial health of the applicant, licensee, or approval holder and entities currently associated or affiliated with the applicant, licensee, or approval holder or its directors, officers, and shareholders

- the assessed capability of the applicant, licensee, or approval holder to meet its regulatory and liability obligations throughout the energy development life cycle, including financial capability
- the assessed ability of the applicant, licensee, or approval holder to provide reasonable care and measures to prevent impairment or damage in respect of a well, well site, facility, facility site, or pipeline
- outstanding debts owed to AER or the Orphan Fund by the applicant, licensee, or approval holder or by current or former AER licensees or approval holders that are directly or indirectly associated or affiliated with the applicant, licensee, or approval holder or its directors, officers, or shareholders
- outstanding debts owed for municipal taxes, surface lease payments, or public land disposition fees or rental payments by the applicant, licensee, or approval holder or by current or former AER licensees, or approval holders that are directly or indirectly associated or affiliated with the applicant, licensee, or approval holder or its directors, officers, or shareholders
- being or having been subject to or initiating insolvency proceedings (which includes bankruptcy proceedings, receivership, notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*, proceedings under the *Companies Creditors Arrangement Act*)
- involvement of the applicant, licensee, or approval holder's directors, officers, or shareholders in entities that have initiated or are or have been subject to insolvency proceedings
- cancellation of or significant reduction to insurance coverage
- naming of directors, officers, or shareholders of the applicant, licensee, or approval holder in a declaration made under section 106 of the *Oil and Gas Conservation Act*, section 51 of the *Pipeline Act*, section 25 of the *Geothermal Resource Development Act*, and section 24 of the *Mineral Resource Development Act*
- any other factor the AER considers appropriate in the circumstances.

## **5 Maintaining Licence Eligibility**

- 13) All existing licensees or approval holders must meet licence eligibility requirements (section 4) on an ongoing basis and ensure that the information the AER has on file is kept accurate.
- 14) Licensees and approval holders must submit financial statements (audited or management-prepared) for the licensee and any parent corporation (if applicable) and a financial summary (Schedule 3) annually through the designated information submission system. These are due on the earliest of the following dates:
  - a) once finalized,

- b) within 180 days of fiscal year-end, or
- c) as directed by the AER.

Licensees are responsible for ensuring that submissions are received before the deadlines.

Licensees should verify that the data has been received by checking OneStop before the deadlines.

- 15) Licensees and approvals holders must have and maintain at all times an official regulatory email address that is frequently monitored for regulatory communication with the AER.
- 16) Licensees and approval holders must notify the AER immediately in any of the following cases:
  - a) General or emergency contact information has changed (submit updated Schedule 1, sections A and B).
  - b) Insurance coverage is cancelled or significantly reduced.
  - c) They are ceasing their operations.
  - d) They initiate or are subject to insolvency proceedings, liquidation, or dissolution.

The AER encourages any licensee considering ceasing its operations, initiating insolvency proceedings, liquidation, or dissolution to contact the AER and to engage their working interest participants in their plans.

- 17) Licensees and approval holders must notify the AER within 30 days of defaulting on debt or violating debt covenants.
- 18) An updated Schedule 1 and any associated documents must be provided within 30 days of any material change, which includes the following:
  - a) changes to legal status and corporate structure
  - b) addition or removal of a related corporate entity
  - c) amalgamation, merger, or acquisition
  - d) changes to directors, officers, or shareholders directly or indirectly holding 20% or more of the outstanding voting securities of the licensee or approval holder
  - e) plan of arrangement or any other transaction that results in a significant change to the operations of the licensee
  - f) the sale of all or substantially all of the licensee's assets
  - g) a significant change to working interest participant arrangements, including participant information and proportionate shares

- h) the licensee or approval holder has initiated or is subject to liquidation, dissolution, or insolvency proceedings or has ceased their operations
- i) cancellation of or significant reduction to insurance coverage

Before effecting a material change, a licensee or approval holder may request an advance determination on whether the AER would consider the proposed change to result in the licensee or approval holder posing an unreasonable risk (see section 4.5).

The AER may request additional information following a material change to assess whether a licensee or approval holder poses an unreasonable risk (see section 4.5).

## **6 Restriction of Licence Eligibility**

There are three main circumstances in which the AER may revoke or restrict licence eligibility:

- Failure to provide complete and accurate information or to update that information as required and within the prescribed timelines.
- A finding by the AER that the licensee or approval holder poses an unreasonable risk.
- The licensee fails to acquire or hold licences or approvals within one year following granting of licence eligibility.

If a party already holds licences or approvals, licence eligibility will be restricted. If the party had general eligibility, it will be changed to limited eligibility, and additional terms or conditions may be imposed. If the licensee or approval holder has limited eligibility, licensee eligibility may be further restricted to impose additional terms or conditions.

If a party does not hold licences or approvals, licence eligibility will be revoked. The party will have to reapply under this directive for licence eligibility.

## **7 Application to Amend Licence Eligibility**

Application to amend licence eligibility will require reapplication under this directive, which may include payment of an additional fee and may result in the imposition of restrictions, terms, or conditions.

This is Exhibit "C" referred to in the Affidavit of Donald Benson ~~sworn~~ before me this 18<sup>th</sup> day of November 2024 **AFFIRMED**



---

A NOTARY PUBLIC IN AND FOR MANITOBA





Alberta



025

Do not write or staple in the above barcoded area

EST 132 2024/11/15 WORD  
F00EWYQ 55.00

DRR #: F00EWYQ Version #: 1 Access Code: 50877

# Document Registration Request

Box 7575 Calgary  
Alberta T2P 2R4  
Telephone (403) 297-6511

Box 2380 Edmonton  
Alberta T5J 2T3  
Telephone (780) 427-2742

Name: AVILA ENERGY CORPORATION

Create Date: 2024-11-15

Address: SUITE 2500 500 4TH AVENUE SW  
CALGARY, ALBERTA  
T2P0V6

Payment Method: Counter Client

Return By Mail

Telephone Number: 587-228-7070

Customer's Special Instructions:  
No instructions specified.

Priority	Document Type	Land IDs	Comments	Other Services
1	TRANSFER OF LAND - LIFE ESTATE	75TR;OT		

This DRR will not appear in the Pending Registration Queue (PRQ) until Land Titles receives a printed copy of this DRR with the original documents or the RR is electronically submitted through Alberta Land Titles Online (ALTO). Please note that any errors or omissions may result in loss of priority in the PRQ.

This information is being collected for the purposes of land titles records in accordance with the Land Titles Act. Questions about the collection of this information can be directed to the Freedom of Information And Protection of Privacy Co-ordinator for Service Alberta, Box 3140, Edmonton, Alberta T5J 2G7, (780) 427-2742.

Refunds of overpayments will not be issued if less than \$5.00.



LAND TITLES (SOUTH)  
2ND FLOOR 710 - 4 T2P0K3  
CALGARY AB  
20294207  
QC2029420701

SALE

11-15-2024 15:14:09 RF  
Acct # \*\*\*\*\*9902 Card Type VI  
Exp Date \*\*/\*\*  
A0000000034070  
VISA CREDIT

Trace # 1806  
Inv. # 1  
Auth # 022724 RRN 001002732

Sale \$55.00  
**TOTAL \$55.00**

+++++  
001 APPROVED-THANK YOU  
+++++

Retain this copy for your records  
Customer copy



\$55.00  
F00EWYQ



Transfer of Land  
FORM 8  
Land Titles Act  
Section 64

Land Titles and Surveys

I, Quattro Exploration and Production Ltd.

being registered owner of an estate in fee simple (leasehold, life estate), subject to registered encumbrances, liens and interests, if any, in all that land described as follows:

FILED PLAN 75 TR, MERIDIAN 4 RANGE 18 TOWNSHIP 41  
SECTION 19, ALL THAT PORTION OF THE NORTHEAST QUARTER, CONTAINING 2.70 ACRES MORE OR LESS, TAKEN FOR COMPRESSOR SITE, AND SHOWN AS AREA A  
EXCEPTING THEREOUT ALL MINES AND MINERALS AND THE RIGHT TO WORK THE SAME  
ESTATE: FEE SIMPLE MUNICIPALITY: COUNTY OF STETTLER NO. 6

do hereby, in consideration of (the sum of) (\$ 1.00 ) Dollars

transfer to:

AVILA ENERGY CORPORATION  
SUITE 2500, 500 4TH AVENUE SW.  
CALGARY, ALBERTA  
T2P 0V6

all my (our) estate and interest in that piece of land.

IN WITNESS WHEREOF I (we) have hereunto subscribed (affixed) my (our, its) name(s) (and corporate seal by its proper officers).

this 15 OF NOVEMBER 2024

SIGNED by the above named

LEONARD B VAN BETHUN

(Transferor sign here)

in the presence of

JOANNE K VILLAMARIN

\_\_\_\_\_  
(Transferor sign here)

(Witness sign here)

Consent of Spouse

FORM A  
Dower Act  
Sections 4 and 6

I, ---- CORPORATE SALE ---- NOT APPLICABLE ---- being married to the above named  
do hereby give my consent to the  
disposition of our homestead, made in the instrument, and I have executed this document for the purpose of giving  
up my life estate and other dower rights in the property given to me by the DOWER ACT, to the extent necessary  
to give effect to the disposition.

\_\_\_\_\_  
(Signature of Spouse)

**Affidavit of Attestation of an Instrument**

Form 31  
Land Titles Act  
Sections 155 and 156

I, JOANNE K. VILLAMARIN  
of CITY OF CALGARY in the PROVINCE OF ALBERTA

make oath and say:

1. I was personally present and did see

LEONARD VAN BETUW

who is (are) known to me to be the person(s) named in the within instrument, duly sign the instrument;

OR

I was personally present and did see

who, on the basis of the identification provided to me, I believe to be the person(s) named in the within instrument, duly sign the instrument;

2. The instrument was signed at CITY OF ALBERTA, in the PROVINCE OF ALBERTA

and I am subscribing witness thereto;

3. I believe the person(s) whose signature I witnessed is (are) at least eighteen (18) years of age.

SWORN before me at CITY OF CALGARY  
in the PROVINCE OF ALBERTA  
this 15 day of NOVEMBER, 2024

JOANNE K. VILLAMARIN  
Rola Haymour  
(Print or Stamp Name of Commissioner)

[Signature]  
(Witness Sign Here)  
  
(Expiry Date of Commission or Office)

**ROBA HAYMOUR**  
A Commissioner for Oaths  
In and for the Province of Alberta  
My Commission expires January 16, 2025

### Affidavit Verifying Corporate Signing Authority

Form 31.1  
Land Titles Act  
Section 161

I, Leonard B. Van Betuw, of Calgary Alberta, in the capacity of Director, in the City of Calgary and Province of Alberta,

make oath and say:

1. As an Officer and Director of Quattro Exploration and Production Ltd. named in the within or annexed instrument (or caveat).
2. I was authorized by the Corporation to execute corporate instruments (or caveats) without affixing a corporate seal.

SWORN before me at CITY OF CALGARY

in the PROVINCE OF ALBERTA.

This 15 day of NOVEMBER, 2024

LEONARD B. VAN BETUW

*[Signature]*  
(Signature of Officer or Director)

*[Signature]*  
(Print or Stamp Name of Commissioner)

\_\_\_\_\_  
(Expiry Date of Commission or Office)

ROBA HAYMOUR  
A Commissioner for Oaths  
In and for the Province of Alberta  
My Commission expires January 16, 2027

**AFFIDAVIT OF TRANSFEREE**

CANADA )  
PROVINCE OF ALBERTA )  
TO WIT )

**AFFIRM**  
or

I, **Donald Benson**, of the City of Winnipeg, in the Province of Manitoba, ~~make oath~~ and say:

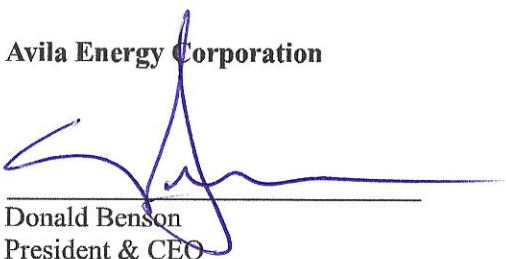
1. I am an agent of the Transferee named in the within the Transfer and I know the land therein described.
2. I know the circumstances of the said Transfer, and true consideration paid by the Transferee is \$1.00;
3. The present value\* of the land\*\*, in my opinion is \$800.00

\*"Value" means the dollar amount that the land might be expected to realize if it were sold on the open market by a willing seller to a willing buyer.

\*\*"Land" includes buildings and all other improvements affixed to the land.

As of 14 November 2024

**Avila Energy Corporation**



Donald Benson  
President & CEO



**AFFIRMED** ~~SWORN~~ before me at the City of Winnipeg,  
In the Province of Manitoba, this 14<sup>th</sup> day  
of November 2024.

Notary Public

LARRY NASPITZ

Name (print)



This is Appendix "A" to the Statutory Declaration of Leonard B. Van Betuw  
 declared before me on the 15 day of November, 2024 year

FORM A.2

*Roba Haymour*  
 A Commissioner for Oaths in and for Alberta

**ROBA HAYMOUR**  
 A Commissioner for Oaths  
 In and for the Province of Alberta  
 My Commission expires January 16, 2027

NOTE: This Appendix is necessary only for a corporation with share capital. Limited Partnerships, Banks, Trust Companies and Insurance Companies do not have to complete this Appendix

**SHAREHOLDERS** of Avila Energy Corporation owing more than 5%

List of Shareholders owning 5% or more of the outstanding shares:  Name and Full Address	Non-foreign controlled corporation, Canadian Citizen or Permanent Resident <sup>1</sup> YES or NO	Number and Class of Shares	% of Total Outstanding Shares	To the best of my knowledge the shareholder is the Beneficial Owner and controls the rights attached to the shares YES or NO <sup>2</sup>
Leonard B. Van Betuw Suite 800 900 6th Avenue SW. Calgary, Alberta T2P 3K2	YES <input type="checkbox"/>	48,520,333	21.42%	YES <input type="checkbox"/>

<sup>1</sup> If a permanent resident(s), the following information is required:

Date Landed: (M/D/Y) \_\_\_\_\_, Port of Entry: \_\_\_\_\_  
 Birth Date: (M/D/Y) \_\_\_\_\_, and his (her or their) previous country of permanent residency was: \_\_\_\_\_.

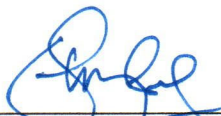
<sup>2</sup> If any of the shares are held in trust or any of the rights attached to the shares are controlled through a contract or other arrangement by a person who does not own the share then list the person(s), who is (are) the ultimate beneficial owner(s) or who controls the rights attached to the shares, stating his (her or their) citizenship status and if a permanent resident the information as in the one above.

List of Beneficial Owners of, or owners of the rights attached to, 5% or more of the outstanding shares:

Name	Address	Citizenship Status

This information is being collected to determine eligibility to acquire an interest in controlled land pursuant to the provisions of the Agricultural and Recreational Land Ownership Act, the Foreign Ownership of Land Regulations and the Land Titles Act. Questions may be directed to: Director, Foreign Ownership of Land Administration, 3<sup>rd</sup> Floor, John E. Brownlee Building, 10365 - 97 Street, Edmonton, Alberta T5J 3W7, Telephone: (780) 427-6584, Fax: (780) 427-0938.

This is Exhibit "D" referred to in the Affidavit of Donald Benson <sup>sworn</sup> before me this 18<sup>th</sup> day of November 2024 **AFFIRMED**



---

A NOTARY PUBLIC IN AND FOR MANITOBA



---

**From:** "Krista Dunn" <krista\_dunn@tcenergy.com>  
**To:** "dale" <dale.h@avilaenergy.com>, dbenson57@shaw.ca, "Hammerdownltd" <HammerDownltd@hotmail.com>  
**Cc:** "Mahoney, Kristyn" <Kristyn.Mahoney@atco.com>, "Hong, Chris" <Chris.Hong@atco.com>, "Forman, Tanner" <tanner.forman@atco.com>, "Tim Gormley" <tim\_gormley@tcenergy.com>, "Parker Nesdoly" <parker\_nesdoly@tcenergy.com>, "Mehta, Vividh" <vividh.mehta@atco.com>, "Tyler Cook" <tyler\_cook@tcenergy.com>, "Jim Tran" <jim\_tran@tcenergy.com>



**Sent:** Friday, November 15, 2024 9:33:00 AM  
**Subject:** F3021 Flow Order Bear Hills MS (Nov 14 - TBD)

Good morning Dale,

Please find attached the flow order for Bear Hills meter station (station 30209, LSD NW-11-45-27 4). The flow order is for nil flow starting November 14, 2024 at 10:00 AM MST. I do not have an end date at this time but we will keep you up to date once we have more information.

Thank you,

**Krista Dunn, P.Eng**  
Outage Coordinator  
Operations Planning West

[krista\\_dunn@tcenergy.com](mailto:krista_dunn@tcenergy.com)  
mobile: 403-831-5672



450 – 1 Street S.W. Calgary, AB  
Canada, T2P 5H1

[TCEnergy.com](http://TCEnergy.com)

We respect your right to choose which electronic messages you receive. To stop receiving this and similar communications from TC Energy please [Click here to unsubscribe](#). If you are unable to click the request link, please reply to this email and change the subject line to "UNSUBSCRIBE". This electronic message and any attached documents are intended only for the named addressee(s). This communication from TC Energy may contain information that is privileged, confidential or otherwise protected from disclosure and it must not be disclosed, copied, forwarded or distributed without authorization. If you have received this message in error, please notify the sender immediately and delete the original message. Thank you.

Nous respectons votre droit de choisir les messages électroniques que vous recevez. Pour ne plus recevoir ce message et des communications similaires de TC Énergie, veuillez [cliquer ici pour vous désabonner](#). Si vous ne pouvez pas cliquer sur le lien de demande, veuillez répondre à ce courriel avec l'objet « DÉSABONNEMENT ». Ce message électronique et tous les documents joints sont destinés uniquement aux destinataires nommés. Cette communication de TC Énergie pourrait contenir de l'information privilégiée, confidentielle ou autrement protégée de la divulgation, et elle ne doit pas être divulguée, copiée, transférée ou distribuée sans autorisation. Si vous avez reçu ce message par erreur, veuillez en aviser immédiatement l'expéditeur et supprimer le message initial. Merci.

Respetamos el derecho de elegir los mensajes electrónicos que desea recibir. Para dejar de recibir estos comunicados y otros similares de TC Energía [haga clic aquí para cancelar la suscripción](#). Si no puede hacer clic en el enlace, responda este correo y cambie el asunto a "CANCELAR SUSCRIPCIÓN". Este mensaje electrónico y los documentos adjuntos están dirigidos solo a los destinatarios indicados. Este comunicado puede contener información de TC Energía privilegiada, confidencial, o bien protegida contra su divulgación, por lo que no se debe divulgar, copiar, reenviar ni distribuir sin autorización. Si recibió este mensaje por error, notifique de inmediato al remitente y borre el mensaje original. Gracias.

[EXTERNAL EMAIL / COURRIEL EXTERNE]

Please report any suspicious attachments, links, or requests for sensitive information.

Veillez rapporter la présence de pièces jointes, de liens ou de demandes d'information sensible qui vous semblent suspects.



<F3021 Flow Order - Bear Hills.pdf>

This is Exhibit "E" referred to in the Affidavit of Donald Benson ~~sworn~~ before me this 18<sup>th</sup> day of November 2024 **AFFIRMED**

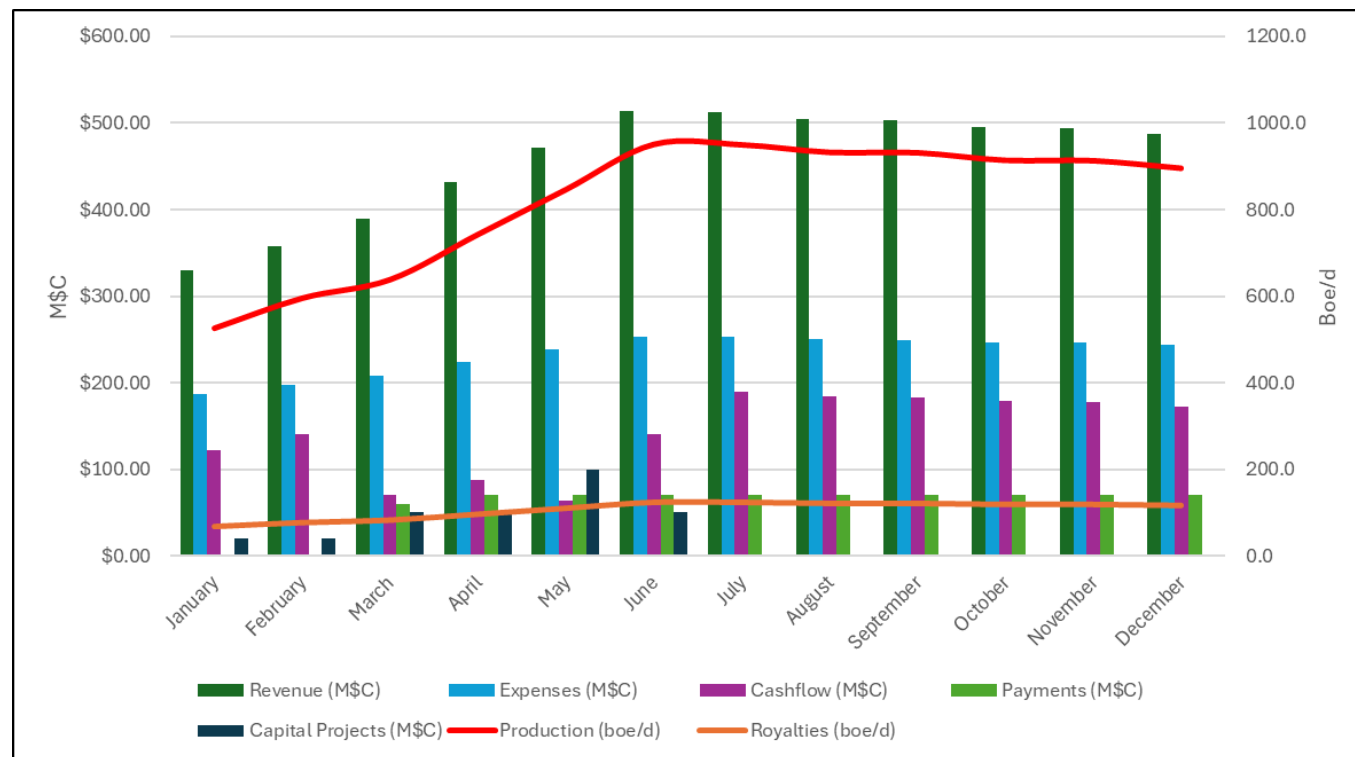


---

A NOTARY PUBLIC IN AND FOR MANITOBA



## 2025 PROJECTED CASHFLOW – NATURAL GAS \$2.00



	2025												
	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>Production (boe/d)</b>	525.0	595.0	638.0	743.0	847.0	952.0	951.0	933.5	932.5	915.0	914.0	896.5	<b>820.2</b>
<b>Royalties (boe/d)</b>	68.3	77.4	82.9	96.6	110.1	123.8	123.6	121.4	121.2	119.0	118.8	116.5	<b>106.6</b>
<b>Revenue (M\$C)</b>	\$329.95	\$358.22	\$389.06	\$431.48	\$471.80	\$514.21	\$512.13	\$505.06	\$502.97	\$495.90	\$493.81	\$486.74	<b>\$5,491.33</b>
<b>Expenses (M\$C)</b>	\$187.30	\$197.50	\$208.60	\$223.90	\$238.45	\$253.75	\$253.00	\$250.45	\$249.70	\$247.15	\$246.40	\$243.85	<b>\$2,800.05</b>
<b>Payments (M\$C)</b>	\$0.00	\$0.00	\$60.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	<b>\$690.00</b>
<b>Capital Projects (M\$C)</b>	\$20.00	\$20.00	\$50.00	\$50.00	\$100.00	\$50.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$290.00</b>
<b>Cashflow (M\$C)</b>	<b>\$122.65</b>	<b>\$140.72</b>	<b>\$70.46</b>	<b>\$87.58</b>	<b>\$63.35</b>	<b>\$140.46</b>	<b>\$189.13</b>	<b>\$184.61</b>	<b>\$183.27</b>	<b>\$178.75</b>	<b>\$177.41</b>	<b>\$172.89</b>	<b>\$1,711.28</b>

\* Assumptions: \$2.00 Natural Gas Price, \$80 Heavy Oil Crude and \$85 NGLs price.

This is Exhibit "F" referred to in the Affidavit of Donald Benson sworn before me this 18<sup>th</sup> day of November 2024

*sworn*  
**AFFIRMED**

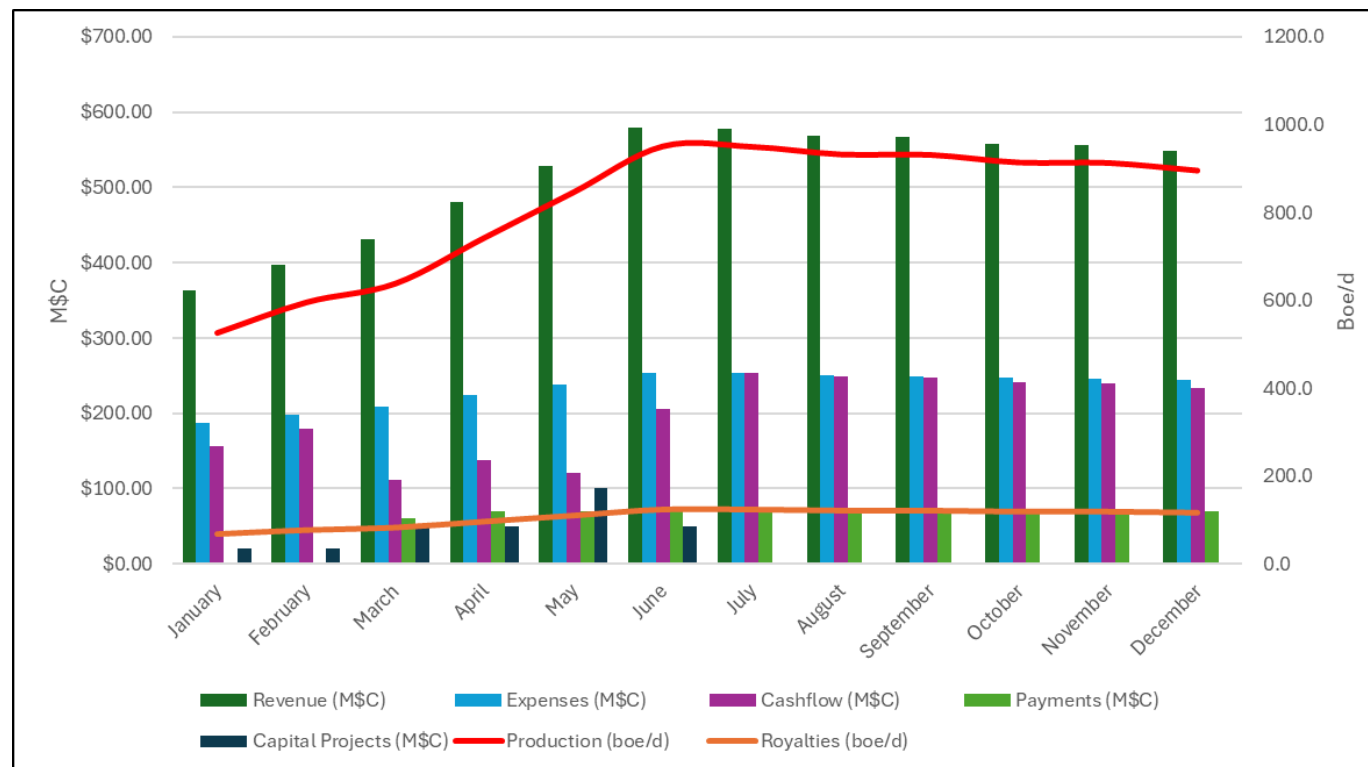


---

A NOTARY PUBLIC IN AND FOR MANITOBA



## 2025 PROJECTED CASHFLOW – NATURAL GAS \$2.50



	2025												
	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>Production (boe/d)</b>	525.0	595.0	638.0	743.0	847.0	952.0	951.0	933.5	932.5	915.0	914.0	896.5	<b>820.2</b>
<b>Royalties (boe/d)</b>	68.3	77.4	82.9	96.6	110.1	123.8	123.6	121.4	121.2	119.0	118.8	116.5	<b>106.6</b>
<b>Revenue (M\$C)</b>	\$363.88	\$397.37	\$430.82	\$481.07	\$529.22	\$579.46	\$577.38	\$569.00	\$566.91	\$558.54	\$556.45	\$548.08	<b>\$6,158.19</b>
<b>Expenses (M\$C)</b>	\$187.30	\$197.50	\$208.60	\$223.90	\$238.45	\$253.75	\$253.00	\$250.45	\$249.70	\$247.15	\$246.40	\$243.85	<b>\$2,800.05</b>
<b>Payments (M\$C)</b>	\$0.00	\$0.00	\$60.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00	<b>\$690.00</b>
<b>Capital Projects (M\$C)</b>	\$20.00	\$20.00	\$50.00	\$50.00	\$100.00	\$50.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	<b>\$290.00</b>
<b>Cashflow (M\$C)</b>	<b>\$156.58</b>	<b>\$179.87</b>	<b>\$112.22</b>	<b>\$137.17</b>	<b>\$120.77</b>	<b>\$205.71</b>	<b>\$254.38</b>	<b>\$248.55</b>	<b>\$247.21</b>	<b>\$241.39</b>	<b>\$240.05</b>	<b>\$234.23</b>	<b>\$2,378.14</b>

\* Assumptions: \$2.50 Natural Gas Price, \$80 Heavy Oil Crude and \$85 NGLs price.