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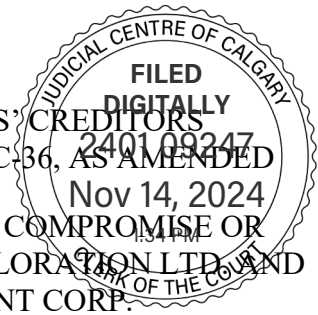
COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF LONG RUN EXPLORATION LTD. AND  
CALGARY SINOENERGY INVESTMENT CORP.



DOCUMENT

**THIRD SUPPLEMENT TO THE FIFTH REPORT OF FTI  
CONSULTING CANADA INC., IN ITS CAPACITY AS  
MONITOR OF LONG RUN EXPLORATION LTD. AND  
CALGARY SINOENERGY INVESTMENT CORP.**

**November 14, 2024**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**MONITOR**

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**THIRD SUPPLEMENT TO THE FIFTH REPORT OF THE MONITOR**

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2023

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November 12, 2024

## INTRODUCTION

1. On July 4, 2024, China Construction Bank Toronto Branch, in its capacity as collateral agent, sought and obtained an initial order from the Court of King’s Bench of Alberta (the “**Court**”) to commence proceedings under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended in respect of Long Run Exploration Ltd. (“**Long Run**”) and Calgary Sinoenergy Investment Corp. (the “**Guarantor**” and collectively with Long Run, the “**Debtors**”). The Initial Order, among other things, appointed FTI Consulting Canada Inc. as Monitor (the “**Monitor**”), with enhanced powers, pursuant to the provisions of the CCAA.
2. The Monitor filed its fifth report with this Honourable Court dated October 30, 2024 (the “**Fifth Report**”), which included, among other things, an unexecuted version of the Amended and Restated Subscription Agreement (the “**A&R Subscription Agreement**”) between the Debtors and 2657493 Alberta Ltd. (the “**Purchaser**”).
3. The Monitor filed its Second Supplement to the Fifth Report on November 6, 2024 (the “**Second Supplement**”) which included an executed version of the A&R Subscription Agreement, as well as a blackline showing the changes from the unexecuted version of the same attached to the Fifth Report.
4. The Monitor, in consultation with Long Run and its counsel, counsel for the Purchaser, and counsel for other stakeholders, has entered into an amending agreement to the A&R Subscription Agreement dated November 14, 2024 (the “**Amending Agreement**”).
5. On November 12, 2024, the Monitor was served with the Affidavit of Shannon Donaldson affirmed November 12, 2024 (the “**Donaldson Affidavit**”) and the Brief of Abe Neufeld dated November 12, 2024 (the “**Neufeld Brief**” and, together with the Donaldson Affidavit, the “**Neufeld Materials**”).

## PURPOSE

6. The purposes of this third supplement to the Fifth Report (“**Third Supplement**”) are:
  - (a) to provide this Honourable Court with an executed copy of the Amending Agreement, a copy of which is attached as **Appendix “A”**; and
  - (b) to provide this Honourable Court with further information in response to the Neufeld Materials.

## MONITOR’S COMMENTS ON THE NEUFELD MATERIALS

7. The Donaldson Affidavit includes the Statement of Claim and the Amended Statement of Claim issued on behalf of Abe Neufeld in Court of King’s Bench of Alberta Action No. 2204-00354 (the “**Neufeld Action**”). The Monitor has, through its legal counsel, obtained a procedure card in relation to the Neufeld Action, a copy of which is attached as **Appendix “B”**.
8. The Monitor understands from Long Run, from the Neufeld Materials, and from the Neufeld Action that the Neufeld Action has not been certified as a class proceeding, nor has any application to certify the Neufeld Action been made.
9. The Monitor has confirmed with Long Run that all arrears owed to Mr. Neufeld have been paid, up to October 2024.
10. A copy of the surface lease between Long Run and Mr. Neufeld (each as successors in interest) is attached as **Appendix “C”**.
11. A copy of a rental review letter agreement between Long Run and Mr. Neufeld is attached as **Appendix “D”**. The Monitor understands that Long Run emailed counsel for Mr. Neufeld with a rental review proposal on June 25, 2019. Counsel for Mr. Neufeld did not respond until December

6, 2022. The rental review letter agreement was ultimately executed by Mr. Neufeld on March 27, 2023.

12. The Monitor, through its legal counsel, has asked that counsel for Mr. Neufeld advise of the names of the other landowners it claims to represent. Attached as **Appendix “E”** is a copy of the email correspondence from the Monitor’s legal counsel to counsel for Mr. Neufeld in that regard dated November 12, 2024. As at the time of preparing this Third Supplement, no response has been received.
13. As the Monitor has no information as to the names or claims of the 54 landowners that counsel for Mr. Neufeld claims to represent, the Monitor is unable to determine what, if any, surface rental arrears are owed by Long Run to any of those landowners.
14. The Donaldson Affidavit attaches a letter from Long Run dated October 22, 2024. To date, 41 landowners have accepted the surface rental arrears offer.

All of which is respectfully submitted this 14<sup>th</sup> day of November 2024.

FTI Consulting Canada Inc., LIT, in its capacity as Monitor of Long Run Exploration Ltd. and Calgary Sinoenergy Investment Corp., not in its personal or corporate capacity



Name: Dustin Olver, CPA, CA, CIRP, LIT  
Title: Senior Managing Director  
FTI Consulting Canada Inc.

## APPENDIX "A"

**AMENDMENT NO. ONE TO AMENDED AND RESTATED SUBSCRIPTION  
AGREEMENT**

**THIS AMENDING AGREEMENT** (the “**Amendment**”) made as of November 14, 2024 (the “**Effective Date**”).

**BETWEEN:**

**LONG RUN EXPLORATION LTD.** (the “**Company**”)

- and -

**CALGARY SINOENERGY INVESTMENT CORP.** (“**Sinoenergy**” and together with the  
Company, the “**CCAA Companies**”)

- and -

**2657493 ALBERTA LTD.** (the “**Purchaser**”)

**RECITALS:**

- A. China Construction Bank Toronto Branch, in its capacity as collateral agent, commenced proceedings (the “**CCAA Proceedings**”) in the Court of King’s Bench of Alberta in the Judicial Centre of Calgary, Alberta (the “**Court**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) and the Court granted an initial order in the CCAA Proceedings on July 4, 2024 under Court File No. 2401-09247, which initial order was amended and restated by the Court on July 12, 2024 pursuant to the amended and restated initial order (collectively the “**Initial Orders**”).
- B. Pursuant to the Initial Orders, FTI Consulting Canada Inc., was appointed Monitor with enhanced powers over the CCAA Companies.
- C. On July 23, 2024, Hiking Group Shandong Jinyue Int’t Trading Corporation (the “**Purchaser Parent**”) and the Company entered into a Subscription Agreement for the subscription for and purchase of the Purchased Shares by the Purchaser Parent (the “**Subscription Agreement**”), to be completed through a series of transactions among the Parties and to proceed by way of the Reverse Vesting Order.
- D. Pursuant to Section 9.4 the Subscription Agreement the Purchaser Parent assigned all of its rights and obligations under the Subscription Agreement to the Purchaser by way of an Assignment Agreement dated November 5, 2024.
- E. On November 6, 2024, the CCAA Companies and the Purchaser entered into an Amended and Restated Subscription Agreement (the “**Existing Agreement**”) for the subscription for and purchase of the Purchased Shares by the Purchaser.

F. The Parties hereto desire to amend the Existing Agreement to make certain modifications to Schedule “B” of the Existing Agreement on the terms and subject to the conditions set forth herein

**NOW THEREFORE, THIS AGREEMENT WITNESSETH** that in consideration of the premises and the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties have agreed as follows:

1. **Definitions.** Capitalized terms used and not defined in this Amendment have the respective meanings assigned to them in the Existing Agreement.
2. **Amendments to the Existing Agreement.** As of the Effective Date, the Existing Agreement is hereby amended or modified as follows:

a) The phrase “The following tax repayment agreements:” set forth in Schedule “B” of the Existing Agreement under the heading “Transferred Contracts” is hereby deleted and replaced with “Any and all tax repayment agreements or other similar agreements between the Company and any municipality, other than those agreements specifically listed as Retained Contracts, including without limitation the following:”

b) The following are hereby deleted from the table of joint venture agreements listed as Transferred Contracts Schedule “B” of the Existing Agreement:

JF0011	1/1/2004	JV AFE Only	Cherhill Compressor 3-16-57-4w5	Harvest	9.375	Unknown, Obsidian, Peyto
JF0034	5/1/2010	Ownership & Operation Agreement	Agmt for the O&O of the Clear Hills 10-8-88-12w6m Facility	Saturn OGI	20	Yoho, Enercapita, Taqa, Orlen
JF0148	6/1/2009	CO&O Agreement	CO&O of the Red Willow Gas Processing Facilities	Obsidian PT	17.86	None

c) The following are hereby deleted from the table of joint operating agreements listed as Transferred Contracts Schedule “B” of the Existing Agreement:

C02970	Joint Operating Agreement	Terra Energy Corp., Spoke Resources Ltd.	N/A	N/A
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C02794	Farmout And Participation Agreement	Obsidian Energy Partnership	Obsidian	Obsidian
C02794	Farmout And Participation Agreement	Obsidian Energy Partnership	Obsidian	Obsidian
C03645	Joint Operating Agreement	Insignia Energy Ltd., Barnwell of Canada, Limited, Regco Petroleum Ltd., N7 Energy Ltd.	N7	N7
C03645	Joint Operating Agreement	Trident Exploration (WX) Corp., Trident Exploration (Alberta) Corp., Insignia Energy Ltd., Barnwell of Canada, Limited, Regco Petroleum Ltd.	Insignia	Insignia

d) The following is hereby deleted from the table of Priority Payables in Schedule “C” of the Existing Agreement:

CNRL Cure Cost Payment	\$664,960	
------------------------	-----------	--

and is replaced with the following:

CNRL Cure Cost Payment	\$639,044.04	
------------------------	--------------	--

e) The following is hereby deleted from Schedule “B” of the Existing Agreement under the heading “Retained Liabilities”:

“• any and all surface lease payments related to the Retained Assets other than any surface lease payments referenced in or otherwise included in the Neufeld Claim;”

and is replaced with the following:

“• any and all unpaid surface lease payments related to the Retained Assets (other than any surface lease payments, interest, penalties, fines, costs, fees or other additional amounts related to, referenced in or otherwise included in the Neufeld Claim), excluding any and all interest, penalties, fines, costs, fees or other additional amounts imposed on such surface lease payments;”

f) The following is hereby added to Schedule “B” under the heading “Transferred Liabilities”:

“• any and all interest, penalties, fines, costs, fees or other additional amounts imposed on surface lease payments related to the Retained Assets;”

- g) The following is hereby added to Schedule “B” under the heading “Transferred Assets”:

“• the Company’s claim under Court of King’s Bench Court File No. 2001-03353;”

- h) The following is hereby added to Schedule “B” under the heading “Retained Contracts”:

“• Resolution Agreement dated May, 2024, between The Alberta Energy Regulator and Long Run Exploration Ltd.;

- i) The following is hereby added to Schedule “B” under the heading “Retained Liabilities”:

“• all Abandonment and Reclamation Obligations of the Company prior to Closing which are related to the O&G Assets and the Real Property associated with the joint venture agreements, the co&o agreements, unit and unit operating agreements, operating agreements, pooling and joint operating agreements, farmout agreements, farmout and participation agreements, ownership and operation agreements, settlement agreements, re-entry farmout proposal, pooling agreements, pooling and equalization agreements, and joint operating agreements listed under the heading “Transferred Contracts” in this Schedule “B”.”

3. **Limited Effect.** Except as expressly provided in this Amendment, all of the terms and provisions of the Existing Agreement are and will remain in full force and effect and are hereby ratified and confirmed by the Parties. Without limiting the generality of the foregoing, the amendments contained herein will not be construed as an amendment to or waiver of any other provision of the Existing Agreement or as a waiver of or consent to any further or future action on the part of either Party that would require the waiver or consent of the other Party. On and after the Effective Date, each reference in the Existing Agreement to "this Agreement," "the Agreement," "hereunder," "hereof," "herein," or words of like import, and each reference to the Existing Agreement in any other agreements, documents, or instruments executed and delivered pursuant to, or in connection with, the Existing Agreement, will mean and be a reference to the Existing Agreement as amended by this Amendment.
4. **Governing Law.** This Amendment is governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein.
5. **Successors and Assigns.** This Amendment is binding upon and shall enure to the benefit of the Parties hereto and their respective permitted successors and permitted assigns.
6. **Entire Agreement.** This Amendment constitutes the sole and entire agreement of the Parties with respect to the subject matter contained herein, and supersedes all prior and

contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

7. **Counterpart Execution.** This Agreement may be executed and delivered in counterpart and transmitted by facsimile or other electronic means and all such executed counterparts, including electronically transmitted copies of such counterparts, shall together constitute one and the same agreement.

*(Remainder of page intentionally left blank)*

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

**FTI CONSULTING CANADA INC., LIT, in its capacity as the court-appointed Monitor of LONG RUN EXPLORATION LTD. and not in its personal or corporate capacity.**

**2657493 ALBERTA LTD.**

Signed by:  
Per: Dustin Oliver  
Name: DUSTIN OLIVER  
Title: Senior Managing Director

Per: \_\_\_\_\_  
Name: Jason Ge  
Title: Director

**FTI CONSULTING CANADA INC., LIT, in its capacity as the court-appointed Monitor of CALGARY SINOENERGY INVESTMENT CORP. and not in its personal or corporate capacity.**

Signed by:  
Per: Dustin Oliver  
Name: DUSTIN OLIVER  
Title: Senior Managing Director

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

**FTI CONSULTING CANADA INC., LIT, in its capacity as the court-appointed Monitor of LONG RUN EXPLORATION LTD. and not in its personal or corporate capacity.**

**2657493 ALBERTA LTD.**



Per: \_\_\_\_\_

Per: \_\_\_\_\_

Name:

Name: Jason Ge

Title:

Title: Director

**FTI CONSULTING CANADA INC., LIT, in its capacity as the court-appointed Monitor of CALGARY SINOENERGY INVESTMENT CORP. and not in its personal or corporate capacity.**

Per: \_\_\_\_\_

Name:

Title:

## **APPENDIX "B"**

CLERK OF THE COURT - COUNTER

PROCEDURE RECORD PRINT

ACTIVITY DESCRIPTION	LITIGANTS HEARING DATE & TYPE	AMOUNT RESULT	EXPLANATION APPLICATION	JUSTICE/MASTER	DATE FILED	LAW FRM
STATE CLAIM JUDG & DAMAGE	LONG RUN EXPLORATION LTD	\$30,000,000			06JUN2022	KMS
STATE CLAIM JUDG & DAMA AMND	LONG RUN EXPLORATION LTD	\$30,000,000	AMEND STYLE OF CAUSE		10AUG2022	KMS
AFF'D SERVICE REGIST.MAIL	LONG RUN EXPLORATION LTD		07/09/2022 REG MAIL		08SEP2022	KMS
*** END OF ACTIVITIES ***						
*****END OF REPORT*****						

## APPENDIX "C"



# ALBERTA SURFACE LEASE AGREEMENT

This Indenture of Lease made the 20 day of OCTOBER A.D., 2006.

BETWEEN:

**PEACE COUNTRY FEEDERS INC.,**  
of Sexsmith, in the Province of Alberta, (hereinafter called "the Lessor")

- and -

**ROLLING THUNDER EXPLORATION LTD.,** a body corporate with an office at the City of Calgary,  
in the Province of Alberta, (hereinafter called "the Lessee")

WHEREAS the Lessor is the registered owner (or entitled to become the registered owner under an agreement for sale or unregistered transfer or otherwise) of an estate in fee simple, subject, however, to the exceptions, conditions, encumbrances, liens and interests contained in or noted upon the existing Certificate of Title of and in that certain parcel of land situate, lying and being in the Province of Alberta and described as follows:

THE NORTH WEST QUARTER OF SECTION (35), TOWNSHIP (73), RANGE (4), WEST OF THE SIXTH MERIDIAN, CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS. EXCEPTING THEREOUT ALL MINES AND MINERALS. AS MORE PARTICULARLY DESCRIBED AND SET FORTH IN CERTIFICATE OF TITLE NUMBER 972 125 039 ON REGISTRATION AT THE ALBERTA LAND REGISTRATION DISTRICT.

(hereinafter referred to as "the said lands"); and

WHEREAS the Lessor has agreed to lease and grant a certain portion of the said lands to the Lessee for the purposes and upon the terms and conditions hereinafter set forth;

NOW THEREFORE THIS INDENTURE WITNESSETH THAT:

THE LESSOR, at the rental hereinafter set forth, HEREBY LEASES to the Lessee all and singular those parts or portions of the said lands shown outlined in red on the sketch or plan hereto attached (hereinafter called "the demised premises"), to be held by the Lessee as tenant for the term of twenty (20) years from the date hereof for any and all purposes and uses as may be necessary for the exploration, development and production of oil, gas, related hydrocarbons or substances produced in association therewith.

YIELDING AND PAYING UNTO THE LESSOR:

For the first year the sum of ELEVEN THOUSAND EIGHT HUNDRED  
Dollars (\$ 11,800.00).

First year compensation (including rental) for the granting of these rights to the Lessee from the Lessor is set out as follows:

(a) Market value of land granted per acre \$ <u>1200.00</u>	\$ <u>6220.00</u>
(b) Loss of use per acre \$ <u>250.00</u>	\$ <u>1300.00</u>
(c) Adverse effect, severance & nuisance	\$ <u>2700.00</u>
(d) Other (describe) <u>General Disturbance</u>	\$ <u>1580.00</u>

**TOTAL FIRST YEAR COMPENSATION**

\$ 11,800.00

ANNUAL:

Annual rental payable for each subsequent year due in advance of the anniversary date of this Agreement in the sum of FOUR THOUSAND  
Dollars (\$ 4000.00) calculated as follows:

(a) Loss of use	\$ <u>1300.00</u>
(b) Adverse effect, severance & nuisance	\$ <u>2700.00</u>
(c) Other (describe)	\$ <u>0.00</u>
<b>TOTAL ANNUAL RENTAL</b>	\$ <u>4000.00</u>

**1. Taxes Paid by Lessor:**

That the Lessor will promptly pay and satisfy all taxes, rates and assessments that may be assessed or levied against the said lands during the continuance of this Agreement, save where such are to be paid by the Lessee.

**2. Quiet Enjoyment:**

That the Lessor has good right and full power to grant and lease the said lands, rights and privileges in the manner aforesaid, and that the Lessee, upon observing and performing the covenants and conditions on the Lessee's part herein contained, shall and may peaceably possess and enjoy the demised premises and the rights and privileges hereby granted during the said term and any extension thereof without any interruption or disturbance from or by the Lessor or any other persons claiming by, through or under the Lessor.

**3. Renewal:**

That if the Lessee is not in default in respect of any of the covenants and conditions contained in this Agreement at the date of expiration of the term of Twenty (20) years hereinbefore mentioned, then this Agreement shall be renewed automatically and the term extended for a further period of Twenty (20) years at an annual rental calculated from time to time as hereinafter provided for the term subsequent to the first year thereof. Such extended term shall be subject to all the provisions hereof, including this provision for renewal.

THE LESSEE HEREBY COVENANTS AND AGREES TO AND WITH THE LESSOR:

**4. Indemnification:**

To indemnify and save harmless the Lessor from and against any and all claims or demands that may result from the Lessee's use and occupation of the demised premises, other than through willful damage or gross negligence by the Lessor.

**5. Taxes Payable by Lessee:**

To pay all taxes, rates and assessments that may be assessed or levied in respect of any and all machinery, equipment, structures and works placed by the Lessee, in, on, over or under the said lands. The Lessee shall reimburse the Lessor for any such taxes that may be levied against the Lessor as the result of the Lessee's occupation of or operations on the demised premises.

**6. Fencing:**

During the continuance of this Agreement, to erect and put upon the boundaries of the demised premises and roadways constructed or placed by the Lessee on the demised premises a good substantial fence, if reasonably required by the Lessor or Lessee, and replace all fences which the Lessee may have required removed for its purposes and repair all fences which it may have damaged, and if and when so required by the Lessor, to provide a proper livestock guard at any point of entry upon the said lands used by it and, upon the use thereof, to close all gates.

**7. Roadways:**

The Lessee will ensure that any roadway on the demised premises is constructed to a low profile unless topography dictates otherwise, and if gravelled, will be topped with rock particles of less than 2" in diameter.

**8. Culverts:**

The Lessee will construct and maintain culverts and other structures on the demised premises as required to ensure the unimpeded flow of water through natural drainage courses.

**9. Weeds:**

The Lessee will control all weeds on the demised premises but in so doing will not use a soil sterilant without the written consent of the Lessor.

**10. Topsoil:**

The Lessee agrees, unless otherwise requested by the Lessor, to strip, conserve and preserve the topsoil from the demised premises having regard to good soil conservation practices and upon completion of its operations to return such topsoil on the demised premises to a depth reasonably similar to those conditions existing prior to the commencement of construction.

**11. Reservoirs:**

The Lessee will not allow sludge resulting from drilling operations to escape from the demised premises onto other land of the Lessor and to ensure that the sludge does not escape the demised premises, the Lessee will construct and maintain proper pits or reservoirs on the demised premises and will dispose of the sludge in accordance with applicable laws and regulations.

**12. Compensation for Damages:**

To pay compensation for damage done by its servants and agents which, without restricting the generality thereof, shall include crops, machinery, livestock, fences, buildings, or other improvements of the Lessor upon the said lands other than the demised premises.

THE LESSOR AND THE LESSEE DO HEREBY MUTUALLY COVENANT AND AGREE EACH WITH THE OTHER AS FOLLOWS:

**13. Annual Rental:**

Annual rental provided for herein shall be subject to review in accordance with the Surface Rights Act.

**14. Change of Use:**

The Lessor and the Lessee agree to notify the other in writing sixty (60) days in advance of any change of use of the demised premises or change of use of the said lands.

In the event of a change of use of the demised premises or of the said lands resulting in a material adverse financial effect on a party hereto, either party shall have the right, effective as of the next anniversary date, to renegotiate the annual rental on written notice to the other party. The notice shall specify the change of use and propose an annual rental which that party believes fair under the circumstances. This clause does not apply if the next anniversary date is the date upon which annual rental is reviewed in accordance with Clause 13.

**15. Surrender & Reclamation:**

The Lessee shall have the right at any time and from time to time to surrender and terminate all or a portion of the demised premises by written notice to the Lessor; provided however, that there shall be no refund to the Lessee of any rental which may have been paid in advance and that all provisions for abandonment and reclamation have been complied with in accordance with applicable laws and regulations.

**16. Removal of Equipment:**

The Lessee may at all times during the continuance of this agreement remove or cause to be removed from the demised premises all buildings, structures, fixtures, casing in wells, pipelines, material and equipment of whatsoever nature or kind which it may have placed on or in the demised premises or in any area to be surrendered.

**17. Discharge of Encumbrances:**

The Lessee may, at its option, pay or discharge any arrears owing under any Agreement for Sale or Mortgage, or of any tax, charge, lien or encumbrance of any kind or nature whatsoever which may now or hereafter exist on or against or in any way affect the said lands, in which event the Lessee shall be subrogated to the rights of the holder or holders thereof, and may in addition thereto, at its option, reimburse itself by applying on account of repayment of the amount so paid by it, the rentals or other sums accruing to the Lessor under the terms of this Agreement.

**18. Assignment by Lessee:**

The Lessee may delegate, assign or convey to other persons or corporations, all of the powers, rights, and interest obtained by or conferred upon the Lessee hereunder, and may enter into all agreements, contracts, and writings and do all necessary acts and things to give effect to the provisions of this clause. The Lessee shall provide in writing to the Lessor, within sixty (60) days of the assignment, the name and address of the assignee.

**19. Assignment by Lessor:**

The Lessor may assign or convey to other persons or corporations all of the powers, rights and interests obtained by or conferred upon the Lessor hereunder, and may enter into all agreements, contracts and writings and do all necessary acts and things to give effect to the provisions of this clause; PROVIDED THAT no assignment or conveyance is effective as against the Lessee until the assigning Lessor has given the Lessee notice of the assignment, including the name and address of the assignee.

**20. Default:**

Notwithstanding anything herein contained to the contrary, the Lessee shall not be in default in the performance of any of its covenants or obligations under this Agreement, including the payment of rental unless and until the Lessor has notified the Lessee of such default and the Lessee has failed to commence action to remedy the same within thirty (30) days of the receipt of such notice. For the purpose of this clause, a letter by the Lessee of its intent to remedy a default shall constitute a commencement of action to remedy the said default.

**21. Arbitration:**

In the event of any dispute or claim arising out of or relating to Clauses 6 to 11 inclusive and Clause 14 of this Agreement, or a breach thereof, the matter at issue shall be determined by three (3) disinterested arbitrators, one (1) to be appointed by the Lessor, one (1) by the Lessee and the third by the two (2) arbitrators so appointed, and the decision of any two (2) of the three (3) arbitrators shall be final and conclusive; PROVIDED THAT in all other aspects the provision of the arbitration legislation then in force in the Province of Alberta shall apply to each submission. In any event, the responsibility for the arbitration costs shall be determined by the appointed arbitrators.

**22. Notices:**

All notices to be given hereunder may be given personally or by registered letter addressed to the party to whom the notice is to be given and when mailed, any such notice shall be deemed to be given to, and received by, the addressee ten (10) days after the mailing thereof, postage prepaid.

**23. Addresses:**

Unless changed by written notice, the addresses of the parties hereto shall be:

LESSEE: 1130, 144 - 4<sup>th</sup> Avenue S.W., Calgary, Alberta, T2P 3N4

LESSOR: Box 31, Site 1, R.R. 2, Sexsmith, Alberta, T0H 3C0



I, \_\_\_\_\_, of \_\_\_\_\_, in the Province of Alberta, make oath and say:

THAT I am the Lessor named in the within instrument.

THAT I am not married

THAT neither myself nor my spouse have resided on the within mentioned lands at any time since our marriage.

SWORN before me at the District of Sexsmith, in the Province of Alberta, this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

\_\_\_\_\_  
A Commissioner for Oaths, a Notary Public  
in and for the Province of Alberta.

**AFFIDAVIT OF EXECUTION**

I, Colin A. Grusie, of Calgary, in the Province of Alberta, Landman, make oath and say:

1. THAT I was personally present and did see DON ERNO of PEACE COUNTRY FEEDERS INC., named in the within instrument, who is personally known to me to be the person(s) named therein duly sign, seal and execute the same for the purposes named therein.
2. THAT the same was executed at the District of ~~Sexsmith~~ <sup>EDMONTON</sup>, in the Province of Alberta, and that I am the subscribing witness thereto.
3. THAT I know the said DON ERNO of PEACE COUNTRY FEEDERS INC., and he is, or they are, in my belief, of the full age of eighteen years.

SWORN before me at the City of Calgary, in the Province of Alberta, this 26 day of OCT, 2006.

\_\_\_\_\_  
A Commissioner for Oaths, a Notary Public  
in and for the Province of Alberta.

**MIKE MORK**  
My Commission Expires  
September 16, 20 07

\_\_\_\_\_  
*[Signature]*

**CONSENT BY OCCUPANT, VENDOR, MORTGAGEE OR OTHER INTERESTED PARTY:**

I, (WE), CORY BECK, of Sexsmith, in the Province of ALBERTA having an interest in the within lands by virtue of an Agreement or Instrument dated the 1st day of January, A.D. 2006 DO HEREBY AGREE that all my (our) rights, interests and estate which are, or may be, affected by the above Alberta Surface Lease shall be fully bound by all the terms and conditions thereof both now and henceforth.

DATED at the District of Sexsmith, in the Province of Alberta, this 20 day of OCTOBER, 2006.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
CORY BECK

**AFFIDAVIT OF EXECUTION**

I, Colin A. Grusie, of Calgary, in the Province of Alberta, Landman, make oath and say:

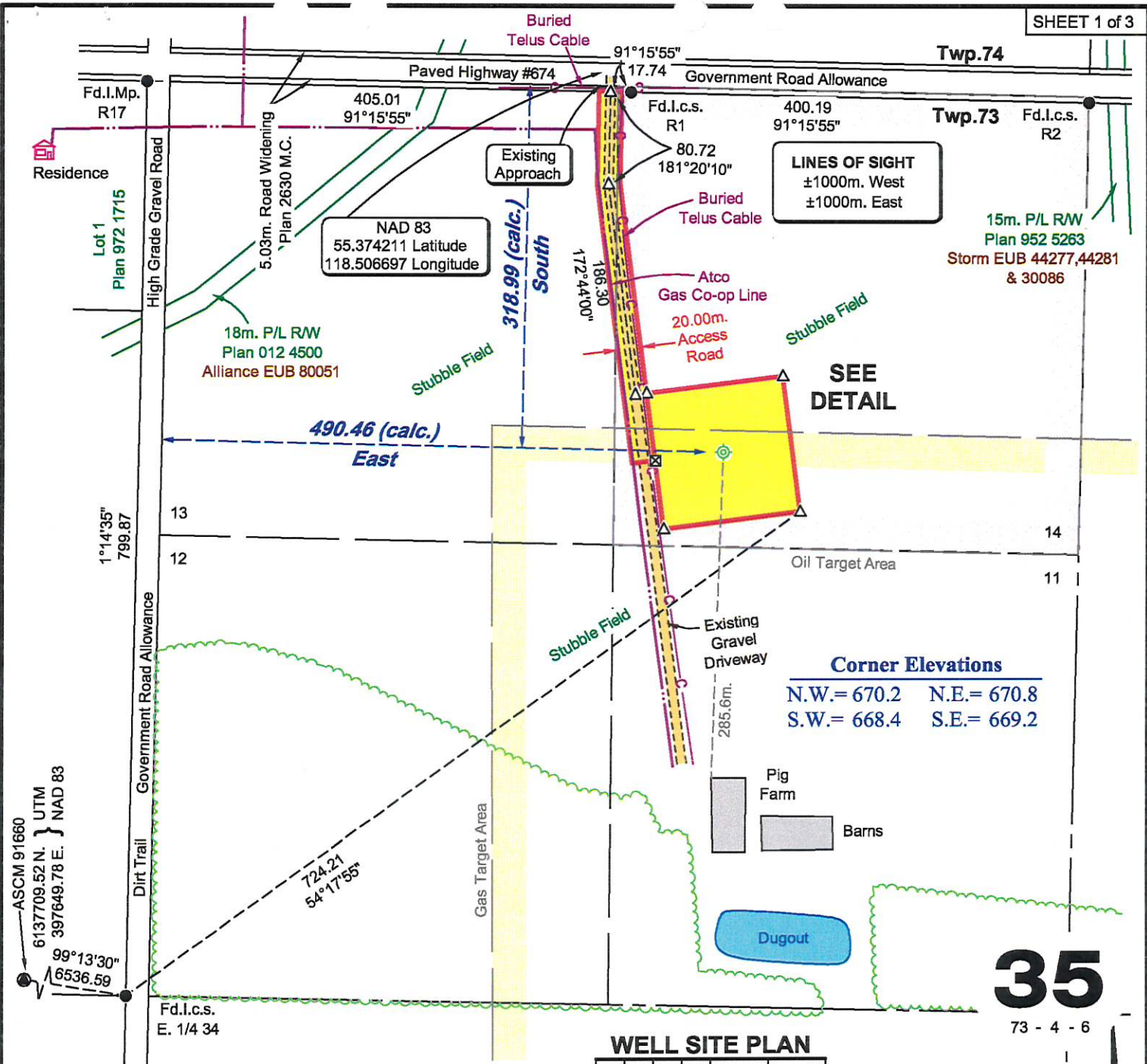
1. THAT I was personally present and did see CORY BECK named in the within instrument, who is personally known to me to be the person(s) named therein duly sign, seal and execute the same for the purposes named therein.
2. THAT the same was executed at the District of Sexsmith, in the Province of Alberta, and that I am the subscribing witness thereto.
3. THAT I know the said CORY BECK and he (or she) is, or they are, in my belief, of the full age of eighteen years.

SWORN before me at the City of Calgary, in the Province of Alberta, this 26 day of OCT, 2006.

\_\_\_\_\_  
A Commissioner for Oaths, a Notary Public  
in and for the Province of Alberta.

**MIKE MORK**  
My Commission Expires  
September 16, 20 07

\_\_\_\_\_  
*[Signature]*



Plan Showing Survey of  
**ROL TEEPEE 14-35-73-4**  
 Well Site and Access Road in  
**L.S. 14 Sec. 35 Twp. 73 Rge. 4 W. 6 M.**  
 County of Grande Prairie No. 1

I, John Ironstone, Alberta Land Surveyor, of Edmonton, Alberta, certify that the survey represented by this plan is true and correct to the best of my knowledge, has been carried out in accordance with the Alberta Land Surveyors' Association Manual of Standard Practice, and was completed on the 28th day of September, 2006.

*John Ironstone*  
 Alberta Land Surveyor  
 Witness ( *Richard Emel* )



ELEVATION ON GROUND AT WELL LOCATION = **669.61**  
 CO-ORDINATES:  
 318.99 m. S. of N. Bdy. } Sec. 35  
 490.46 m. E. of W. Bdy. }

GEO Co-ordinates		UTM Co-ordinates	
55.371255 Latitude	} NAD 83	6137136.49 N.	}
118.505033 Longitude		404620.13 E.	
55.371259 Latitude	} NAD 27	6136920.22 N.	}
118.503682 Longitude		404702.31 E.	

AREAS:	HECTARES	ACRES
Well Site =	1.440	3.56
Access Road =	0.654	1.62
<b>Total =</b>	<b>2.094</b>	<b>5.18</b>

- The Proposed Well :
- |  |   |                             |
|--|---|-----------------------------|
| - Is at least 1.5 km. from the Corporate Limits of a City, Town or Village | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> |
| - Is outside any Potential Coal Development Area                           | <input checked="" type="checkbox"/>     | <input type="checkbox"/>    |
| - Is at least 100 m. from any Surface Improvements                         | <input checked="" type="checkbox"/>     | <input type="checkbox"/>    |
| - Is at least 40 m. from any Surveyed Road                                 | <input checked="" type="checkbox"/>     | <input type="checkbox"/>    |
| - Is at least 5.0 km. from a Lighted Aerodrome                             | <input checked="" type="checkbox"/>     | <input type="checkbox"/>    |
| - Is at least 1.6 km. from an Unlighted Aerodrome                          | <input checked="" type="checkbox"/>     | <input type="checkbox"/>    |
| - Is exempt from the Alberta Community Development Approval                | <input checked="" type="checkbox"/>     | <input type="checkbox"/>    |
| - Meets the Land Reclamation Guidelines for drainage & elevation           | <input checked="" type="checkbox"/>     | <input type="checkbox"/>    |

OPERATOR :  
**ROLLING THUNDER EXPLORATION LTD.**

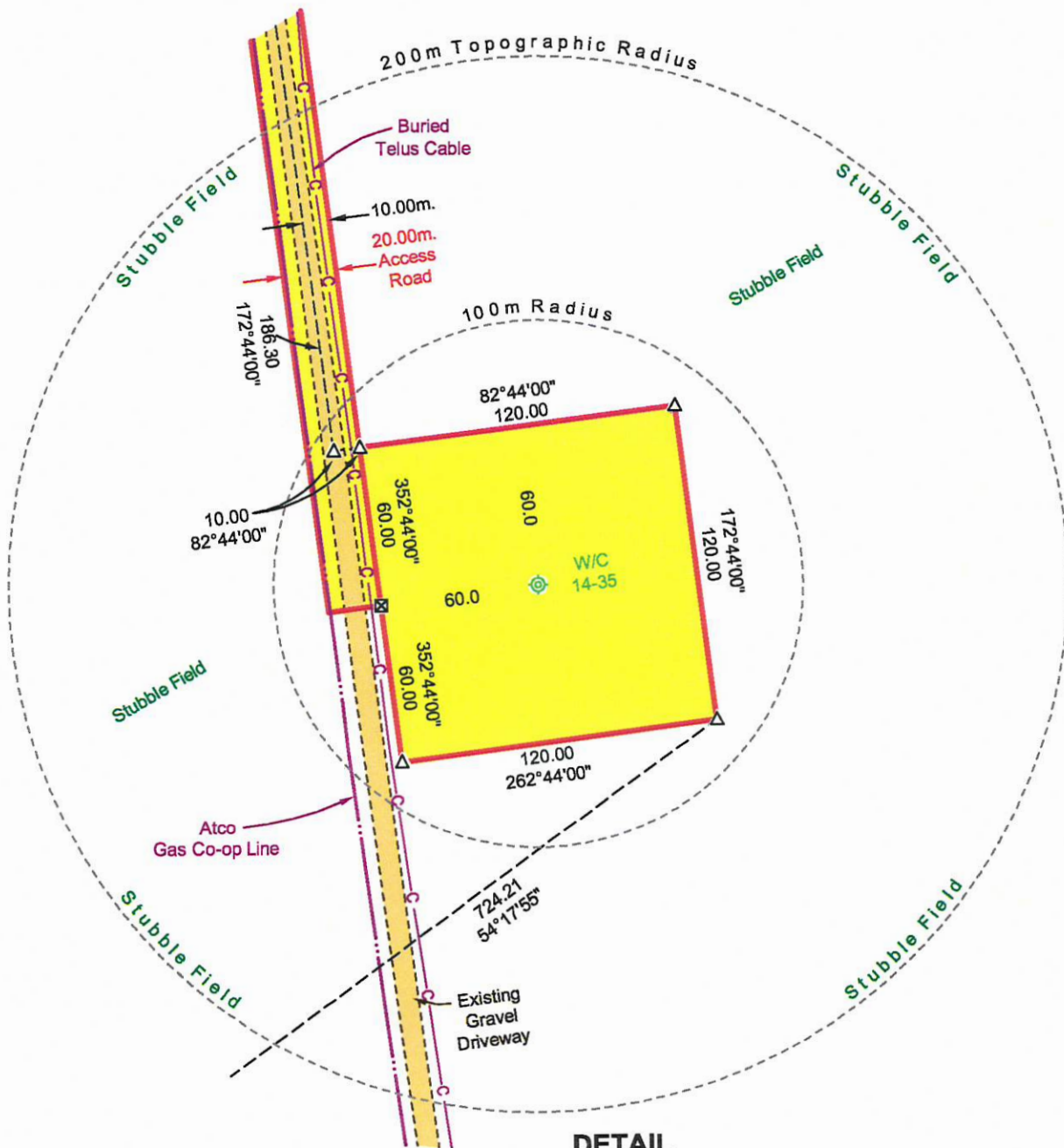
Bearings are NAD 83 UTM Grid Bearings referred to the Central Meridian 117° W. and were derived by G.P.S.  
 Combined Scale factor used = 0.999609  
 Datum: ASCM 91660 Elev.=696.058

Alberta Survey Control Markers shown thus: ●  
 Survey Monuments found shown thus: ●  
 Well Centre shown thus: ⊙  
 30cm. Iron Spikes placed shown thus: ▲  
 Temporary Point shown thus: ⊠  
 Portions referred to outlined thus: —  
 Distances are in metres.

**ALL WEST SURVEYS LIMITED PARTNERSHIP**  
 Calgary: 1-866-234-7599 allwest@allwest.ca www.allwest.ca  
 Edmonton: 1-800-465-6233 Lloydminster: 1-780-875-6130  
 Grande Prairie: 1-780-532-6793 Medicine Hat: 1-403-528-4215

Client File No:	AFE No:
REV. 1	Revision: Revised EPZ Radius to 176m.
Date: Oct. 16, 2006	Job No.: 032836-G
File: 032836WR1.dwg	Initials: EM-RE-JES

# ROLLING THUNDER EXPLORATION LTD.



**DETAIL**  
 0 5 10 20 30 40 50 60 m  
 SCALE - 1:2,500

20 OCT 06

I/WE the landowner(s), consent to the location of the well site and access road as shown on this plan and have no objections to the E.O.B. issuing the Drilling Licence.

*[Signature]*  
 Peace Country Feeders  
 Occupant(s)

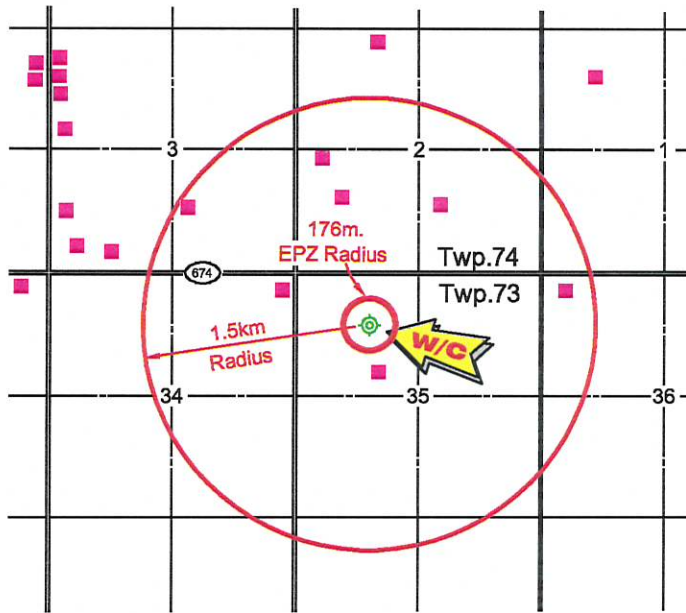
*[Signature]*  
 Witness

*[Signature]*  
 Witness

- NOTES:**
1. The closest urban center is the Town of Sexsmith 17 km. Southwest of the well center.
  2. To our best knowledge the closest known surface development (Pig Farm) is 0.29 km. South of the well center.
  3. No seismic evidence was found at the time of survey.
  4. There are NO Water Bodies within 100m. of the Well center.

Client File No:	AFE No:		
REV.	Revision: Revised EPZ Radius to 176m.		
1	Date: Oct. 16, 2006	Job No.: 032836-G	
	File: 032836WR1.dwg	Initials: EM-RE-JES	

# ROLLING THUNDER EXPLORATION LTD.

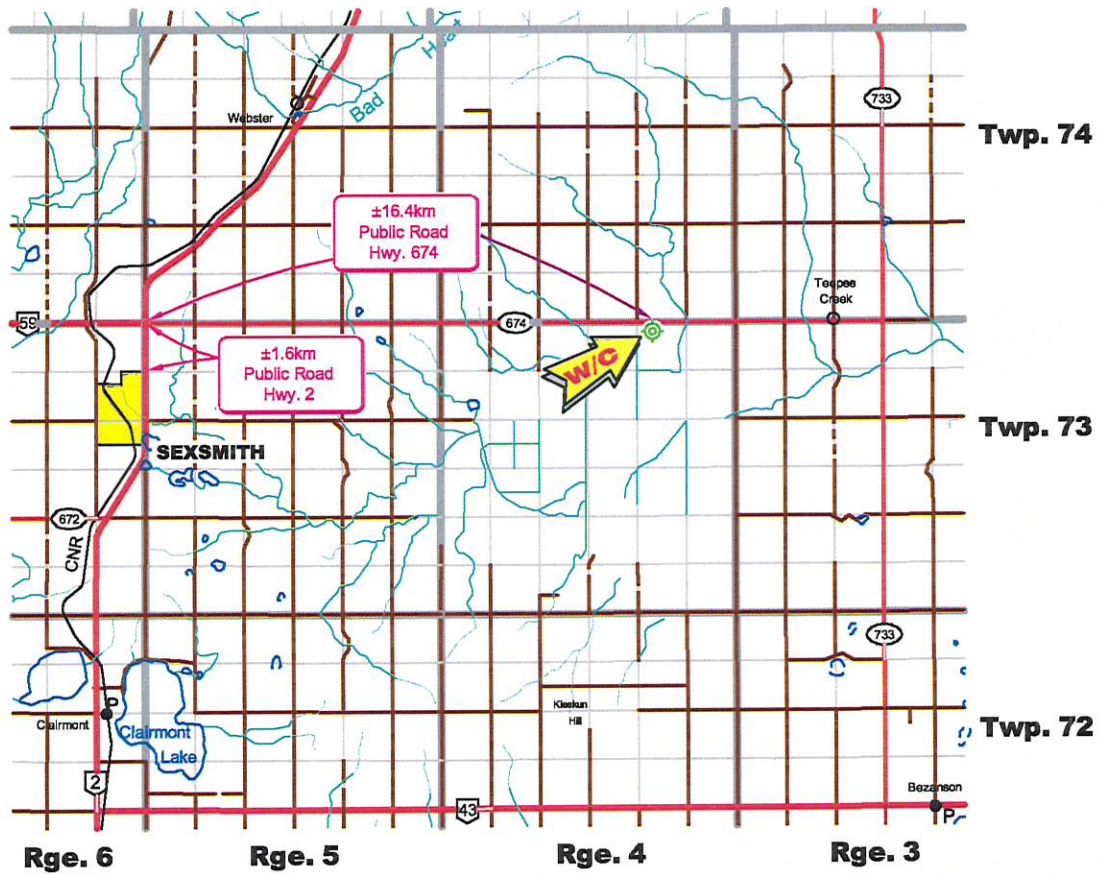


## SURFACE DEVELOPMENT

0 250 500 1000 1500 2000 2500 m  
SCALE - 1:50,000

**NOTE:**

Surface Developments are shown thus: --- ■



## LOCATION MAP

0 1 2 3 4 5 10 km  
SCALE- 1:250,000

Client File No:	AFE No:	
REV. 1	Revision: Revised EPZ Radius to 176m.	
Date: Oct. 16, 2006	Job No.: 032836-G	
File: 032836WR1.dwg	Initials: EM-RE-JES	



## APPENDIX "D"



March 27, 2023

**WITHOUT PREJUDICE**

**ABE NEUFELD  
16010 - 105 STREET  
GRANDE PRAIRIE, ALBERTA T8V 0P1**

**RE: Review of Annual Rental – Surface Lease Dated October 20, 2006  
WELLSITE AT 14-35-073-04-W6M  
Legal: NW-35-073-04-W6M (5.18 acres)  
LRE File: S12793** **EVOLVE FILE: 30892**

---

Please be advised that Long Run Exploration Ltd. has reviewed the rental for the subject Surface Lease.

Based on current values associated with the components of compensation used to calculate annual rental (loss of use and adverse effect), Long Run Exploration Ltd. is prepared to increase the annual rent for the subject Surface Lease from **\$4,000.00** to **\$4,700.00** effective **October 20, 2021**.

If you are in agreement with this offer, please indicate your acceptance of this increase by signing and returning the duplicate copy of this letter. Upon receipt, we will update our records to reflect the new rental. The next review would be prior to the anniversary date in **2026**.

Should you have any questions with any of the foregoing, please contact the undersigned at 780-679-4222

Sincerely,  
**LONG RUN EXPLORATION LTD.**

Shawn Brown  
Evolve Surface Strategies Inc.  
As Agent for Long Run Exploration Ltd.

/jc  
/enclosures

.....  
*Rental increase accepted and agreed to this \_\_\_\_\_ day of \_\_\_\_\_, 2023.*

**ABE NEUFELD**


# Long Run Rent Review Offer Letter - 14-35-073-04-W6M (S12793)


Final Audit Report


2023-04-11


Created:	2023-03-28
By:	Rosemarie Schwaiger (rosemaries@kmsc.ca)
Status:	Signed
Transaction ID:	CBJCHBCAABAATjhdxoLCuU9UvimNi2MdXEGuyzzbp863


## "Long Run Rent Review Offer Letter - 14-35-073-04-W6M (S12793)" History

 Document created by Rosemarie Schwaiger (rosemaries@kmsc.ca)  
2023-03-28 - 7:20:38 PM GMT

 Document emailed to Abe Neufeld (aben@crosslinkgp.com) for signature  
2023-03-28 - 7:26:05 PM GMT

 Email viewed by Abe Neufeld (aben@crosslinkgp.com)  
2023-04-11 - 8:27:43 PM GMT

 Document e-signed by Abe Neufeld (aben@crosslinkgp.com)  
Signature Date: 2023-04-11 - 8:28:09 PM GMT - Time Source: server

 Agreement completed.  
2023-04-11 - 8:28:09 PM GMT

Names and email addresses are entered into the Acrobat Sign service by Acrobat Sign users and are unverified unless otherwise noted.

## **APPENDIX "E"**

**From:** [Kelsey Meyer](#)  
**To:** [Kristian Toivonen](#)  
**Cc:** [Justin Monahan](#)  
**Subject:** RE: [External] Court of King's Bench of Alberta File No. 2401-09247: ITMO a Plan of Compromise or Arrangement of Long Run Exploration Ltd. and Calgary Sinoenergy Investment Corp.  
**Date:** Tuesday, November 12, 2024 12:13:07 PM  
**Attachments:** [image001.png](#)

---

Kristian, please provide the names of the 53 landowners you represent. That will assist in answering your question about outstanding surface lease rentals.

Thanks,

Kelsey

**Kelsey Meyer**

*Partner\**, Bennett Jones LLP  
\*Denotes Professional Corporation  
4500 Bankers Hall East, 855 - 2nd Street SW, Calgary, AB, T2P 4K7

T. [403 298 3323](tel:4032983323) | F. [403 265 7219](tel:4032657219)  
[BennettJones.com](http://BennettJones.com)

