

Elmworth

- 11 ½ sections of land – Crown
- 50% - 100% working interest

Attached is a property report indicating all title information, lands, working interest and encumbrances along with a map outlining our land position. There is no seismic or show and tell available. Offers are to be submitted to the attention of the undersigned.

Progress reserves the right to decline any and all offers, and to negotiate with any company it so chooses.

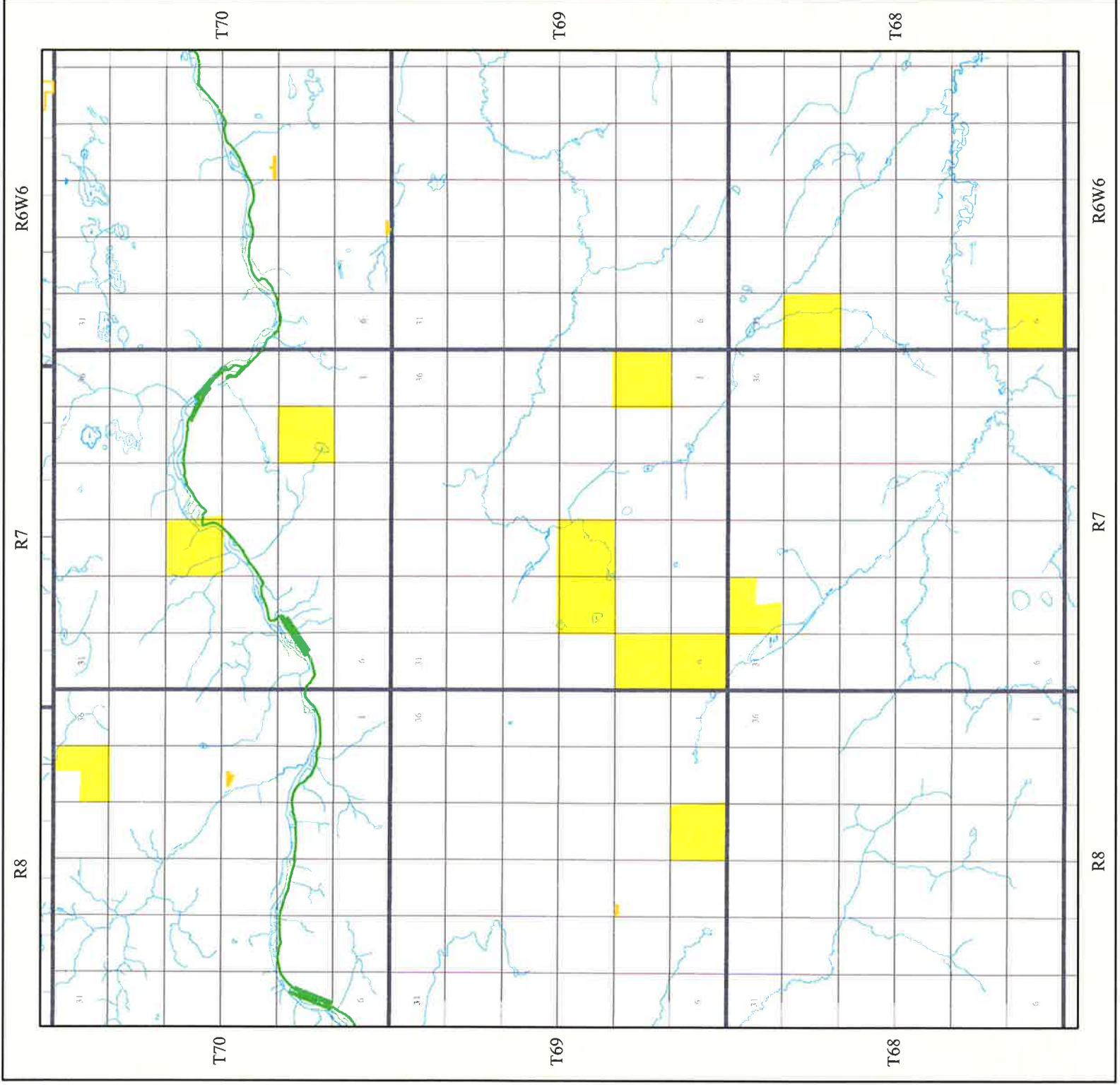
If you wish to discuss this matter further please do not hesitate to contact the Area Landman, their contact information is below.

David Griep
Senior Landman
Progress Exploration Partnership 2009

Phone: 403-539-1778


Fax: 403-216-2514

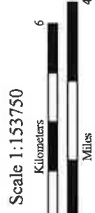
Email: dgriep@progressenergy.com



Progress Energy

ELMWORTH

	Created in ArcMap™ Product of IHS Datum: NAD27 Vol. 2 (803) 776-2626 © 2011	Author: Leah Johnson Title: Designer Date: December 2, 2011 File: None Scale: 1:153750 Projection: Stereographic Spheroid: NAD83 Datum: North American U.S. National Grid
	Grid Information: DLS: IHS Enhanced Grid NTS: Theoretical Grid FPS: Theoretical Grid US: IHS US Grid	AB: ATS 2.6 BC: PRB 2.0 SK: STS 2.5 MB: MBR7



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PROGRESS ENERGY Mineral Property Report

ELMWORTH

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	
File Status	Int Type / Lse No/Name		Gross				
Mineral Int	Operator / Payor		Net	Doi Partner(s)			Lease Description / Rights Held
M-05579	PNG	CR	256.000			WI	Area : ELMWORTH
Sub: A	WI		256.000	PEP2009		100.00000000	TWP 68 RGE 6 W6M SEC 6
A	0507010758		256.000				PNG FROM BASE SPIRIT_RIVER TO
	PEP2009			Total Rental: 896.00			BASE HALFWAY
100.00000000	PEL						
							----- Related Contracts -----
	Status		Hectares	Net	Undev:	Hectares	Net
	UNDEVELOPED	Dev:	0.000	0.000		256.000	256.000

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
CROWN SLIDING SCALE	ALL	Y	N	100.00000000 % of PROD
Roy Percent:				
Deduction:	STANDARD			
Gas Royalty:		Min Pay:		Prod/Sales:
S/S OIL: Min:	Max:	Div:		Prod/Sales:
Other Percent:		Min:		Prod/Sales:

M-06625	PNG	CR	256.000	C-03157 A	Unknown	WI	Area : ELMWORTH
Sub: C	WI		256.000	PEP2009		100.00000000	TWP 68 RGE 6 W6M SEC 30
A	5408070639		256.000				PNG FROM BASE CHARLIE_LAKE TO
	PEP2009			Total Rental: 896.00			BASE HALFWAY
100.00000000	ENCANA						
							----- Related Contracts -----
	Status		Hectares	Net	Undev:	Hectares	Net
	UNDEVELOPED	Dev:	0.000	0.000		256.000	256.000

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
CROWN SLIDING SCALE	ALL	Y	N	100.00000000 % of PROD
Roy Percent:				
Deduction:	STANDARD			
Gas Royalty:		Min Pay:		Prod/Sales:
S/S OIL: Min:	Max:	Div:		Prod/Sales:
Other Percent:		Min:		Prod/Sales:

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	
File Status	Int Type / Lse No/Name		Gross				
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*	Lease Description / Rights Held

(cont'd)

M-05628	PNG	CR	Eff: Apr 05, 2007	192.000	C-02294 A	Yes	WI	Area : ELMWORTH
Sub: B	WI		Exp: Apr 04, 2012	192.000	PEP2009		60.00000000	TWP 68 RGE 7 W6M N/2 & SW/4 32
A	0507040131			115.200				PNG BELOW BASE HALFWAY
	PEP2009				Total Rental:	0.00		
100.00000000	PEL		Count Acreage =	No				----- Related Contracts -----
	Status		Hectares	Net	Undev:	Hectares	Net	C-02294 B JOA Apr 04, 2007
	UNDEVELOPED	Dev:	0.000	0.000		192.000	115,200	C-03139 A CONTRIBUT Jan 15, 2009
								C-02294 A JOA Apr 04, 2007

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
CROWN SLIDING SCALE	ALL	Y	N	100.00000000 % of PROD
Roy Percent:				
Deduction: STANDARD				
Gas: Royalty:		Min Pay:		Prod/Sales:
S/S OIL: Min:	Max:	Div:		Prod/Sales:
Other Percent:		Min:		Prod/Sales:

M-05648	PNG	CR	Eff: May 17, 2007	256.000	C-03224 A	No	WI	Area : ELMWORTH
Sub: B	WI		Exp: May 16, 2012	256.000	PEP2009		50.00000000	TWP 69 RGE 7 W6M SEC 6
A	0507050365			128.000				PNG BELOW BASE DUNVEGAN TO BASE
	PEP2009				Total Rental:	0.00		BLUESKY-BULLHEAD;
100.00000000	PEL		Count Acreage =	No				PNG FROM BASE CHARLIE_LAKE
	Status		Hectares	Net	Undev:	Hectares	Net	----- Related Contracts -----
	UNDEVELOPED	Dev:	0.000	0.000		256.000	128.000	C-03139 A CONTRIBUT Jan 15, 2009
								C-03224 A JOA Aug 31, 2009

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
CROWN SLIDING SCALE	ALL	Y	N	100.00000000 % of PROD
Roy Percent:				
Deduction: STANDARD				

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ELMWORTH

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	
File Status	Int Type / Lse No/Name		Gross				
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*	Lease Description / Rights Held

(cont'd)

M-06466	A	CROWN SLIDING SCALE	ALL		Y	N	100.00000000 % of PROD
		Roy Percent:					
		Deduction: STANDARD					
		Gas: Royalty:		Min Pay:			Prod/Sales:
		S/S OIL: Min:	Max:	Div:			Prod/Sales:
		Other Percent:		Min:			Prod/Sales:

M-06467	PNGL	CR	Eff: Oct 16, 2008	512.000			WI	Area : ELMWORTH
Sub: A	WI		Exp: Oct 15, 2012	512.000	PEP2009		100.00000000	TWP 69 RGE 7 W6M SEC 16, 17
A	5408100661			512.000				PNG FROM BASE CHARLIE_LAKE
	PEP2009				Total Rental: 1792.00			
100.00000000	PEL							----- Related Contracts -----

C-03139 A CONTRIBUT Jan 15, 2009

Status	Hectares	Net	Undev:	Hectares	Net
UNDEVELOPED	0.000	0.000		512.000	512.000

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
CROWN SLIDING SCALE	ALL	N	Y	100.00000000 % of PROD
Roy Percent:				
Deduction: STANDARD				
Gas: Royalty:		Min Pay:		Prod/Sales:
S/S OIL: Min:	Max:	Div:		Prod/Sales:
Other Percent:		Min:		Prod/Sales:

M-06102	PNG	CR	Eff: Oct 18, 2007	256.000			WI	Area : ELMWORTH
Sub: A	WI		Exp: Oct 17, 2012	256.000	PEP2009		100.00000000	TWP 69 RGE 8 W6M SEC 3
A	0507100579			256.000				PNG FROM BASE CHARLIE_LAKE TO
	PEP2009				Total Rental: 448.00			BASE HALFWAY
100.00000000	PEL							----- Related Contracts -----

C-03139 A CONTRIBUT Jan 15, 2009

Status	Hectares	Net	Undev:	Hectares	Net
UNDEVELOPED	0.000	0.000		256.000	256.000

Royalty / Encumbrances

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	
File Status	Int Type / Lse No/Name		Gross				
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*	Lease Description / Rights Held

(cont'd)

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
CROWN SLIDING SCALE	ALL	Y	N	100.00000000 % of PROD
Roy Percent:				
Deduction: STANDARD				
Gas: Royalty:		Min Pay:		Prod/Sales:
S/S OIL: Min:	Max:	Div:		Prod/Sales:
Other Percent:		Min:		Prod/Sales:

M-06045	PNG	CR	Eff: Jul 12, 2007	256.000		WI	Area : ELMWORTH
Sub: A	WI		Exp: Jul 11, 2012	256.000	PEP2009	100.00000000	TWP 70 RGE 7 W6M SEC 11
A	0507070113			256.000			PNG BELOW BASE CHARLIE LAKE
	PEP2009				Total Rental:	896.00	
100.00000000	PEL						

----- Related Contracts -----

C-03139 A	CONTRIBUT	Jan 15, 2009
C-03202 A	FO-FLOW	Jan 30, 2009 (I)

Status	Hectares	Net	Hectares	Net
UNDEVELOPED	0.000	0.000	256.000	256.000

----- Well U.W.I. Status/Type -----

100/15-11-070-07-W6/00	PR/GS
100/15-11-070-07-W6/02	ST/GS

Royalty / Encumbrances

Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales
CROWN SLIDING SCALE	ALL	Y	N	100.00000000 % of PROD
Roy Percent:				
Deduction: STANDARD				
Gas: Royalty:		Min Pay:		Prod/Sales:
S/S OIL: Min:	Max:	Div:		Prod/Sales:
Other Percent:		Min:		Prod/Sales:

M-06468	PNGL	CR	Eff: Oct 16, 2008	256.000		WI	Area : ELMWORTH
Sub: A	WI		Exp: Oct 15, 2012	256.000	PEP2009	100.00000000	TWP 70 RGE 7 W6M SEC 21
A	5408100662			256.000			PNG FROM BASE BLUESKY-BULLHEAD
	PEP2009				Total Rental:	896.00	
100.00000000	PEL						

----- Related Contracts -----

C-03139 A	CONTRIBUT	Jan 15, 2009
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Status	Hectares	Net	Hectares	Net
UNDEVELOPED	0.000	0.000	256.000	256.000

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File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	
File Status	Int Type / Lse No/Name		Gross				
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*	Lease Description / Rights Held

(cont'd)

M-06468	A	Royalty / Encumbrances					
		Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales	
		CROWN SLIDING SCALE	ALL	Y	N	100.00000000	% of PROD
		Roy Percent:					
		Deduction: STANDARD					
		Gas: Royalty:		Min Pay:		Prod/Sales:	
		S/S OIL: Min:	Max:	Div:		Prod/Sales:	
		Other Percent:		Min:		Prod/Sales:	

M-06451	PNGL	CR	Eff: Sep 18, 2008	192.000		WI	Area : ELMWORTH
Sub: A	WI		Exp: Sep 17, 2012	192.000	PEP2009	100.00000000	TWP 70 RGE 8 W6M S/2 & NE/4 35
A	5408090513			192.000			ALL PNG
	PEP2009				Total Rental: 672.00		
100.00000000	PEL						----- Related Contracts -----
							C-03139 A CONTRIBUT Jan 15, 2009
		Status		Hectares	Net	Hectares	Net
		UNDEVELOPED	Dev:	0.000	0.000	Undev:	192.000 192.000
							----- Well U.W.I. Status/Type -----
							100/07-35-070-08-W6/00 PROG/GS

Royalty / Encumbrances							
		Royalty Type	Product Type	Sliding Scale	Convertible	% of Prod/Sales	
		CROWN SLIDING SCALE	ALL	Y	N	100.00000000	% of PROD
		Roy Percent:					
		Deduction: STANDARD					
		Gas: Royalty:		Min Pay:		Prod/Sales:	
		S/S OIL: Min:	Max:	Div:		Prod/Sales:	
		Other Percent:		Min:		Prod/Sales:	

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ELMWORTH

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code		
File Status	Int Type / Lse No/Name		Gross					
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*	Lease Description / Rights Held	

Report Total:	Total Gross:	2,240.000	Total Net:	2,240.000			
	Dev Gross:	0.000	Dev Net:	0.000	Undev Gross :	2,240.000	Undev Net : 2,240.000

** End of Report **