

Karr

- 6 ½ sections of land – Crown
- 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.

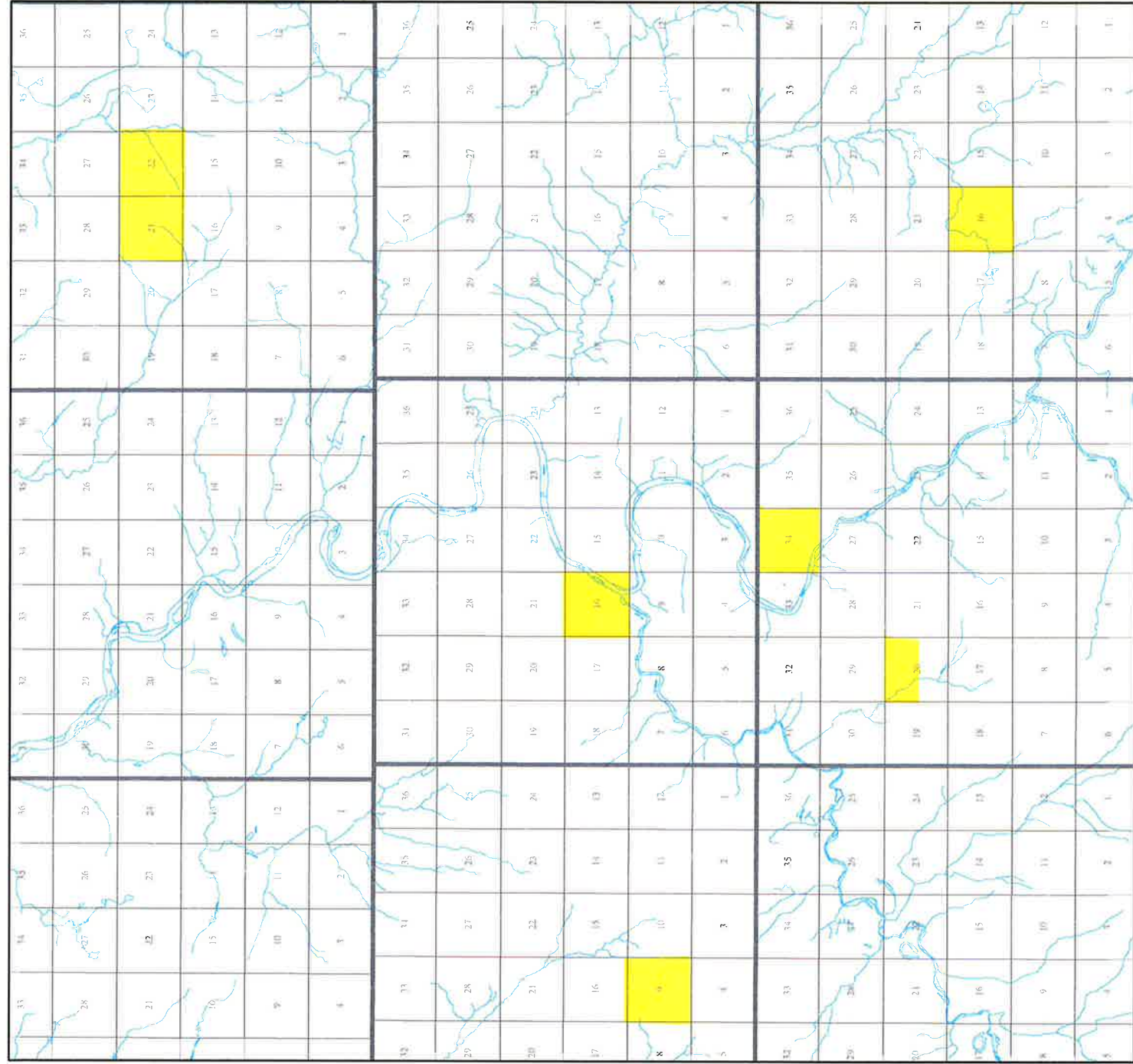
Progress reserves the right to decline any and all offers, and to negotiate with any company it so chooses.

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

R5 R4 R3



R5 R4 R3

Progress Energy

KARR

	Created in: ArcuMap™	Author: Linda Johnson
	Product of: ESRI	Date: January 10, 2012
	Document No: 027	File: None
	Version: 10.2.1	Scale: 1:146478
	Created in: ArcuMap™	Projection: NAD 83
	Vol: 21	Sheet: 18.51
	Grid Information:	DLS Version Information:
	DLS: IRS Enhanced Grid	AB: ATIS 2.6
	NTS: Theoretical Grid	BC: PRB 2.0
	FPS: Theoretical Grid	SK: STS 2.5
	US: IRS US Cont	MR: MAR 07

Scale 1:146478



PROGRESS ENERGY
Mineral Property Report

KARR

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name		Gross				
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*	
M-06089	PNG	CR	256.000			WI	Area : KARR
Sub: A	WI		256.000	PEP2009		100.00000000	TWP 65 RGE 3 W6M SEC 16
A	0507090613		256.000				ALL PNG
	PEP2009			Total Rental:	896.00		
100.00000000	PEL						----- Related Contracts -----
							C-03139 A CONTRIBUT Jan 15, 2009

Status	Dev:	Hectares	Net	Undev:	Hectares	Net
UNDEVELOPED		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:				
S/S OIL: Min:	Max:	Min Pay:	Div:	Prod/Sales:
Other Percent:		Min:		Prod/Sales:
Paid to: PAIDTO (R)		Paid by: WI (M)		
AB-MIN OF FINAN	100.00000000	PEP2009	100.00000000	

File Number	Lse Type	Lessor Type	Exposure	Oper.Cont.	ROFR	DOI Code	Lease Description / Rights Held
File Status	Int Type / Lse No/Name		Gross				
Mineral Int	Operator / Payor		Net	Doi Partner(s)	*	*	
M-06080	PNG	CR	128.000			WI	Area : KARR
Sub: A	WI		128.000	PEP2009		100.00000000	TWP 65 RGE 4 W6M N/2 20
A	0507090191		128.000				ALL PNG
	PEP2009			Total Rental:	448.00		
100.00000000	PEL						----- Related Contracts -----
							C-03139 A CONTRIBUT Jan 15, 2009

Status	Dev:	Hectares	Net	Undev:	Hectares	Net
UNDEVELOPED		0.000	0.000		128.000	128.000

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				

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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-06080	A	Gas: Royalty: S/S OIL: Min: Other Percent:	Max:	Min Pay: Div: Min:	Prod/Sales: Prod/Sales: Prod/Sales:		
		Paid to: PAIDTO (R) AB-MIN OF FINAN	100.00000000	Paid by: WI PEP2009	(M) 100.00000000		

M-06081	PNG	CR	Eff: Sep 06, 2007	256.000		WI	Area : KARR
Sub: A	WI		Exp: Sep 05, 2012	256.000	PEP2009	100.00000000	TWP 65 RGE 4 W6M SEC 34
A	0507090194			256.000			PNG FROM BASE SPIRIT_RIVER
	PEP2009				Total Rental: 896.00		
100.00000000	PEL						----- Related Contracts -----
							C-03139 A CONTRIBUT Jan 15, 2009
	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:
Paid to: PAIDTO (R) AB-MIN OF FINAN		Paid by: WI PEP2009	(M)	100.00000000

M-06112	PNG	CR	Eff: Nov 15, 2007	256.000		WI	Area : KARR
Sub: A	WI		Exp: Nov 14, 2012	256.000	PEP2009	100.00000000	TWP 66 RGE 4 W6M SEC 16
A	0507110421			256.000			(SURFACE ACCESS RESTRICTIONS)
	PEP2009				Total Rental: 896.00		
100.00000000	PEL						PNG FROM BASE PEACE_RIVER_GROUP
	Status		Hectares	Net		Hectares	Net
							----- Related Contracts -----

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 REPORTED IN HECTARES

PROGRESS ENERGY
 Mineral Property Report

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

(cont'd)

M-06112										
Sub: A	UNDEVELOPED	Dev:	0.000	0.000	Undev:	256.000	256.000	C-03139 A	CONTRIBUT	Jan 15, 2009
								C-03668 B	FO&O	Dec 21, 2011

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:
Paid to: PAIDTO (R)		Paid by: WI (M)		
AB-MIN OF FINAN	100.00000000	PEP2009		100.00000000

M-05381	PNG	CR	Eff: Nov 30, 2006	256.000		WI	Area : KARR
Sub: B	WI		Exp: Nov 29, 2011	256.000	PEP2009	100.00000000	TWP 66 RGE 5 W6M SEC 9
A	0506110633		Ext: 17	256.000			PNG BELOW BASE BLUESKY-BULLHEAD
	PEP2009		Ext: Nov 30, 2012		Total Rental:	0.00	TO BASE MONTNEY
100.00000000	PEL		Count Acreage =	No			

----- Related Contracts -----
 C-03139 A CONTRIBUT Jan 15, 2009

Status	Hectares	Net	Undev:	Hectares	Net
DEVELOPED	256.000	256.000	0.000	0.000	0.000

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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 Mineral Property Report

REPORTED IN HECTARES

KARR

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-05381 B Paid to: PAIDTO (R) Paid by: WI (M)
 AB-MIN OF FINAN 100.00000000 PEP2009 100.00000000

M-06283 PNGL CR Eff: May 01, 2008 512.000 WI Area : KARR
 Sub: A WI Exp: Apr 30, 2012 512.000 PEP2009 100.00000000 TWP 67 RGE 3 W6M SEC 21 & 22
 A 5408050215 512.000 Total Rental: 1792.00 ALL PNG
 PEP2009
 100.00000000 PEL ----- Related Contracts -----
 C-03139 A CONTRIBUT Jan 15, 2009

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

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:
Paid to: PAIDTO (R)		Paid by: WI (M)		
AB-MIN OF FINAN 100.00000000		PEP2009 100.00000000		

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REPORTED IN HECTARES

KARR

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

Report Total:	Total Gross:	1,408.000	Total Net:	1,408.000				
	Dev Gross:	0.000	Dev Net:	0.000	Undev Gross :	1,408.000	Undev Net :	1,408.000

** End of Report **