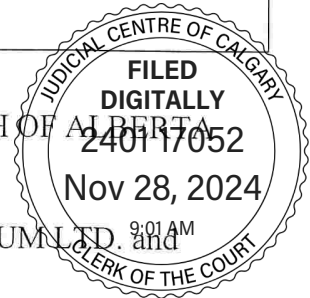
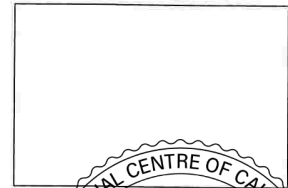


Clerk's Stamp



COURT FILE NUMBER

COURT

JUDICIAL CENTRE OF

APPLICANT

RESPONDENT

COURT OF KING'S BENCH OF ALBERTA

CALGARY

NORTH SHORE PETROLEUM LTD. and

JOHN ZANG

PISMO ENERGY LTD.

DOCUMENT

AFFIDAVIT

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT:

BENNETT JONES LLP
Barristers and Solicitors
4500, 855 – 2nd Street S.W.
Calgary, Alberta T2P 4K7

Attention: Keely Cameron /Luc Rollingson
Telephone No.: 403-298-3324/7971
Fax No.: 403-265-7219
Client File No.: 98495.01

AFFIDAVIT OF JOHN ZANG

Sworn on November 27, 2024

I, John Zang, of Calgary, Alberta, SWEAR AND SAY THAT:

1. I am the President and Director of Pismo Energy Ltd. ("**Pismo**") and since the passing of Lorne Scott, QC on May 24, 2023, I have been the sole director of North Shore Petroleum Ltd. ("**North Shore**"). North Shore owns 100% of the Pismo common shares. As such, I have personal knowledge of the matters deposed to in this Affidavit except where stated to be as based on information and belief in which case I verily believe the statements to be true.
2. In my personal capacity, I am also a debenture holder of Pismo. Attached as **Exhibit "A"** is a copy of Pismo's Demand Debenture.

3. Unless otherwise indicated, monetary references in this affidavit are referenced in Canadian dollars.

BACKGROUND

4. Pismo is a privately owned company in the business of the development and production of oil and natural gas in Alberta. Pismo is a corporation registered pursuant to the laws of Alberta and headquartered in Calgary, Alberta. Attached as **Exhibit "B"** is a copy of an Alberta Corporate Registry search for Pismo.
5. Pismo was established to acquire certain oil and gas from Macquarie Oil and Gas Ltd., with additional assets being obtained through the receivership of Canadian Coyote Energy Ltd. in January 2017.
6. Pismo's assets include interests in oil and gas wells, facilities, pipelines and equipment ("**Pismo Assets**") located in Alberta and Saskatchewan. Attached as **Exhibit "C"** is an Asset List of the Pismo Assets ("**Asset List**").
7. Pismo has no employees, operations are carried out either by its partners, Poker Chip Exploration Ltd. ("**Poker Chip**") and North Fork Resources Ltd. ("**North Fork**"), or consultants.
8. Neither Poker Chip nor North Fork is an "associate" of Pismo or an "affiliate" of Pismo (both as defined by the Alberta *Business Corporations Act*). Both Poker Chip and North Fork are authorized by the AER to operate assets and hold licenses issued by the AER.
9. Other partners of Pismo include Quattro Exploration and Production Ltd. ("**Quattro**") and Brevet Oil Ltd. ("**Brevet**"). Quattro and Brevet are to the best of my knowledge, insolvent.
10. Pismo has been receiving financial support since September 2021 from its sister company, Topanga Resources Ltd. ("**Topanga**") as Pismo's operations have negative cash flow.

OVERVIEW OF FINANCIAL DIFFICULTIES

11. The key assets owned by Pismo were (as shown on the Asset List) the Carrott Creek property (a significant cash flow property), the Alliance property, and the Lloydminster property. As

described below, Pismo has had to divest of parts of these interests to address other obligations.

12. The Lloydminster property was a good property producing material net income to Pismo. However, the property was subject to a fixed royalty which was related to a set oil production volume. As a result, when oil prices decreased, Pismo was obligated to maintain these barrels of oil on production, yet it saw no revenue from those sold barrels. In the end, this made the property unsustainable. Pismo, partly through litigation and partly through negotiation, was able to get out of that burden by settling with the royalty holder.
13. It was a term imposed by the royalty holder that Pismo not maintain a material interest in the assets. As a result, effective March 31, 2019, Pismo sold a portion of the Lloydminster assets to Revival Energy Inc. A term of that sale was that Pismo was required to deliver the licenses failing which Revival was entitled to a \$1 million payment. Although applications were made to transfer the licenses to Revival, the transfer never occurred. This resulted in a judgement in favour of Revival.
14. Subsequently, effective April 30, 2020, Pismo sold certain portions of the Lloydminster assets to Brevet. Through the purchase agreement, Brevet was required to take over the AER licenses and either bring the wells onto production or abandon them. Brevet essentially failed to perform these requirements. As the licensee of these wells, the AER continued to turn to Pismo to meet the financial obligations associated with these wells. This included addressing spills that occurred while Brevet was operator. Pismo was forced to clean up these spills. This clean-up is on-going. Pismo has received a judgement against Brevet (including requiring Brevet to take on the well licenses associated with its assets). However, I believe that Brevet is insolvent and, as a result, it is unlikely that the AER will permit a transfer of these licenses to Brevet.
15. The Carrot Creek property produced significant revenue, but in September 2021, Tallinn Capital Partners Ltd. (the creditor to Pismo) advised that it required payment its debts. To avoid "foreclosure" on its assets Pismo was required to sell the Carrott Creek property. This, resulted in significant loss of Pismo's net income.

16. The Alliance property was purchased through a receivership. Unfortunately, a theft during the insolvency process made a large facility (location 00/02-36-040-13W4, Facility license number F8083) incapable of operations. This resulted in any natural gas production from the wells owned by Pismo in the area being largely incapable of production.
17. After the theft a proposed purchaser for the Alliance property backed out of the deal. This left Pismo and Redondo holding non-producing assets with a significant on-going cost. Such cost including the significant liability for municipal and linear taxes (as shown by the County of Flagstaff judgement).
18. More recently, Pismo has been able to farm-out a portion of these assets to Poker Chip. Poker Chip's interest in Alliance is as shown on the Assets List.
19. The COVID-19 pandemic resulted in significant setbacks for Pismo as it needed to shut in certain of its sites. As a result, Pismo came out of the pandemic with significant arrears and shortly thereafter the AER introduced its new liability management regime which required substantial expenditures on closure.

PISMO'S ASSETS

20. Attached as **Exhibit "D"** are Pismo's management prepared balance sheet and income statement for 2023.
21. Aside from the assets shown on the Asset List (and the equipment related thereto), the only other material asset of Pismo is a judgement against Brevet in the amount of \$247,624.56 ("**Brevet Judgment**"). I believe that Brevet is insolvent. Brevet has not performed any of its obligations ordered by the Brevet Judgement. Attached hereto and marked as **Exhibit "E"** to this my Affidavit is a true copy of the aforesaid Brevet judgement.

PISMO'S LIABILITIES

22. Pismo's has total outstanding liabilities of November 2024 of at least \$15,627,331.27.
23. Pismo owes approximately \$2,397,703.54 (not including amounts owed to the AER) for trade payables, joint billings, royalties and surface lease payments.

24. Pismo is also indebted to North Shore and its debenture holders through its secured debenture debt and through the assignment to them of the secured debt owed to Tallinn Capital Partners Ltd. This debt, not including interest, is in the amount of \$13,550,591.33.
25. As required by the AER September 19 Order, defined below, Pismo is required to pay the AER the total sum of \$982,870.
26. To the best of my information, Pismo is indebted for municipal taxes debt as follows:
 - (a) To Flagstaff County: \$329,506.82 plus interest (judgement received);
 - (b) To the County of Vermillion River No. 24 is claiming \$747,099.16 is owing (some of which is disputed by Pismo and of which the County has received judgement in the amount of \$187,038.28 plus costs); and
 - (c) To County of Paint Earth No. 18: \$58,787.
27. There are other judgments and secured registrations made against Pismo. Attached as **Exhibit "F"** is a copy of the Personal Property Registration search for Pismo.

DEALING WITH THE AER

28. On September 19, 2024, the AER issued an Order requiring, among other things, that Pismo make a payment of \$982,870 ("**September 19 Order**"). A copy of the September 19 Order is attached as **Exhibit "G"**.
29. The September 19 Order exacerbated the challenges experienced by Pismo. Pismo had been seeking to raise capital and no one was interested in providing funding after the issuance of the September 19 Order. Further, the September 19 Order requires them to divert funds from operations, when Pismo is already operating at a loss.
30. Since its issuance, Pismo has proceeded to make its best efforts to comply with the September 19 Order. Its actions have included: performing the necessary inspections, making the necessary registrations, proceeding to arrange for the provision for services (including to clean up the Brevet spills), preparing the Reasonable Care and Measures Plan for the AER's review, preparing a revised emergency response plan for the AER's review, obtaining quotes for

abandonment of certain properties, issuing authorization for expenditures to its working interest participants in order to proceed with work (including abandonment) on sites, obtained judgement against Brevet and attempting to collect on same, meeting with its working interest participants (the “WIPs”). Attached and marked as **Exhibit "H"** are copies of my weekly reports provided to the AER as required by the September 19 Order.

31. Pismo also commenced a sales process as described below and reached out to its partners Poker Chip and North Fork, to see if they were prepared to assume Pismo’s interests in assets jointly owned. These assets are already operated by Poker Chip and North Fork.
32. After receiving their confirmation to take over the joint interest assets, subject to the municipal tax obligations being resolved, Pismo submitted applications to the AER to transfer licenses to Poker Chip and North Fork. If approved, this will result in \$2,238,426 of Pismo’s liability being assumed; 42% of Pismo’s total liabilities. The AER has responded requiring proof of addressing municipal taxes owing in accordance with Government of Alberta Ministerial order 096/2024 (“**Ministerial Order**”), a copy of which is attached hereto as **Exhibit "I"** along with a copy of the AER’s Bulletin explaining the Ministerial Order. Pismo lacks the finances to address its municipal taxes.
33. Despite being aware of Pismo’s attempts to sell its assets and that Poker Chip and North Fork have advised that they would assume Pismo’s interests, on November 27, 2024, the AER delivered a further order, which directs Pismo to shut-in and ultimately abandon all of its wells, facilities, and pipelines. Attached as **Exhibit "J"** is a copy of this email from the AER with the attached order (the “**Shut-in Order**”). The Shut-in Order requires the abandonment of all wells, even those where there are other parties with interests in those wells, who are prepared to assume them.
34. The Shut-in Order, requires the shut-in and abandonment of the wells operated by Poker Chip and North Fork, depriving the province of royalties and land owners of their surface lease payments. It may also result in damage to the assets given the increased risks with shutting in the assets in the winter. These wells are currently operated by Poker Chip and North Fork in a safe and responsible manner.

SALES PROCESS

35. Pismo after consultation with its key creditors, retained Energy Advisor's Group Ltd. ("**EAG**" or "**Sales Advisor**") to develop a solicitation and sales investment process ("**SISP**") which contemplates an asset divestiture process. EAG has significant Canadian experience in the sale of oil and gas assets. Pismo developed the SISP in consultation with EAG and legal advisors. KSV has also been made aware of this sales process.
36. The SISP commenced on October 7, 2024, with a bid deadline of December 10, 2024. Over 25 parties accessed the data room associated with the SISP. However, the SISP did not result in any offers for the Pismo Assets. The Pismo Assets are unlikely to receive any offers if the SISP continues because the interests constitute a small working interest percentage in each asset; but come with significant liabilities.

PROPOSED RECEIVER

37. The appointment of KSV Restructuring Inc. ("**KSV**" or the "**Receiver**"), as the receiver over Pismo in these proceedings is sought as it is the only mechanism to enable the transfer of any AER licenses and associated environmental liabilities out of Pismo given Pismo's financial constraints.
38. I understand that Pismo consents to the appointment of a Receiver and the Debenture holders, which I am also two of, supports the appointment of a Receiver for the purpose of ensuring all Listed Assets do not end up with the Orphan Well Association.
39. I have secured thirty party funding for a pre-pack receivership to conclude the aforementioned dispositions.

RELIEF SOUGHT

40. This Affidavit is provided in support of my application and North Shore's application to:
- (a) appoint KSV Restructuring Inc. ("**KSV**" or the "**Receiver**") over the Pismo Assets;

- (b) Approve of the quitclaim of certain Pismo Assets to Poker Chip and North Fork as laid out in the Sale Approval and Vesting Orders attached as Schedule "A" and "B" to the Application; and
- (c) Discharging the Receiver.

CONCLUSION

41. I make this affidavit in support of the relief sought above and for no other improper purpose.

SWORN BEFORE ME)
 at the City of Calgary, Alberta, this)
 27th day of November, 2024.)
)
)
)
)
)
)

K Larson

 A Commissioner for Oaths in and for the
 Province of Alberta

Kendra Larson
Student-at-Law

[Handwritten Signature]

 JOHN ZANG

This is **Exhibit "A"** referred to in the Affidavit of John Zang sworn before me this 27th day of November 2024

A handwritten signature in blue ink that reads "K Larson". The signature is written in a cursive style.

A Commissioner for Oaths in and for Alberta

Kendra Larson
Student-at-Law

PISMO ENERGY LTD.

DEMAND DEBENTURE

Agent and Address: Scott Venturo LLP
Barristers & Solicitors
203, 200 Barclay Parade SW
Calgary, AB T2P 4R5

Attention: Lorne Scott, Q.C.

Date: September 21, 2015

PREAMBLE:

- A. Pismo Energy Ltd. (the "**Debtor**") is indebted to certain persons who are purchasers of debentures (collectively, the "**Initial Debentures**") granted by Topanga Resources Ltd. and guaranteed by the Debtor to each such person (collectively, the "**Initial Holders**") on the date hereof.
- B. The Debtor may become indebted to persons who purchase debentures from the Debtor in the future and may become indebted by way of accepting the assignment of certain debentures and loans currently owing (together referred to as the "Additional Debentures") (such Additional Debentures, together with the Initial Debentures, collectively, the "**Debentures**") and who become party to this Agreement pursuant to a Joinder Agreement (as hereinafter defined) (such persons, together with the Initial Holders, collectively, the " **Holders**").
- C. To secure the payment and performance of the Principal Sum (as hereinafter defined), the Debtor has agreed to grant to the Agent, for and on behalf of itself and the Holders, a security interest in and to the Collateral (as hereinafter defined) in accordance with the terms of this Debenture.
- D. The Holders have requested Scott Venturo LLP (the "**Agent**") to act on their behalf to hold the security interest in and to the Collateral and with respect to certain other matters associated with this Debenture.
- E. It is in the interests of the Debtor to enter into this Debenture and to grant the security interest herein contemplated.

**ARTICLE 1
PROMISE TO PAY**

- 1.1 The Debtor, a corporation formed under the laws of Alberta, for value received, hereby acknowledges itself indebted and promises to pay **ON DEMAND** to or to the order of the Agent, for its own benefit and in its capacity as agent on behalf of the Holders, from time to time, or any subsequent holder of this Debenture who becomes party hereto by way of

a Joinder Agreement, the Principal Sum set out below in lawful money of Canada at such place as the Agent, from time to time, may designate by notice in writing to the Debtor, and to pay interest thereon from the date of demand at the rate set out below in like money at the same place on the last day of each month following demand and, should the Debtor at any time make default in payment of any principal or interest, to pay interest both before and after default and judgment on the amount in default at the same rate in like money at the same place on the same dates.

ARTICLE 2 PRINCIPAL SUM

- 2.1 The "Principal Sum" is Canadian \$12,000,000.

ARTICLE 3 INTEREST RATE

- 3.1 The "Interest Rate" will be a nominal interest rate equal to 12% per annum.

ARTICLE 4 SECURITY

- 4.1 As general and continuing collateral security for the due payment of the Principal Sum, interest and all other monies payable hereunder or from time to time secured hereby and as security for the performance and observance of the covenants and agreements on the part of the Debtor herein contained, the Debtor hereby grants to and in favour of the Agent, for and on behalf of itself and the Holders a security interest in and to all of the Debtor's present and after-acquired personal property, tangible and intangible, in each case, of every nature and kind and wherever situate and all proceeds thereof and hereby mortgages and charges to and in favour of the Agent, for and on behalf of itself and the Holders, as and by way of a floating charge, all of the Debtor's present and after-acquired real property. In this Debenture, the mortgages, charges and security interests hereby constituted are called the "Security Interest" and the subject matter of the Security Interest is called the "Collateral".
- 4.2 Until the Security Interest becomes enforceable, the Debtor, subject to the terms of each Debenture and any other documents, instruments and agreements entered into pursuant to each such Debenture or in connection with each such Debenture from time to time, including, for certainty, this Debenture (collectively, the "Credit Documents"), may dispose of or deal with the Collateral in the ordinary course of its business and for the purpose of carrying on the same, so that purchasers thereof or parties dealing with the Debtor take title thereto free and clear of the Security Interest. In the event of any such disposition in the ordinary course of business or as permitted by the Debentures, the Agent will, at the written request of the Debtor release its Security Interest over the Collateral which has been disposed.
- 4.3 Without limiting its rights hereunder to crystallize the Security Interest in any other manner, the Agent may, at any time after the occurrence of an event or condition that

results in indebtedness owing by the Debtor to any Holder under any Credit Document either becoming due prior to the scheduled maturity thereof, or that enables or permits a Holder to require the acceleration, prepayment, repurchase, redemption or defeasance of such indebtedness prior to the scheduled maturity thereof (each such event, an "Event of Default") or to the extent expressly provided for in any of the Credit Documents, crystallize the Security Interest in respect of all or a portion of the Collateral which is subject to the floating charge in Section 4.1 hereof by, after being directed by a Holder pursuant to Section 13.3 to do so, (a) giving notice to the Debtor of, and (b) registering this Debenture or a caveat, security notice, financing statement or other instrument in respect of this Debenture, at any public registry or other office maintained for the purposes of registering fixed and specific mortgages and charges, security interests and other like interests, and after such crystallization, the Security Interest in respect of such Collateral that is the subject of the registration shall constitute a fixed and specific mortgage and charge and security interest to and in favour of the Agent (on behalf of itself and the Holders), its successors and assigns, in respect of such Collateral, and the Debtor shall not thereafter dispose of or otherwise deal with such Collateral without the consent of the Agent except to the extent otherwise permitted under the Credit Documents. The Debtor shall execute such further documents and do all acts reasonably requested by the Agent to give effect to the foregoing.

- 4.4 The Security Interest will not extend or apply to the last day of the term of any lease of real property or agreement therefor, but upon the enforcement of the Security Interest, the Debtor will stand possessed of such last day in trust to assign the same at the direction of the Agent to any person acquiring such term.
- 4.5 The Debtor confirms that value has been given, that the Debtor has rights in the Collateral, and that the Debtor and the Agent, for and on behalf of the Holders, have not agreed to postpone the time for attachment of the Security Interest to any of the Collateral. In respect of Collateral which is acquired after the date of execution hereof, the time for attachment will be the time when the Debtor acquires such Collateral.
- 4.6 The Agent is the party entitled to receive all amounts payable hereunder on behalf of the Holders and to give a discharge hereof. The Agent may direct in writing that any funds payable hereunder be paid directly to the parties entitled thereto.
- 4.7 The Security Interest does not and will not extend to, and the Collateral will not include, any agreement, right, franchise, intellectual property, licence or permit (the "Contractual Rights") to which the Debtor is a party or of which the Debtor has the benefit, to the extent that the creation of the Security Interest would constitute a breach of the terms of or permit any person to terminate the Contractual Rights, but the Debtor will hold its interest therein in trust for the Agent to the extent permitted by law and will assign such Contractual Rights to the Agent forthwith upon obtaining the consent of the other party or parties thereto.
- 4.8 Notwithstanding the provisions of this Debenture, (i) the Debtor shall remain liable to perform all of its duties and obligations in regard to the Collateral (including, without limitation, all of its duties and obligations arising under any leases, licenses, permits,

reservations, contracts, agreements, instruments, contractual rights and governmental orders, authorizations, licenses and permits now or hereafter pertaining thereto) to the same extent as if this Debenture had not been executed; (ii) the exercise by the Agent of any of its rights and remedies under or in regard to this Debenture shall not release the Debtor from such duties and obligations; and (iii) the Agent shall have no liability for such duties and obligations or be accountable for any reason to the Debtor by reason only of the execution and delivery of this Debenture.

- 4.9 The Agent and its successors and assigns shall have and hold the Collateral, together with all tenements, hereditaments and appurtenances thereto, in accordance with the terms of the Credit Documents.
- 4.10 To the extent permitted by applicable law, the Security Interest shall not be impaired by any indulgence, moratorium or release which may be granted including, but not limited to, any renewal, extension or modification which may be granted with respect to any secured indebtedness, or any surrender, compromise, release, renewal, extension, exchange or substitution which may be granted in respect of the Collateral, or any part thereof or any interest therein, or any release or indulgence granted to any endorser, guarantor or surety of any of the Principal Sum.
- 4.11 The Debtor agrees and acknowledges that the Security Interest and the Collateral are being shared on an equal and pro rata basis in accordance with Section 13.4 of this Debenture among the Holders and this Debenture is being held by the Agent for its own benefit and on behalf of the Holders.

ARTICLE 5 ENFORCEMENT

- 5.1 Subject to Section 13.4 hereof and the terms of the Credit Documents, upon the occurrence and during the continuance of any Event of Default and after being notified or directed to do so pursuant to Section 13.3 of this Debenture, the Agent will be entitled to exercise any of the remedies specified below:
- (a) **Receiver.** The Agent may appoint by instrument in writing one or more receivers, managers or receiver/ manager for the Collateral or the business and undertaking of the Debtor pertaining to the Collateral (the "**Receiver**"). Any such Receiver will have, in addition to any other rights, remedies and powers which a Receiver may have at law, in equity or by statute, the rights and powers set out in clauses (b) through (c) in this Section 5.1. In exercising such rights and powers, any Receiver will act as and for all purposes will be deemed to be the agent of the Debtor and neither the Agent nor any Holder will be responsible for any act or default of any Receiver. The Agent may remove any Receiver and appoint another from time to time. No Receiver appointed by the Agent need be appointed by, nor need its appointment be ratified by, or its actions in any way supervised by, a court.

- (b) **Power of Sale.** Any Receiver may sell, consign, lease or otherwise dispose of any Collateral by public auction, private tender, private contract, lease or deferred payment with or without notice, advertising or any other formality, all of which are hereby waived by the Debtor to the extent permitted by applicable law. Any Receiver may, at its discretion establish the terms of such disposition, including terms and conditions as to credit, upset, reserve bid or price. All payments made pursuant to such dispositions will be credited against the Principal Sum only as they are actually received. Any Receiver may buy in, rescind or vary any contract for the disposition of any Collateral and may dispose of any Collateral without being answerable for any loss occasioned thereby. Any such disposition may take place whether or not the Receiver has taken possession of the Collateral.
- (c) **Pay Liens and Borrow Money.** Any Receiver may pay any liability secured by any actual or threatened mortgage, lien, pledge, charge (whether fixed or floating), security interest or other encumbrance of any kind, contingent or absolute (collectively, a "Lien"), against any Collateral. Any Receiver may borrow money for the maintenance, preservation or protection of any Collateral or for carrying on any of the business or undertaking of the Debtor pertaining to the Collateral and may grant Liens in any Collateral (in priority to the Security Interest or otherwise) as security for the money so borrowed. The Debtor will forthwith upon demand reimburse the Receiver for all such payments and borrowings and such payments and borrowings will be secured hereby and will be added to the money hereby secured and bear interest at the rate set forth in Section 3.1 hereof.
- (d) **Dealing with Collateral.** Any Receiver may seize, collect, realize, dispose of, enforce, release to third parties or otherwise deal with any Collateral in such manner, upon such terms and conditions and at such time as it deems advisable, including without limitation:
- (i) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in connection with the Collateral;
 - (ii) to receive, endorse, and collect any drafts or other instruments, documents and chattel paper in connection with Section 5.1(d)(i);
 - (iii) to file any claims or take any action or institute any proceedings which the Agent may deem to be necessary or desirable for the collection of the Collateral or to enforce compliance with the terms and conditions of any contract or any account; and
 - (iv) to perform the affirmative obligations of the Debtor hereunder (including all obligations of the Debtor pursuant to this Debenture and the Credit Documents.)

- (e) **Carry on Business.** The Agent or any Receiver may carry on, or concur in the carrying on of, any or all of the business or undertaking of the Debtor and enter on, occupy and use (without charge by the Debtor) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Debtor.
- (f) **Right to Have Court Appoint a Receiver.** The Agent may, at any time, apply to a court of competent jurisdiction for the appointment of a Receiver, or other official, who may have powers the same as, greater or lesser than, or otherwise different from, those capable of being granted to a Receiver appointed by the Agent pursuant to this Debenture.
- (g) **Agent May Exercise Rights of a Receiver.** In lieu of, or in addition to, exercising its rights, remedies and powers under clauses (a), (f) and (h) of this Section 5.1, the Agent has, and may exercise, any of the rights and powers which are capable of being granted to a Receiver appointed by the Agent pursuant to this Debenture.
- (h) **Retention of Collateral.** Subject to applicable law, the Agent may elect to retain any Collateral in satisfaction of the Principal Sum and, if it does so, may designate any part of the Principal Sum to be satisfied by the retention of particular Collateral which the Agent considers to have a net realizable value approximating the amount of the designated part of the Principal Sum, in which case only the designated part of the Principal Sum will be deemed to be satisfied by the retention of the particular Collateral.
- (i) **Limitation of Liability.** Neither the Agent nor any Holder will be liable or accountable for any failure to take possession of, seize, collect, realize, dispose of, enforce or otherwise deal with any Collateral and none of them will be bound to institute proceedings for any such purposes or for the purpose of reserving any rights, remedies and powers of the Agent, the Debtor or any other person in respect of any Collateral. If any Receiver or the Agent takes possession of any Collateral, neither the Agent nor any Receiver will have any liability as a mortgagee in possession or be accountable for anything except actual receipts.
- (j) **Extensions of Time.** Following the occurrence and during the continuance of any Event of Default, the Agent may grant renewals, extensions of time and other indulgences, accept compositions, grant releases and discharges, and otherwise deal or fail to deal with the Debtor, debtors of the Debtor, guarantors, sureties and others and with any Collateral as the Agent may see fit, all without prejudice to the liability of the Debtor to the Agent or the Agent's rights, remedies and powers under this Debenture or under any other Credit Documents.
- (k) **Validity of Sale.** No person dealing with the Agent or any Receiver, or with any officer, employee, agent or solicitor of the Agent or any Receiver will be concerned to inquire whether the Security Interests have become enforceable, whether the right, remedy or power of the Agent or the Receiver has become exercisable, whether the Principal Sum remaining outstanding or otherwise as to

the proprietary or regularity of any dealing by the Agent or the Receiver with any Collateral or to see to the application of any money paid to the Agent or the Receiver; and in the absence of fraud on the part of such person such dealings will be deemed, as regards such person, to be within the rights, remedies and powers hereby conferred and to be valid and effective accordingly.

- (l) **Effect of Appointment of Receiver.** As soon as the Agent takes possession of any Collateral or appoints a Receiver, all powers, functions, rights and privileges of the Debtor including, without limitation, any such powers, functions, rights and privileges which have been delegated to directors, officers of the Debtor or committees with respect to such Collateral will cease, unless specifically continued by the written consent of the Agent or the Receiver.
- (m) **Time for Payment.** If the Agent demands payment of the Principal after the occurrence of an Event of Default or if the Principal Sum is otherwise due by maturity or acceleration, it will be deemed reasonable for the Agent to exercise its remedies immediately if such payment is not made, and any days of grace or any time for payment that might otherwise be required to be afforded to the Debtor at law or in equity is hereby irrevocably waived to the extent permitted by applicable law.
- (n) **No Implied Waiver.** The rights of the Holders and the Agent hereunder will not be capable of being waived or varied otherwise than by an express waiver or variation in writing, and in particular any failure to exercise or any delay in exercising any of such rights will not operate as a waiver or variation of that or any other such right; any defective or partial exercise of any of such rights will not preclude any other or further exercise of that or any other such right, and no act or course of conduct or negotiation on the part of any Holders or the Agent or on its behalf will in any way preclude any Holders or the Agent from exercising any such right or constitute a suspension or any variation of any such right.
- (o) **Rights Cumulative.** The rights, remedies and powers conferred by this Section 5.1 are in addition to, and not in substitution for, any other rights, remedies or powers that the Agent or any Holder may have under this Debenture, at law, in equity, by or under the *Personal Property Security Act* (Alberta) or by any other statute or agreement. The Agent may proceed by way of any action, suit or other proceeding at law or in equity and no right, remedy or power of the Agent or any Holder will be exclusive of or dependent on any other. The Agent or any Holder may exercise any of their rights, remedies or powers separately or in combination and at any time.

5.2 If the Agent or any Receiver exercises its rights herein to take possession of the Collateral, the Debtor will upon request from the Agent or any such Receiver, assemble and deliver possession of the Collateral at such place or places as directed by the Agent or any such Receiver.

- 5.3 If the Debtor pays to the Agent the balance of the Principal Sum (including, without limitation, all amounts forming part thereof) with interest thereon as required by this Debenture and any and all other amounts that are payable to the Agent on or in relation to the repayment thereof, then the Agent will, at the written request and sole expense of the Debtor, reassign and reconvey the Collateral to the Debtor and release the Security Interest.

ARTICLE 6 REPRESENTATIONS

- 6.1 The Debtor represents and warrants to the Agent and each of the Holders that the address of the Debtor's chief executive office is 1300, 734 – 7 Avenue SW, Calgary, AB T2P 3P8 and the Debtor carries on business only in the Provinces of Alberta and British Columbia.

ARTICLE 7 COVENANTS

- 7.1 The Debtor covenants and agrees with the Agent that:
- (a) **Further Documentation; Pledge of Instruments.** At any time and from time to time, upon the written request of the Agent, and at the sole expense of the Debtor, the Debtor will promptly and duly execute and deliver such further instruments and documents and take such further action as the Agent may reasonably request for the purposes of obtaining or preserving the full benefits of this Debenture and of the rights and powers herein granted, including the filing or execution of any financing statements or financing change statements under any applicable law with respect to this Debenture. The Debtor also hereby authorizes the Agent to file any such financing statement or financing change statement without the signature of the Debtor to the extent permitted by applicable law. Without limiting the generality of the foregoing, the Debtor acknowledges that this Debenture has been prepared based on applicable law and the Debtor agrees that the Agent will have the right, acting reasonably, to require that this Debenture be amended or supplemented: (i) to reflect any changes in applicable law, whether arising as a result of statutory amendments, court decisions or otherwise; (ii) to facilitate the creation and registration of appropriate security in all appropriate jurisdictions; or (iii) if the Debtor amalgamates with any other person or enters into any reorganization, in each case in order to confer upon the Agent the security intended to be created hereby.
 - (b) **Further Identification of Collateral.** The Debtor will furnish to the Agent from time to time such statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Agent may reasonably request, all to the extent necessary to permit the Collateral to be sufficiently described.
 - (c) **Notices.** The Debtor will advise the Agent in writing in reasonable detail of (i) any change in the jurisdictions where it carries on business or the chief executive

office of the Debtor, or (ii) any change in the name of the Debtor, in each case, at least 15 days prior to the effective date of any such change.

ARTICLE 8 ATTORNEY IN FACT

- 8.1 The Debtor hereby irrevocably constitutes and appoints the Agent and any agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Debtor and in the name of the Debtor or in its own name, from time to time in the Agent's discretion, for the purpose of carrying out the terms of this Debenture, to take any and all appropriate action and to execute any and all documents and instruments which may be reasonably necessary or desirable to accomplish the purposes of this Debenture and which the Debtor being required to take or execute has failed to take or execute. The Debtor hereby ratifies all that said attorneys will lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and will be irrevocable until the Principal Sum has been unconditionally and irrevocably paid and performed in full. The Debtor also authorizes the Agent, at any time and from time to time, to execute any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral in connection with the sale provided for in Section 5.1(b).

ARTICLE 9 EXPENSES

- 9.1 The Debtor agrees to pay the Agent forthwith on demand all reasonable costs, charges and expenses, including, without limitation, all reasonable legal fees (on a solicitor and his own client full indemnity basis), incurred by the Agent in connection with the administration, recovery or enforcement of payment of any amounts payable hereunder whether by realization or otherwise. All such sums will be secured hereby and will be added to the money hereby secured and bear interest at the rate set forth in Section 3.1 hereof.

ARTICLE 10 REALIZATION

- 10.1 The Agent will not, nor will it be entitled to, demand payment pursuant to this Debenture or enforce the Security Interest unless and until an event of Default occurs and is continuing, but thereafter the Agent, as agent for the Holders, may at any time exercise and enforce all of the rights and remedies of a holder of this Debenture in accordance with and subject to the Credit Documents as if the Agent was the absolute owner hereof, provided that the Agent will not be bound to exercise any such right or remedy.

ARTICLE 11 DEEMED SATISFACTION

- 11.1 Payment in full to the Agent or the Holders or any of them of all principal in respect of the indebtedness, liabilities and obligations of the Debtor under the Credit Documents (other than the Principal Sum contained in this debenture) (the "**Obligations**") will be

deemed to be payment in satisfaction of the Principal Sum under this Debenture. Notwithstanding the stated interest rate per annum in this Debenture, payment by the Debtor of the relevant fees and interest for any period in respect of the Obligations at the rate at which the Obligations bear interest for such period will be deemed to be payment in satisfaction of the interest payment for the same period under this Debenture. Notwithstanding the Principal Sum, interest and other monies expressed to be payable or secured hereunder, the obligations payable or secured hereunder shall not exceed the Obligations.

ARTICLE 12 NO LIABILITY

- 12.1 Neither the Agent nor any of the Holders shall be liable for any error of judgment or act done by any of them in good faith, or be otherwise responsible or accountable under any circumstances whatsoever, except for their gross negligence or wilful misconduct. The Agent shall have the right to rely on any instrument, document or signature authorizing or supporting any action taken or proposed to be taken by the Agent hereunder, believed by the Agent in good faith to be genuine. All moneys received by the Agent shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent required by applicable law), and the Agent shall be under no liability for interest on any moneys received by it hereunder. The Debtor hereby ratifies and confirms any and all acts which the Agent or its successors or substitutes shall do lawfully by virtue hereof.

ARTICLE 13 AGENCY MATTERS

- 13.1 The Holders hereby appoint the Agent to act as their agent for the purpose of the administration and enforcement of this Debenture and the Security Interest granted herein. The Agent acknowledges and accepts such appointment and agrees to perform the duties of the Agent set out herein. The Agent shall: (i) hold the Security Interest in the Collateral on behalf of and for the benefit of the Holders; (ii) execute, register and deliver all financing statements, financing change statements and other instruments in connection with this Debenture, and maintain and preserve the Security Interest; (iii) following an Event of Default, and in accordance with the provisions hereof, initiate enforcement proceedings or take any other action or remedy in accordance with the terms hereof; (iv) preserve and defend title to the Collateral and the rights of the Holders in such Collateral against the claims of all other persons; (v) release that portion of the Security Interest over Collateral disposed of in the ordinary course of business or as permitted by the Debentures pursuant to and in accordance with Section 4.2; and (vi) take any other action necessary or advisable to carry out the purposes of this Debenture.
- 13.2 All obligations, liabilities and indebtedness of the Holders under the Credit Documents, and the interests of the Holders in the Security Interest, shall rank *pari passu*.

- 13.3 Upon the occurrence of an Event of Default, any Holder may provide a notice or direction to the Agent to initiate enforcement proceedings or take any other action or remedy specified herein, and the consent of the other Holders shall not be required in connection with any such enforcement or any other action or remedy specified herein, provided that the Agent shall not be required to take any such steps or action which it determines to be contrary to any applicable law. For greater certainty, no Holder shall, except for the right to provide for the foregoing notice or direction to the Agent, have any right individually to enforce this Debenture or the Security Interest constituted hereby, it being understood that all such enforcement and other actions shall be taken by the Agent for the benefit of itself and all of the Holders upon the terms of this Debenture. Notwithstanding the foregoing, but subject to Section 4.2, the consent of all of the Holders will be required for any postponement, subordination or discharge by the Agent of all or any part of the Security Interest.
- 13.4 In the event of any enforcement, realization proceedings or other action or remedy commenced pursuant to this Debenture, all moneys collected by the Agent upon any sale or other disposition of, or realization upon, the Collateral, together with all other moneys received by the Agent from the Debtor shall be applied as follows:
- (a) first, to the payment of all fees (including legal fees on a solicitor and his own client full indemnity basis), costs and expenses related to the enforcement or realization proceedings or other actions taken by the Agent, any Receiver or other enforcement agent appointed by the Agent or a court of competent jurisdiction, as the case may be, pursuant to this Debenture or otherwise in respect of the Collateral and the realization thereof;
 - (b) second, to the Holders in payment of all obligations, liabilities and indebtedness owing to the Holders under their applicable Credit Documents on a pro-rata basis in accordance with the proportion from time to time of the then outstanding principal amount of each such Holder's Debenture at such time relative to the then outstanding aggregate principal amount of all Debentures at such time (the "Rateable Portion"); and
 - (c) third, to the extent proceeds remain after the application pursuant to the preceding clauses (a) and (b), and provided all obligations, liabilities and indebtedness of the Debtor to the Holders under and in respect of the Credit Documents have been paid in full and terminated, to the Debtor.
- 13.5 The Agent may, as hereinafter provided, resign at any time by giving 30 days' written notice thereof to the Holders, and the Holders may remove the Agent at any time by giving 30 days' written notice thereof by a majority of the Holders to the Agent. Upon any such resignation or removal, the Holders shall forthwith appoint a successor agent, by majority vote, for the Holders hereunder (the "Successor Agent"). Upon the acceptance of any appointment as Agent hereunder by a Successor Administrative Agent, such Successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the departing Agent. Upon resignation or

removal, the departing Agent shall thereupon be discharged from its further duties and obligations as Agent under this Agreement.

- 13.6 The Holders hereby agree to indemnify the Agent, and its respective agents and affiliates (to the extent not reimbursed by the Debtor) on a pro rata basis in accordance with each Holder's Rateable Portion, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Agent or its respective agents and affiliates in any way relating to or arising out of the Credit Documents or any action taken or omitted to be taken by the Agent under or in respect of the Credit Documents in its capacity as Agent, provided that no Holder shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Agent's gross negligence or wilful misconduct. Without limiting the generality of the foregoing, each Holder agrees to reimburse the Agent promptly upon demand for its Rateable Portion of any reasonable out-of-pocket expenses (including counsel fees, on a solicitor-client basis) incurred by the Agent in connection with the preservation of any rights of the Agent or the Holders under, or the enforcement of, or legal advice in respect of rights or responsibilities under, the Credit Documents to the extent that the Agent is not reimbursed for such expenses by the Debtor.

ARTICLE 14 PRESENTMENT

- 14.1 The Debtor hereby expressly waives presentment, protest and notice of dishonour of this Debenture. Any failure or omission by the Agent to present this Debenture for payment, protest or provide notice of dishonour will not invalidate or adversely affect in any way any demand for payment or enforcement proceeding taken under this Debenture.

ARTICLE 15 ENUREMENT AND ASSIGNMENT

- 15.1 The provisions of this Debenture will be binding upon the Debtor and its successors and will enure to the benefit of the Agent and each Holder and their respective successors and assigns. Subject to the terms of the Credit Documents, the Debtor will not assign this Debenture without the Agent's prior written consent.

ARTICLE 16 JOINDER

- 16.1 Additional persons may from time to time after the date of this Debenture become party to this Debenture by executing and delivering to the Agent a joinder to this Debenture in the form attached hereto as Schedule A (each such joinder to this Debenture, a "Joinder Agreement"). Effective from and after the date of the execution and delivery by any such person to the Agent of a Joinder Agreement, such person shall be, and shall be deemed for all purposes to be, a Holder under this Debenture with the same force and effect, and subject to the same agreements, representations, indemnities, liabilities and

obligations, as if such person had been an original signatory to this Debenture as a Holder. Upon any person executing a Joinder Agreement, the Agent shall provide each of the other Holders notice thereof within 10 business days of the date of the execution thereof.

ARTICLE 17 GOVERNING LAW

- 17.1 This Debenture will be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, without giving effect to the conflict of law principles thereof. Without prejudice to the ability of the Agent or any Holder to enforce this Debenture in any other proper jurisdiction, the Debtor hereby irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta, or any appellate courts thereof, for the purposes of this Debenture.

ARTICLE 18 SEVERABILITY

- 18.1 If any portion of this Debenture or the application thereof to any circumstance will be held invalid or unenforceable by a court of competent jurisdiction from which no further appeal has or is taken, to an extent that does not affect in a fundamental way the operation of this Debenture, the remainder of the provision in question, or its application to any circumstance other than that to which it has been held invalid or unenforceable, and the remainder of this Debenture will not be affected thereby and will be valid and enforceable to the fullest extent permitted by applicable law.

ARTICLE 19 CONSENT AND WAIVER

- 19.1 No consent or waiver by the Agent will be effective unless made in writing and signed by an authorized officer of the Agent.

ARTICLE 20 NOTICE

- 20.1 Any notice as between the Debtor, the Agent and Holders which may or is required to be given pursuant to or in connection with this Debenture will be in writing and will be sufficient if given or made at the addresses set forth below:

- (a) in the case of the Agent, to:

Scott Venturo LLP
Barristers & Solicitors
203, 200 Barclay Parade SW
Calgary, AB T2P 4R5

Email: l.scott@scottventuro.com

(b) in the case of the Debtor, to:

Pismo Energy Ltd.
701, 145 Point Dr. NW
Calgary, AB T3B 4W1

Attention: President
Telephone: 403.680.9264

(c) in the case of the Initial Holders, to the respective addresses opposite their signatures below or, in the case of Holders who become party to this Agreement by way of Joinder Agreement, pursuant to such Holder's Joinder Agreement.

The Debtor, the Agent and the Holders each covenant to accept service of judicial proceedings arising under this Debenture at its respective address for notice hereunder. Any notice or other communication given or made in accordance with this Section 20.1 will be deemed to have been given or made on the same day and to have been received on the day of delivery if delivered as aforesaid or on the day of receipt of same by telecopy or other recorded means of electronic communication, as the case may be, provided such day is a business day and that such notice is received prior to 12:00 noon local time and, if such day is not a business day or if notice is received after 12:00 noon local time, on the first business day thereafter. Each of the Debtor, the Agent and the Holders may change its address and telecopier number for purposes of this Section 20.1 by written notice given in the manner provided in this Section 20.1 to the other party.

ARTICLE 21 RECEIPT OF COPY


21.1 The Debtor acknowledges receipt of an executed copy of this Debenture. The Debtor waives the right to receive any amount that it may now or hereafter be entitled to receive (whether by way of damages, fine, penalty, or otherwise) by reason of the failure of the Agent to deliver to the Debtor a copy of any financing statement or any statement issued by any registry that confirms registration of a financing statement relating to this Debenture.

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THIS DEBENTURE executed at Calgary, Alberta effective the date first written above.

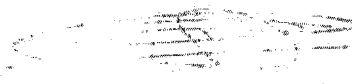
Debtor:

PISMO ENERGY LTD.

Per 
Name: JOHN ZANK
Title: CEO.

Agent:

SCOTT VENTURO LLP



Lorne W. Scott, Q.C.

Holder:

DON TAYLOR

Per:

Witness:

JOHN NIEDERMAIER

Per:

Witness:

Address for Notice:

1401 Hastings Cres. SE
Calgary, AB T2G 4C8

Address for Notice:

134 Norquay Park SE
Calgary, AB T2Z 2R4

THIS DEBENTURE executed at Calgary, Alberta effective the date first written above.

Debtor:

PISMO ENERGY LTD.

Per: _____

Name:
Title:

Agent:

SCOTT VENTURO LLP

Per: _____

Lorne W. Scott, Q.C.

Holders:

DON TAYLOR

Per: _____

Witness: _____

Address for Notice:

1401 Hastings Cres. SE
Calgary, AB T2G 4C8

Address for Notice:

234 Norquay Park SE
Calgary, AB T2Z 2R4

JOHN NIEDERMAIER

Per: John Niedermair

Witness: [Signature]

THIS DEBENTURE executed at Calgary, Alberta effective the date first written above.

Debtor:

PISMO ENERGY LTD.

Per: _____

Name:

Title:

Agent:

SCOTT VENTURO LLP

Per: _____

Lorne W. Scott, Q.C.

Holder:

DON TAYLOR

Per: _____

Witness: _____

Address for Notice:

1401 Hastings Cres. SE
Calgary, AB T2G 4C8

Address for Notice:

234 Norquay Park SE
Calgary, AB T2Z 2R4

JOHN NIEDERMAIER

Per: _____

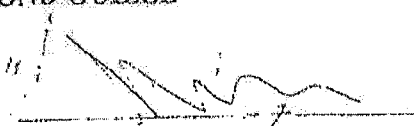
Witness: _____

Address for Notice:

1220 Bel-Aire Drive SW
Calgary, AB T2V 2C2

Holders:

RAYMOND GUILLE

Per: 


Witness: 

Address for Notice:

2248 - 9th Avenue SE
Calgary, AB T2G 5P7

JOHN ZANG

Per: 

Witness: 

Address for Notice:

5425 Elbow Drive SW
Calgary, AB T2V 1H7

MARIA HARRIS

Per: 

Witness: 

Address for Notice:

1401 Hastings Crescent SE
Calgary, AB T2G 4C8

DEX RESOURCES LTD.


Per: 

Name: Don Taylor
Title: President

Address for Notice:

2248 - 9th Avenue SE
Calgary, AB T2G 5P7

1649568 ALBERTA LTD.

Per: 

Name: 
Title: 

Address for Notice:

1401 Hastings Crescent SE
Calgary, AB T2G 4C8
Fax: 403 243 5059

RESMAN HOLDINGS LTD.

Per: _____
Name: _____
Title: _____

Address for Notice:

124, 6137 2 Street SW
Calgary, AB T2H 1J7
Fax: 403 267 4848

L.L.&S HOLDINGS LTD.

Per: _____
Name: _____
Title: _____

SCHEDULE A

Form of Joinder Agreement

Date: _____

This JOINDER AGREEMENT is delivered pursuant to Article 16 of the demand debenture dated as of September 21, 2015, granted by Pismo Energy Ltd. (the "**Debtor**") in favour of Scott Venturo LLP, as agent on behalf of the Holders (as it may be amended, restated, supplemented or otherwise modified from time to time, the "**Debenture**"). Capitalized terms used herein without definition are used as defined in the Debenture.

WHEREAS the undersigned has purchased a Debenture from the Debtor dated as of _____ (the "**Additional Debenture**");

AND WHEREAS the undersigned is desirous of securing the obligations, liabilities and indebtedness owing to it under the Additional Debenture (the "**New Obligations**");

NOW, THEREFORE, in consideration of the foregoing, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

By executing and delivering this Joinder Agreement, the undersigned, as provided in Article 16 of the Debenture, hereby becomes a party to the Debenture as a Holder thereunder with the same force and effect as if originally named as a Holder therein. Without limiting the generality of the foregoing, the Debtor acknowledges that the undersigned shall have the full benefit of the Security Interest granted within the Debenture, and the New Obligations shall, subject to the Debenture, rank *pari passu* with all other obligations, liabilities and indebtedness owing by the Debtor to the other Holders under the Credit Documents.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

In witness whereof, the undersigned has caused this Joinder Agreement to be duly executed and delivered as of the date first above written.

Address for Notice:

Per: _____
Name: _____
Title: _____

Witness: _____

Acknowledged and accepted by:

Debtor:

PISMO ENERGY LTD.

Per: _____

Name: _____
Title: _____

This is **Exhibit "B"** referred to in the Affidavit of John Zang sworn before me this 27th day of November 2024



A Commissioner for Oaths in and for Alberta

Kendra Larson
Student-at-Law

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

Date of Search: 2024/11/18
 Time of Search: 08:58 AM
 Search provided by: HEIGHINGTON LAW FIRM
 Service Request Number: 43354626
 Customer Reference Number: 138001

Corporate Access Number: 2019155296
 Business Number: 809335524
 Legal Entity Name: PISMO ENERGY LTD.

Legal Entity Status: Active
 Alberta Corporation Type: Named Alberta Corporation
 Registration Date: 2015/08/19 YYYY/MM/DD

Registered Office:

Street: 1150-707 7 AVE SW
 City: CALGARY
 Province: ALBERTA
 Postal Code: T2P3H6

Records Address:

Street: 1150-707 7 AVE SW
 City: CALGARY
 Province: ALBERTA
 Postal Code: T2P3H6

Email Address: SBILODEAULAW@GMAIL.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
ZANG	JOHN		JZ LAW	1150, 707 - 7 AVENUE SW	CALGARY	ALBERTA	T2P3H6	JZANGLAW@GMAIL.COM

Directors:

Last Name: ZANG
 First Name: JOHN

Street/Box Number: 2248 - 9 AVENUE SE
City: CALGARY
Province: ALBERTA
Postal Code: T2G5P7

Voting Shareholders:

Legal Entity Name: NORTH SHORE PETROLEUM LTD.
Corporate Access Number: 2020049736
Street: 1150, 707 - 7 AVE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2P3H6
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: THE CORPORATION IS AUTHORIZED TO ISSUE SHARES IN ACCORDANCE WITH SCHEDULE "A" ATTACHED HERETO, WHICH IS INCORPORATED INTO AND FORMS PART OF THIS FORM

Share Transfers Restrictions: NO SHARES OF THIS CORPORATION SHALL BE TRANSFERRED WITHOUT THE APPROVAL OF THE DIRECTORS OF THE CORPORATION, AS EVIDENCED BY A RESOLUTION OF THE DIRECTORS OF THE CORPORATION

Min Number Of Directors: 1

Max Number Of Directors: 15

Business Restricted To: NONE

Business Restricted From: NONE

Other Provisions: SCHEDULE "B" ATTACHED HERETO IS INCORPORATED INTO AND FORMS PART OF THIS FORM

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2024	2024/10/21

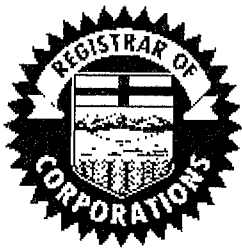
Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2015/08/19	Incorporate Alberta Corporation
2020/02/22	Update BN
2020/05/12	Change Director / Shareholder
2020/08/11	Change Address
2024/10/21	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2015/08/19
Other Rules or Provisions	ELECTRONIC	2015/08/19

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.



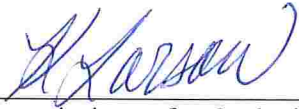
This is **Exhibit "C"** referred to in the Affidavit of John Zang sworn before me this 27th day of November 2024



A Commissioner for Oaths in and for Alberta

Kendra Larson
Student-at-Law

This is **Exhibit "D"** referred to in the Affidavit of John Zang sworn before me this 27th day of November 2024

A handwritten signature in blue ink, appearing to read "K Larson", written over a horizontal line.

A Commissioner for Oaths in and for Alberta

Kendra Larson
Student-at-Law

Currency: CAD

PISMO ENERGY LTD.
Balance Sheet
 Run Date: 2024-06-06 11:27

	Total 2023	Total 2022
Assets		
Current Assets		
Cash	0	0
Accounts Receivable	868,664	818,731
Inventory	0	0
Intercompany	1,364,819	1,372,113
Commodity Derivative	0	0
Prepaid Expenses	0	0
<i>Total Current Assets</i>	2,233,483	2,190,844
Non-Current Assets		
Investments	0	0
Long Term Receivables	0	0
<i>Total Non-Current Assets</i>	0	0
Fixed Assets		
Land Acquisition	0	0
Geological & Seismic	0	0
Acquisition & Disposals	136,533	136,533
Intangible Drilling	0	0
Intangible Completion	243,162	243,162
Well Equipment	0	0
Plant & Battery	70,535	70,535
ARO Increase	7,693,154	7,693,154
Other Fixed Assets	0	0
Depletion & Depreciation	(2,006,423)	(2,006,423)
<i>Total Fixed Assets</i>	6,136,961	6,136,961
Total Assets	8,370,444	8,327,805
Liabilities and Shareholder's Equity		
Current Liabilities		
Accounts Payable	5,067,470	5,027,051
Cash Calls	0	0
GST	6,126	6,126
Tax Liability	0	0
<i>Total Current Liabilities</i>	5,073,596	5,033,177
Non-Current Liabilities		
Long Term Debt	92,000	92,000
Asset Retirement Obligation	8,310,738	8,310,738
<i>Total Non-Current Liabilities</i>	8,402,738	8,402,738
Shareholders Equity		
Share Capital	0	0
Retained Earnings	(5,092,299)	(4,790,241)
Current Retained Earnings	(13,591)	(302,058)
<i>Total Shareholders Equity</i>	(5,105,890)	(5,092,299)
Total Liabilities and Shareholder's Equity	8,370,444	8,343,616

Currency: CAD

PISMO ENERGY LTD.
Income Statement
Run Date: 2024-06-06 11:28

Fiscal Year End: December 31

	Total 2023	Total 2022
Revenue		
Sales Revenue	0	(22,129)
Overriding Royalties	0	0
Interest Revenue	0	0
Other Revenue	0	0
Total Revenue	<u>0</u>	<u>(22,129)</u>
Expenses		
Exploration	0	0
Royalty Expense	0	0
Production	8,580	272,625
Property Disposal/Impairment	0	0
General & Administrative	5,011	7,305
Interest & Penalties	0	0
Interest Expense Long Term Capital	0	0
Non Deductable Interest & Penalties	0	0
Finance Expense	0	0
Depletion & Depreciation	0	0
Accretion	0	0
Total Expenses	<u>13,591</u>	<u>279,930</u>
Net Income Before Taxes	(13,591)	(302,059)
Income Tax Expense	0	0
Net Income	<u>(13,591)</u>	<u>(302,059)</u>

This is **Exhibit "E"** referred to in the Affidavit of John Zang sworn before me this 27th day of November 2024

A handwritten signature in blue ink that reads "K Larson". The signature is written in a cursive style.

A Commissioner for Oaths in and for Alberta

Kendra Larson
Student-at-Law

CERTIFIED *E. Wheaton*
by the Court Clerk as a true copy of
the document
23, 2024

COURT FILE NUMBER
COURT
JUDICIAL CENTRE
PLAINTIFF
DEFENDANTS
DOCUMENT

2201-03538
COURT OF KING'S BENCH OF ALBERTA
CALGARY
PISMO ENERGY LTD.
BREVET OIL LTD.
ORDER

Clerk's Stamp



ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

JZ Law
Barrister & Solicitor
1150 707 7th Avenue SW
Calgary, AB T2P 3H6
Tel: 403.680.9264
Email: jzanglaw@gmail.com

DATE ON WHICH ORDER WAS PRONOUNCED: September 17, 2024

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

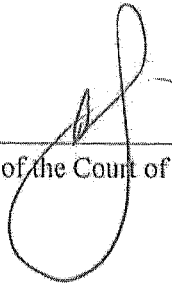
NAME OF JUSTICE WHO MADE THIS ORDER: D. TUGNALTH

UPON the application of the Applicant; AND UPON reading the Affidavit of Trevor Davidson dated August 14, 2024; AND UPON hearing the submissions of counsel for the Plaintiff no one appearing for the Defendant:

IT IS HEREBY ORDERED THAT:

1. Partial summary judgement in favour of the Plaintiff against the Defendant, Brevet Oil Ltd. ("Brevet"):
 - a. Judgement for the payment by Brevet of the remaining Purchase Price in the amount of \$176,630;
 - b. Judgement for expenses incurred to date by the Plaintiff (including for spill clean-up, Orphan Fund Levy, and Surface Rights Board orders) in the total amount of \$70,994.56, with the right of the Plaintiff to claim in the future additional damages;
2. Brevet is required to accept the license transfer of the wells and facility listed on Schedule "A" hereto and to meet the transfer requirements imposed by the Alberta Energy Regulator to permit the license transfers to occur.

3. Brevet shall within thirty (30) days of the date of service of this Order, take all necessary actions to remedy any spills or environmental damage on the lands or adjacent to the lands on which the assets listed on Schedule "A" are located.
4. An Order declaring Brevet in default of the security agreement it entered into with the Plaintiff (the "**Debenture**") and entitling the Plaintiff to take such enforcement steps as permitted by the Debenture and as may otherwise be ordered by this Court
5. Costs in favour of the Plaintiff of this Application and in this Action arising to date to be assessed based upon the Rules, Schedule "C", Column 2 .



Justice of the Court of Queen's Bench of Alberta

SCHEDULE "A"

Licence Number	Surface Location
0411533	16-27-048-01W4
0411593	05-27-048-01W4
0421386	15-27-048-01W4
0421451	08-27-048-01W4
0425089	10-27-048-01W4
0425147	09-27-048-01W4
0425763	12-27-048-01W4
0426107	06-27-048-01W4
0434881	14-27-048-01W4
0445948	04-27-048-01W4
0445972	13-27-048-01W4
0465391	11-27-048-01W4
Facility	00/05-27-48-01W4

This is **Exhibit "F"** referred to in the Affidavit of John Zang sworn before me this 27th day of November 2024

A handwritten signature in blue ink, appearing to read "K Larson", written over a horizontal line.

A Commissioner for Oaths in and for Alberta

Kendra Larson
Student-at-Law

Search ID #: Z18105080

Transmitting Party

Bennett Jones LLP

4500, 855 2nd Street SW
Calgary, AB T2P 4K7

Party Code: 60007906
Phone #: 403 298 3002
Reference #: 98495.1/S.Fiddes

Search ID #: Z18105080

Date of Search: 2024-Nov-22

Time of Search: 09:14:53

Business Debtor Search For:

PISMO ENERGY LTD.

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z18105080

Business Debtor Search For:

PISMO ENERGY LTD.

Search ID #: Z18105080

Date of Search: 2024-Nov-22

Time of Search: 09:14:53

Registration Number: 16080412582

Registration Date: 2016-Aug-04

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2026-Aug-04 23:59:59

Exact Match on: Debtor No: 1

Amendments to Registration

19080502955	Amendment	2019-Aug-05
22020409191	Amendment	2022-Feb-04

Debtor(s)

Block

Status

Current

1 PISMO ENERGY LTD.
1150, 707 7TH AVE SW
CALGARY, AB T2P 3H6

Secured Party / Parties

Block

Status

Deleted by
19080502955

1 TALLINN CAPITAL PARTNERS CORP.
5100, 150 - 6TH AVENUE SW
CALGARY, AB T2P 3Y7

Block

Status

Deleted by
19080502955

2 TALLINN CAPITAL MEZZANINE LIMITED PARTNERSHIP
5100, 150 - 6TH AVENUE SW
CALGARY, AB T2P 3Y7

Block

Status

Deleted by
22020409191

3 TALLINN CAPITAL PARTNERS CORP.
418, 100 - 4TH AVENUE SW
CALGARY, AB T2P 3N2

Search ID #: Z18105080

Block

4 TALLINN CAPITAL MEZZANINE LIMITED PARTNERSHIP
418, 100 - 4TH AVENUE SW
CALGARY, AB T2P 3N2

Status

Deleted by
22020409191

Block

5 SCOTT VENTURO RUDAKOFF LLP, AS TRUSTEE
1500, 222-3RD AVENUE SW
CALGARY, AB T2P 0B4
Email: L.Scott@svrlawyers.com

Status

Current by
22020409191

Collateral: General

Block

Description

Status

1 ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY
AND PROCEEDS: GOODS, CHATTEL PAPER, INVESTMENT PROPERTY,
DOCUMENTS OF TITLE, INSTRUMENTS, MONEY AND INTANGIBLES. Current

Particulars

Block

Additional Information

Status

1 The full name of the Security Party is Scott Venturo Rudakoff LLP, as Trustee for Maria
Harris, Resman Holdings Ltd., Dex Resources Ltd., Don Taylor, LL&S Holdings Ltd., John
Niedermaier, 1649568 Alberta Ltd., John Zang, Nicole Dumonceaux, Danielle Guille and
Katie Guille. Current By
22020409191

Search ID #: Z18105080

Business Debtor Search For:

PISMO ENERGY LTD.

Search ID #: Z18105080

Date of Search: 2024-Nov-22

Time of Search: 09:14:53

Registration Number: 16080412643

Registration Type: LAND CHARGE

Registration Date: 2016-Aug-04

Registration Status: Current

Registration Term: Infinity

Exact Match on:

Debtor

No: 1

Amendments to Registration

19080502963

Amendment

2019-Aug-05

22020409215

Amendment

2022-Feb-04

Debtor(s)

Block

Status

Current

1 PISMO ENERGY LTD.
1150, 707 7TH AVE SW
CALGARY, AB T2P 3H6

Secured Party / Parties

Block

Status

Deleted by
19080502963

1 TALLINN CAPITAL PARTNERS CORP.
5100, 150 - 6TH AVENUE SW
CALGARY, AB T2P 3Y7

Block

Status

Deleted by
19080502963

2 TALLINN CAPITAL MEZZANINE LIMITED PARTNERSHIP
5100, 150 - 6TH AVENUE SW
CALGARY, AB T2P 3Y7

Block

Status

Deleted by
22020409215

3 TALLINN CAPITAL PARTNERS CORP.
418, 100 - 4TH AVENUE SW
CALGARY, AB T2P 3N2

Search ID #: Z18105080

Block

4 TALLINN CAPITAL MEZZANINE LIMITED PARTNERSHIP
418, 100 - 4TH AVENUE SW
CALGARY, AB T2P 3N2

Status

Deleted by
22020409215

Block

5 SCOTT VENTURO RUDAKOFF LLP, AS TRUSTEE
1500, 222-3RD AVENUE SW
CALGARY, AB T2P 0B4
Email: L.Scott@svrlawyers.com

Status

Current by
22020409215

Particulars

Block

Additional Information

Status

1 The full name of the Security Party is Scott Venturo Rudakoff LLP, as Trustee for Maria Harris, Resman Holdings Ltd., Dex Resources Ltd., Don Taylor, LL&S Holdings Ltd., John Niedermaier, 1649568 Alberta Ltd., John Zang, Nicole Dumonceaux, Danielle Guille and Katie Guille.

Current By
22020409215

Search ID #: Z18105080

Business Debtor Search For:

PISMO ENERGY LTD.

Search ID #: Z18105080

Date of Search: 2024-Nov-22

Time of Search: 09:14:53

Registration Number: 20061609808

Registration Type: SALE OF GOODS OR FACTORS ACT

Registration Date: 2020-Jun-16

Registration Status: Current

Expiry Date: 2030-Jun-16 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 PISMO ENERGY LTD.
1150, 707 - 7TH AVENUE SW
CALGARY, AB T2P 3H6

Current

Block

Status

2 REDONDO RESOURCES LTD.
1150, 707 - 7TH AVENUE SW
CALGARY, AB T2P 3H6

Current

Secured Party / Parties

Block

Status

1 KARVE ENERGY INC.
1700, 205 - 5TH AVENUE SW
CALGARY, AB T2P 2V7
Email: toni.mastrofrancesco@karveenergy.com

Current

Collateral: General

Block

Description

Status

1 UNPAID REVENUE FROM THE WELL 102/13-29-040-13W4M/00 - REVENUE OWED TO KARVE IN THE AMOUNT OF \$120,000.00

Current

Search ID #: Z18105080

Business Debtor Search For:

PISMO ENERGY LTD.

Search ID #: Z18105080

Date of Search: 2024-Nov-22

Time of Search: 09:14:53

Registration Number: 20093023382

Registration Type: SECURITY AGREEMENT

Registration Date: 2020-Sep-30

Registration Status: Current

Expiry Date: 2026-Sep-30 23:59:59

Exact Match on: Debtor No: 1

Amendments to Registration

22092626742

Renewal

2022-Sep-26

24092324840

Renewal

2024-Sep-23

Debtor(s)

Block

1 PISMO ENERGY LTD.
1150 - 707 7 AVENUE SW
CALGARY, AB T2P 3H6

Status
Current

Secured Party / Parties

Block

1 NORTH SHORE PETROLEUM LTD.
1150 - 707 7 AVENUE SW
CALGARY, AB T2P 3H6
Email: sbilodeaulaw@gmail.com

Status
Current

Collateral: General

Block

1 All sums of money and entitlements payable to Pismo Energy Ltd. by Brevet Oil Ltd.

Status
Current

Search ID #: Z18105080

Business Debtor Search For:

PISMO ENERGY LTD.

Search ID #: Z18105080

Date of Search: 2024-Nov-22

Time of Search: 09:14:53

Registration Number: 21020422495

Registration Date: 2021-Feb-04

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2025-Feb-04 23:59:59

Exact Match on: Debtor No: 1

Amendments to Registration

23013020795

Renewal

2023-Jan-30

Debtor(s)

Block

Status
Current

1 PISMO ENERGY LTD.
1150, 707 - 7 AVENUE SW
CALGARY, AB T2P 3H6

Secured Party / Parties

Block

Status
Current

1 DUMONCEAUX, NICOLE
12 PATTERSON DRIVE SW
CALGARY, AB T3H 2B8
Email: sbilodeaulaw@gmail.com

Block

Status
Current

2 GUILLE, KATIE, MICHELLE
43 RIDGEMONT AVENUE
FERNIE, BC V0B 0M2
Email: sbilodeaulaw@gmail.com

Block

Status
Current

3 HARRIS, MARIA
5425 ELBOW DRIVE
CALGARY, AB T2T 1H7
Email: sbilodeaulaw@gmail.com

Search ID #: Z18105080

Block

4 NIEDERMAIER, JOHN
243 MT.NORQUAY PARK SE
CALGARY, AB T2Z 2R4
Email: sbilodeaulaw@gmail.com

Status
Current

Block

5 ZANG, JOHN
2248-9 AVENUE SE
CALGARY, AB T2G 5P7
Email: sbilodeaulaw@gmail.com

Status
Current

Block

6 1649568 ALBERTA LTD.
2248-9 AVENUE SE
CALGARY, AB T2G 5P7
Email: sbilodeaulaw@gmail.com

Status
Current

Block

7 RESMAN HOLDINGS LTD.
1401 HASTINGS CRES. SE
CALGARY, AB T2G 4C8
Email: sbilodeaulaw@gmail.com

Status
Current

Block

8 LL&S HOLDINGS LTD.
#910, 706 - 7 AVENUE SW
CALGARY, AB T2P 0Z1
Email: sbilodeaulaw@gmail.com

Status
Current

Block

9 TAYLOR, DON
1401 HASTINGS CRES. SE
CALGARY, AB T2G 4C8
Email: sbilodeaulaw@gmail.com

Status
Current

Block

10 DEX RESOURCES LTD.
1401 HASTINGS CRES. SE
CALGARY, AB T2G 4C8
Email: sbilodeaulaw@gmail.com

Status
Current

Search ID #: Z18105080

Block

Status

11 AS AGENT, LORNE W. SCOTT, Q.C.,
1500, 222 - 3 AVENUE
CALGARY, AB T2P 0B4
Email: sbilodeaulaw@gmail.com

Current

Collateral: General

Block

Description

Status

1 ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY

Current

Search ID #: Z18105080

Business Debtor Search For:

PISMO ENERGY LTD.

Search ID #: Z18105080

Date of Search: 2024-Nov-22

Time of Search: 09:14:53

Registration Number: 21033023446

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2021-Mar-30

Registration Status: Current

Expiry Date: 2025-Mar-09 23:59:59

Issued in Edmonton Judicial Centre

Court File Number is 2003 02021

Judgment Date is 2020-Dec-16

This Writ was issued on 2021-Mar-05

Type of Judgment is Other

Original Judgment Amount: \$36,354.29

Costs Are: \$3,075.00

Post Judgment Interest: \$552.15

Current Amount Owing: \$39,981.44

Exact Match on:

Debtor

No: 1

Amendments to Registration

23030910627

Amendment And Renewal

2023-Mar-09

Solicitor / Agent

DUNCAN CRAIG LLP
2800, 10060 JASPER AVENUE
EDMONTON, AB T5J 3V9

Phone #: 780 428 6036

Fax #: 780 428 9328

Reference #: 203144

Email: BANGOVE@DCLLP.COM

Debtor(s)

Block

Status
Current

1 PISMO ENERGY LTD.
2248 - 9 AVENUE SE
CALGARY, AB T2G 5P7

Search ID #: Z18105080

Creditor(s)

Block

1 WESTERN ALBERTA TUBING LTD.
5531 - 44 STREET
DRAYTON, AB T7A 1A6
Email: CRAIG@PILEBASE.COM

Status

Current

Search ID #: Z18105080

Business Debtor Search For:

PISMO ENERGY LTD.

Search ID #: Z18105080

Date of Search: 2024-Nov-22

Time of Search: 09:14:53

Registration Number: 21070629974

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2021-Jul-06

Registration Status: Current

Expiry Date: 2025-May-30 23:59:59

Issued in Edmonton Judicial Centre

Court File Number is 2103 02893

Judgment Date is 2021-Jun-07

This Writ was issued on 2021-Jun-07

Type of Judgment is Crown

Original Judgment Amount: \$2,850.00

Costs Are: \$0.00

Post Judgment Interest: \$0.00

Current Amount Owing: \$2,850.00

Exact Match on:

Debtor

No: 1

Amendments to Registration

23053031255

Renewal

2023-May-30

Solicitor / Agent

SERVICE ALBERTA, CROWN DEBT COLLECTIONS
8TH FLOOR, JOHN E. BROWNLEE BUILDING
EDMONTON, AB T5J 3W7

Phone #: 780 644 4050

Email: TBFPParalegalServices@gov.ab.ca

Debtor(s)

Block

1 PISMO ENERGY LTD.
1150-707 7 AVE SW
CALGARY, AB T2P 3H6

Status

Current

Search ID #: Z18105080

Creditor(s)

Block

Status

Current

1 HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA
C/O PO BOX 11416
EDMONTON, AB T5J 3K6
Email: TBFPParalegalServices@gov.ab.ca

Particulars

Block

Additional Information

Status

Current

1 Full name of Creditor: HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA, as
represented by the MINISTER OF TREASURY BOARD AND FINANCE

Search ID #: Z18105080

Business Debtor Search For:

PISMO ENERGY LTD.

Search ID #: Z18105080

Date of Search: 2024-Nov-22 Time of Search: 09:14:53

Registration Number: 21081330455

Registration Date: 2021-Aug-13

Registration Type: WRIT OF ENFORCEMENT

Registration Status: Current

Expiry Date: 2025-Aug-10 23:59:59

Issued in Edmonton Judicial Centre

Court File Number is 1903 15153

Judgment Date is 2021-Jul-14

This Writ was issued on 2021-Jul-28

Type of Judgment is Other

Original Judgment Amount: \$91,750.65

Costs Are: \$551.30

Post Judgment Interest: \$7.04

Current Amount Owing: \$92,308.99

Exact Match on: Debtor No: 1

Amendments to Registration

23081027278	Renewal	2023-Aug-10
23081027595	Renewal	2023-Aug-10
23081709759	Amendment	2023-Aug-17

Solicitor / Agent

BRENNAN ST. ARNAUD
#2500, 10155 - 102 STREET
EDMONTON, AB T5J 4G8

Phone #: 780 425 2500

Fax #: 780 425 1222

Reference #: 71501-2

Email: BSTARNAUD@MCALLISTERLLP.COM

Search ID #: Z18105080

Debtor(s)

Block

1 PISMO ENERGY LTD.
1150-707 7 AVE SE
CALGARY, AB T2P 3H6

Status

Current

Creditor(s)

Block

1 TOTAL DEPTH WELL SERVICING LTD.
5116 - 59 STREET
WHITECOURT, AB T7S1N6
Email: DARREN@TDWELL.COM

Status

Current

Search ID #: Z18105080

Business Debtor Search For:

PISMO ENERGY LTD.

Search ID #: Z18105080

Date of Search: 2024-Nov-22

Time of Search: 09:14:53

Registration Number: 22042839010

Registration Date: 2022-Apr-28

Registration Type: WRIT OF ENFORCEMENT

Registration Status: Current

Expiry Date: 2026-Apr-09 23:59:59

Issued in Wetaskiwin Judicial Centre

Court File Number is 2012-00418

Judgment Date is 2022-Mar-09

This Writ was issued on 2022-Mar-11

Type of Judgment is Other

Original Judgment Amount: \$329,506.82

Post Judgment Interest: \$17,662.02

Costs Are: \$2,311.02

Current Amount Owing: \$349,479.86

Exact Match on: Debtor No: 2

Amendments to Registration

24040905966	Amendment And Renewal	2024-Apr-09
24051036612	Amendment	2024-May-10

Solicitor / Agent

BROWNLEE LLP, ATTN: GREGORY G. PLESTER
2200, 10155 102 STREET NW
EDMONTON, AB T5J4G8

Phone #: 780 497 4800

Fax #: 780 424 3254

Reference #: 71109-0230

Email: ppnotices@brownleelaw.com

Debtor(s)

Block

1 PISMO ENERGY LTD.
1500, 707 - 7 AVENUE SW
CALGARY, AB T2P 3H6

Status

Deleted by
24040905966

Search ID #: Z18105080

Block

2 PISMO ENERGY LTD.
1150-707 7 AVE. SW
CALGARY, AB T2P 3H6

Status

Current by
24040905966

Creditor(s)

Block

1 FLAGSTAFF COUNTY
12435 TWP ROAD 442, P.O. BOX 358
SEDGEWICK, AB T0B 4C0
Email: CMURPHY@BROWNLEELAW.COM

Status

Current

Search ID #: Z18105080

Business Debtor Search For:

PISMO ENERGY LTD.

Search ID #: Z18105080

Date of Search: 2024-Nov-22

Time of Search: 09:14:53

Registration Number: 23030724582

Registration Type: STATUTORY CHARGE

Registration Date: 2023-Mar-07

Registration Status: Current

Registration Term: Infinity

The Statutory Charge Amount is \$536,659.10

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

1 PISMO ENERGY LTD.
1150, 707 7 AVENUE SW
CALGARY, AB T2P 3H6

Current

Secured Party / Parties

Block

Status

1 FLAGSTAFF COUNTY
C/O 2200, 10155 102 STREET NW
EDMONTON, AB T5J 4G8
Email: gplester@brownleelaw.com

Current

Block

Status

2 BROWNLEE LLP, ATTN: GREG PLESTER
12200, 10155 102 STREET NW
EDMONTON, AB T5J 4G8
Email: gplester@brownleelaw.com

Current

Collateral: General

Block

Description

Status

1 Special lien for unpaid taxes, pursuant to s. 348.1 of the Municipal Government Act, RSA 2000, c M-26, which applies to: ... all the debtor's assessable property located within the municipality, including any assessable improvements to that property.

Current

Search ID #: Z18105080

Particulars

<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
1	Special lien for unpaid taxes, pursuant to s. 348.1 of the Municipal Government Act, RSA 2000, c M-26, which applies to: ... all the debtor's assessable property located within the municipality, including any assessable improvements to that property.	Current

Search ID #: Z18105080

Business Debtor Search For:

PISMO ENERGY LTD.

Search ID #: Z18105080

Date of Search: 2024-Nov-22

Time of Search: 09:14:53

Registration Number: 24102116808

Registration Date: 2024-Oct-21

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2026-Oct-21 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 PISMO ENERGY LTD.
1150, 707 - 7 AVENUE SW
CALGARY, AB T2P 3H6

Current

Secured Party / Parties

Block

Status

1 NORTH FORK RESOURCES LTD.
7969 COUGAR RIDGE AVE SW
CALGARY, AB T3H 5L3
Email: mark@northforkresources.com

Current

Block

Status

2 1649568 ALBERTA LTD.
2248 - 9 AVENUE SE
CALGARY, AB T2G 5P7
Email: jzanglaw@gmail.com

Current

Collateral: General

Block

Description

Status

1 SCHEDULE "A"

Current

North Fork Resources Ltd. and 1649568 Alberta Ltd. is the owner and has full right and entitlement to 99% of the interest of Pismo Energy Ltd. in and to the revenue, equipment, and the petroleum substances (including the mineral rights associated therewith) in

Search ID #: Z18105080

2 (a) The following oil and gas wells and facilities: Current

License Number	Area	Land	Legal Description
F12170	Carrot Creek	00/02-18-052-12W5	
W 0128093	Carrot Creek	14-08-052-12W5	
W 0132072	Carrot Creek	08-08-052-12W5	
W 0424402	Carrot Creek	08-14-052-13W5	
W 0431828	Carrot Creek	09-14-052-13W5	
W 0433694	Carrot Creek	06-08-052-12W5	

3 (b) In the following mineral rights: Current

Mineral Lease No.
0501100360
1048A
0592060081
0578020099
0592060082
5499030014

Search ID #: Z18105080

Business Debtor Search For:

PISMO ENERGY LTD.

Search ID #: Z18105080

Date of Search: 2024-Nov-22

Time of Search: 09:14:53

Registration Number: 24102116943

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Oct-21

Registration Status: Current

Expiry Date: 2026-Oct-21 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 PISMO ENERGY LTD.
1150, 707 - 7 AVENUE SW
CALGARY, AB T2P 3H6

Current

Secured Party / Parties

Block

Status

1 REDONDO RESOURCES LTD.
1150, 707 - 7 AVENUE SW
CALGARY, AB T2P 3H6
Email: jzang@topangaresources.com

Current

Collateral: General

Block

Description

Status

1 SCHEDULE "A"

Current

Redondo Resources Ltd. is the owner and has full right and entitlement to 99% of the interest of Pismo Energy Ltd. in and to the revenue, equipment, and the petroleum substances (including the mineral rights associated therewith) in
(a) The following oil and gas wells and facilities:

Search ID #: Z18105080

2 WELLS:

Current

Licence Number AREA Unique Well Identifier (UWI)

W 0097129 ALLIANCE 01-36-040-13W4
W 0098261 ALLIANCE 15-10-040-13W4
W 0099511 ALLIANCE 11-11-040-13W4
W 0108864 ALLIANCE 14-11-040-13W4
W 0123511 ALLIANCE 08-11-040-13W4
W 0123578 ALLIANCE 15-10-040-13W4
W 0133777 ALLIANCE 14-11-040-13W4
W 0133877 ALLIANCE 16-10-040-13W4
W 0134506 ALLIANCE 08-16-040-13W4
W 0135927 ALLIANCE 13-29-040-13W4
W 0136325 ALLIANCE 10-10-040-13W4
W 0145417 ALLIANCE 07-11-040-13W4
W 0146455 ALLIANCE 06-11-040-13W4
W 0148414 ALLIANCE 16-26-040-13W4
W 0150461 ALLIANCE 15-32-040-13W4
W 0218675 ALLIANCE 16-09-040-13W4
W 0221990 ALLIANCE 15-11-040-14W4
W 0225626 ALLIANCE 02-16-040-13W4
W 0227250 ALLIANCE 02-16-040-13W4
W 0227459 ALLIANCE 09-36-040-13W4
W 0274757 ALLIANCE 01-06-041-13W4
W 0280546 ALLIANCE 09-20-040-13W4
W 0306279 ALLIANCE 02-36-040-13W4
W 0422178 ALLIANCE 13-11-040-13W4
W 0423407 ALLIANCE 09-18-040-13W4
W 0424417 ALLIANCE 13-11-040-14W4
W 0424947 ALLIANCE 01-11-040-13W4
W 0425261 ALLIANCE 15-02-040-13W4
W 0429562 ALLIANCE 09-02-040-13W4
W 0430078 ALLIANCE 12-16-040-13W4
W 0431280 ALLIANCE 01-18-040-13W4
W 0435710 ALLIANCE 08-18-040-13W4

3 FACILITIES:

Current

Licence Number AREA Surface Location
F43553 ALLIANCE 00/01-13-040-14W4
F8049 ALLIANCE 00/07-10-040-13W4
F8083 ALLIANCE 00/02-36-040-13W4

Search ID #: Z18105080

4 (b) In the following mineral rights:

Current

Mineral Lease File No. Document Number

M40015 28395A

M40016 28395B

M40017 0482110029

M40018 0486100357

M40019 22600

M40020 27154

M40021 0484090241

M40031 28394

M40034 0490020304

M40039 32692A

M40040 32692

M40042 0484050344

M40046 28396A

M40047 28395

M40048 28396

M40050 0497060080

M40051 28397A

M40124 0408030185

Search ID #: Z18105080

Business Debtor Search For:

PISMO ENERGY LTD.

Search ID #: Z18105080

Date of Search: 2024-Nov-22

Time of Search: 09:14:53

Registration Number: 24102502530

Registration Date: 2024-Oct-25

Registration Type: WRIT OF ENFORCEMENT

Registration Status: Current

Expiry Date: 2026-Oct-25 23:59:59

Issued in Calgary Judicial Centre

Court File Number is 2401-07223

Judgment Date is 2024-Oct-17

This Writ was issued on 2024-Oct-24

Type of Judgment is Other

Original Judgment Amount: \$1,078,978.08

Post Judgment Interest: \$0.00

Costs Are: \$0.00

Current Amount Owing: \$1,078,978.08

Exact Match on:

Debtor

No: 1

Solicitor / Agent

JZ LAW - JOHN C. ZANG
1150, 707 - 7 AVENUE SW
CALGARY, AB T2P 3H6
Phone #: 403 680 9264
Email: jzanglaw@gmail.com

Debtor(s)

Block

Status

Current

1 PISMO ENERGY LTD.
1150, 707 - 7 AVENUE SW
CALGARY, AB T2P 3H6

Creditor(s)

Block

Status

Current

1 REVIVAL ENERGY LTD.
1150, 707 - 7 AVENUE SW
CALGARY, AB T2P 3H6

Search ID #: Z18105080

Email: darkhorseadvisory@gmail.com

Result Complete

This is **Exhibit "G"** referred to in the Affidavit of John Zang sworn before me this 27th day of November 2024



A Commissioner for Oaths in and for Alberta

Kendra Larson
Student-at-Law

Made at Edmonton, in the
Province of Alberta, on

September 19, 2024

ALBERTA ENERGY REGULATOR

Pursuant to sections 22 and 26.2 of the *Oil and Gas Conservation Act (OGCA)*, section 22.1 of the *Pipeline Act*, and section 1.100(2) of the *Oil and Gas Conservation Rules (OGCR)*;

Pismo Energy Ltd. (A7BP)

1150, 707 - 7 Avenue SW
Calgary, AB T2P 3H6

(Pismo, or the Licensee)

WHEREAS the Licensee is holder of Business Associate (BA) Code A7BP, and well, facility, and pipeline licences granted by the Alberta Energy Regulator (AER) under the authority of the *OGCA* and *Pipeline Act*, listed in Appendix 1 (collectively, the Licences);

WHEREAS there is physical infrastructure associated with the Licences, including wells, well sites, facilities, facility sites, pipelines (the Sites);

Liability

WHEREAS in July 2024 the AER conducted a holistic licensee assessment (HLA) of Pismo, pursuant to *Directive 088: Licensee Life-Cycle Management (Directive 88)*, which is an assessment of the capabilities of licensees to meet their regulatory and liability obligations throughout the energy development life cycle, and includes considerations of factors to determine if a licensee poses an unreasonable risk pursuant to section 4.5 of *Directive 067: Eligibility Requirements for Acquiring and Holding Energy Licences and Approvals (Directive 67)*, licensee capability assessment (LCA) factors, and other factors as deemed appropriate, as detailed below;

WHEREAS an LCA is an assessment tool used by the AER which considers various factors, as detailed in *Directive 088*, to assess capabilities of licensees to meet their regulatory and liability obligations across the energy development life cycle;

WHEREAS the LCA assessed Pismo as highly financially distressed, pursuant to the parameters and weightings detailed in *Manual 23: Licensee Life-Cycle Management (Manual 23)*;

WHEREAS, to date, 58% of Pismo's wells are inactive and, of those inactive wells, 82.6% are non-compliant with *Directive 013: Suspension Requirements for Wells (Directive 13)*, 22% have been inactive for more than 10 years, and 15% are sour;

WHEREAS the licensee has failed to meet their Mandatory Closure Spend Quota (MCSQ) for 2022 and 2023, assessed on July 19, 2024 as totalling \$289,873.85;

WHEREAS, as of April 2024, Pismo has municipal tax arrears in Alberta totalling \$181,053.32;

WHEREAS Pismo has failed to pay its 2023 and 2024 Administration Fees and penalties and 2023 and 2024 Orphan Fund Levies and penalties, totalling \$99,658.32 as of June 25, 2024;

WHEREAS on July 22, 2024, the AER informed Pismo by letter (the July Letter) that the AER had identified outstanding compliance and liability issues and risks, and the AER had concerns regarding Pismo's ability to provide reasonable care and measures for its assets, respond and manage an incident or emergency, meet its financial obligations, and meet its end-of-life obligations;

WHEREAS the July Letter stated that, based on the July 2024 HLA results and review of the LCA factors, the AER has assessed Pismo as a high risk for not being able to meet its regulatory and liability obligations across the energy lifecycle;

WHEREAS the July Letter stated that the AER was considering taking regulatory actions, including ordering Pismo to take specific actions which may include suspension or abandonment its Sites, imposing Limited Eligibility, and requiring payment of security;

WHEREAS the AER provided Pismo the opportunity to respond to the concerns identified in the July Letter;

WHEREAS Pismo responded to the July Letter on August 12, 2024 (the August 12 Response), indicating ongoing legal disputes with operators of some of its wells has hindered Pismo's ability to satisfactorily resolve some of its outstanding noncompliances;

WHEREAS the August 12th Response contained insufficient detail to address the AER's concerns specified in the July letter;

WHEREAS on September 4, 2024 the AER met with Pismo to review its outstanding non-compliances and its assessed risks and the actions the AER was considering taking in response;

WHEREAS on September 6, 2024 the AER provided a draft of the Order to Pismo for its review;

WHEREAS Pismo was provided 7 calendar days to provide a written response to the proposed draft order for the Director's consideration;

WHEREAS on September 13, 2024 Pismo provided a written submission that was considered by the Director;

Outstanding field non-compliances

WHEREAS Pismo's field compliance rate is significantly lower when compared to its industry peers for the previous three years:

Year	Pismo		Industry peers
	# of Inspections	Rating (%)	Rating (%)
2021	16	37.50	75.89
2022	7	14.29	73.47
2023	23	26.09	71.12

WHEREAS on August 3, 2017 the AER conducted an inspection, Field Inspection System (FIS) record number 465989 (FIS 465989) of facility F42542 at the 05-27-048-01W4 Site and issued notices of non-compliance (NNC) to the Licensee when it found that tank gauging procedures were not in compliance with *Directive 017: Measurement Requirements for Oil and Gas Operations (Directive 17)* and that the facility was not maintained in good condition;

WHEREAS, to date, the Licensee has failed to satisfactorily resolve the non-compliances identified in inspection FIS 465989;

WHEREAS on October 13, 2020 the AER conducted an inspection (FIS 504687) of well W0128093 at the 04-17-052-12W5 Site and issued a NNC to the Licensee when it found that a watercourse crossing within Mineral Surface Lease (MSL) 1983, held by the Licensee, was unsatisfactory and posed serious fish passage concerns for a permanent or fish-bearing waterbody;

WHEREAS, to date, the Licensee has failed to conduct the required remediation to resolve the non-compliance identified in inspection FIS 465989;

WHEREAS on June 5, 2023 the AER conducted an inspection (FIS 531898) of well W0425763 at the 12-27-048-01W4 Site (the 12-27 Well Site) and issued NNCs to the Licensee when it found that two aboveground tanks still contained materials, despite being out of service for more than 180 days, and that the 12-27 Well Site was not being maintained in a clean condition;

WHEREAS, to date, the Licensee has failed to take action to correct the non-compliances identified in FIS 531898;

WHEREAS on June 26, 2023, the AER received a report of a release of heavy oil (FIS 20231648) at the 12-27 Well Site. It was discovered that a tank at the Site had been vandalised and, as a result, an estimated 1.4 m³ of oil emulsion was released. The release was originally discovered and reported to the operator of the well on June 7, 2023;

WHEREAS, to date, the Licensee has failed to satisfactorily remediate the release at the 12-27 Well Site as required.

WHEREAS on October 23, 2023, the AER received a report of a release of produced water (FIS 20232638) at the 15-27-048-01W4 Site (the 15-27 Well Site). It was discovered that a tank at the Site had been vandalised and an estimated 41.5 m³ of produced water had released as a result. The release was originally discovered on October 6, 2023;

WHEREAS, to date, the Licensee has failed to satisfactorily remediate the release at the 15-27 Well Site as required;

WHEREAS on June 9, 2023 the AER conducted an audit (FIS 532067) of the Licensee and issued a NNC when it found that the Licensee did not appear to be a member in good standing with a spill cooperative, pursuant to *Directive 071: Emergency Preparedness and Response (Directive 71)*;

WHEREAS, to date, the Licensee has failed to take action to correct the non-compliance identified in FIS 532067;

WHEREAS on October 25, 2023 the AER conducted an inspection (FIS 536783) of well W0421386 at the 15-27-048-01W4 Site and issued NNCs to the Licensee when it found that there was improper signage, a tank still contained materials despite being out of service for more than 180 days, that a release had not been reported as required, and that the well was suspended but the valves were not properly secured and the outlets were not isolated;

WHEREAS, to date, the Licensee has failed to verify that all fluids, solids, and gases from the piping connected to the tank, located at well W0421386, have been removed as required;

WHEREAS on November 10, 2023 the AER conducted an inspection (FIS 537289) of well W0468395 at the 11-02-048-01W4 Site and issued a NNC to the Licensee for inaccurately reporting methane emissions, pursuant to *Directive 060: Upstream Petroleum Industry Flaring, Incinerating, and Venting (Directive 60)*;

WHEREAS, to date, the Licensee has failed to submit an accurate methane emissions report to correct the noncompliance identified in FIS 537289;

WHEREAS on December 12, 2023 the AER conducted an inspection (FIS 537961) of well W0465415 at the 12-14-048-01W4 Site and an inspection (FIS 538030) of well W0449232 at the 08-22-048-01W4 Site and issued NNCs to the Licensee when it was found that well suspension inspection reports had not been submitted for the wells as required;

WHEREAS, to date, the Licensee has failed to submit well suspension inspection reports as required for the Sites that are the subject of inspections FIS 537961 and FIS 538030;

WHEREAS on March 6, 2024 the AER conducted an audit (FIS 539958) of the Licensee and issued a NNC to the Licensee for failing to notify the AER of an exercise being conducted, as required by section 7.2 of *Directive 71*;

WHEREAS, to date, the Licensee has failed to take any action to resolve the non-compliance identified in FIS 539958;

WHEREAS on July 23, 2024 the AER conducted a review (FIS 545398) of records respecting the Licensee's pipeline P58685 and issued NNCs to the Licensee for multiple non-compliances of the *Pipeline Rules*, specifically that it failed to demonstrate the existence of a Safety and Loss Management System (SLMS), failed to demonstrate the existence of a risk management process, failed to demonstrate the implementation of an Integrity Management Program (IMP), failed to demonstrate that right-of-way (ROW) surveillance has been conducted as required, failed to demonstrate that cathodic protection is

being maintained, failed to be registered with the Utility Safety Partners' (USP) damage prevention service, failed to register all of its licenced pipelines with USP, and for failing to discontinue or abandon a pipeline that has not had flowing service for more than 24 months as required;

WHEREAS the Licensee stated to the AER, in reference to the noncompliances identified in FIS 545398, that it is not in compliance due to the financial requirements to maintain compliance;

WHEREAS, to date, the Licensee has failed to satisfactorily resolve the noncompliances identified in FIS 545398;

Statutory Decision Maker Authority and Decision

WHEREAS Tyler Callicott, Director of Enforcement and Orphaning, (the Director) has the authority to issue orders and impose terms and conditions pursuant to sections 22 and 26.2 of the *OGCA* and section 22.1 of the *Pipeline Act*;

WHEREAS the Director has the authority to require a licensee to provide a security deposit at any time where the Director considers it appropriate to do so to offset the estimated costs of abandoning and reclaiming a well or facility and of carrying out any other activities necessary to ensure the protection of the public and environment pursuant to section 1.100(2) of the *OGCR*;

WHEREAS the Director has reasonable grounds to believe that the Licensee has contravened Acts, regulations, or rules under the jurisdiction of the AER and that it is necessary and appropriate to order the Licensee and to impose terms and conditions on the Licensee to address those contraventions;

WHEREAS the Director finds that, based on the inspections, audits, and the Licensee's failure to satisfactorily resolve contraventions of the Acts, regulations, or rules under the jurisdiction of the AER, that reasonable care and measures are not being taken to prevent impairment or damage at, or associated with, the Sites;

WHEREAS the Director is of the opinion that Pismo is unable to meet its regulatory and liability obligations throughout the energy lifecycle, and it is appropriate to require Pismo to provide a security deposit to offset the estimated costs of abandoning and reclaiming a well or facility and of carrying out any other activities necessary to ensure the protection of the public and environment;

Therefore, I, Tyler Callicott, Director of Enforcement and Orphaning, pursuant to sections 22 and 26.2 of the *OGCA*, section 22.1 of the *Pipeline Act*, and section 1.100(2) of the *OGCR*, do hereby order and direct the following:

Reasonable Care and Measures

1. Within 15 calendar days of the date of this Order, Pismo must:
 - a. Become a member in good standing with a spill cooperative, or otherwise satisfy the spill response and preparedness requirements, pursuant to *Directive 71*;

- b. Conduct right-of-way (ROW) surveillance as required,
 - c. Demonstrate that cathodic protection is being maintained,
 - d. Register with the USP damage prevention service;
 - e. Register all of its licenced pipelines with USP;
2. Within 30 calendar days of the date of this Order, submit a plan, to the satisfaction of the Director, to demonstrate its ability to provide reasonable care and measures at its Sites (the RCAM Plan), The RCAM Plan must include timelines and, at a minimum, include the following:
- a. Actions that Pismo will take to address and remediate all previous releases, including those identified in FIS 20231648 at the 12-27 Well Site and FIS 20232638 at the 15-27 Well Site;
 - b. All plans and resources available to Pismo to respond in the event of an incident or emergency, including:
 - i. Plans, agreements, memberships and status, funds, and other relevant resources and information that are currently in place at the date of this Order, and;
 - ii. Plans, agreements, memberships and status, funds, and other relevant information that will be in place and the timelines for, and actions towards, the completion or implementation for each item or action;
 - c. All actions that will be taken to address all outstanding noncompliances, including:
 - i. all inactive wells that are non-compliant with *Directive 013*;
 - ii. outstanding and inaccurate methane emissions reports, as required by *Directive 60*;
 - iii. all noncompliances in inspections and incidents, identified on FIS as incomplete or outstanding;
 - d. How Pismo will assess compliance at its Sites and proactively respond, remediate, and resolve all non-compliances identified, including:
 - i. a schedule describing the frequency of site visits;
 - ii. specific actions, with timelines, that will be taken to improve Pismo's compliance rating to no less than 76.78%, which is the average compliance rating of its industry peers for the period of August 2021 to August 2024;
 - iii. specific actions that will be taken to maintain an improved compliance rating;

- iv. All actions that will be taken to demonstrate that Pismo has the ability, and will, respond to future noncompliances, incidents, information requests, and required reporting by the deadlines set by the AER;
3. The RCAM Plan must be implemented as approved by the Director;

Security

4. Within 45 calendar days from the date of this order Pismo shall:
 - a. Post a security deposit in the amount of \$412,286, which represents 10% of Pismo's inactive liability, to offset the estimated costs of abandoning and reclaiming a well or facility and of carrying out any other activities necessary to ensure the protection of the public and environment;
 - b. Post a security deposit for the full outstanding mandatory spend owing for Pismo's non-compliance of its 2022 MCSQ, as determined by the AER pursuant to *Directive 88* and available through ComplianceVerification@aer.ca;
 - c. Post a security deposit for the full outstanding mandatory spend owing for Pismo's non-compliance of its 2023 MCSQ, as determined by the AER pursuant to *Directive 88* and available through ComplianceVerification@aer.ca;

Outstanding debts and liabilities

5. Within 30 calendar days from the date of this Order, pay in full its debts to:
 - a. the AER for its outstanding Administration fees for 2023 and 2024;
 - b. the AER, on behalf of the Orphan Fund, for its outstanding Orphan Fund levies for 2023 and 2024;
6. Within 30 calendar days from the date of this Order, submit a plan, to the satisfaction of the Director, that details all actions that Pismo will take, including closure timelines and resourcing details, to ensure that its 2024 annual MCSQ is met pursuant to *Directive 88*;
7. Within 30 calendar days of the date of this Order, provide:
 - a. a summary of all other outstanding debts including:
 - i. municipal taxes
 - ii. surface lease payments
 - iii. outstanding royalties, and
 - iv. public land disposition fees,

- b. a plan that includes specific actions, including timelines, to satisfy the debts identified in 8(a).

Reporting

8. Beginning 7 days from the date of this Order, Pismo must provide written updates every (1) week to the Director with details on the progress of the work required under this Order;
9. All plans and information required in this Order shall be submitted to Tyler.Callicott@aer.ca and ComplianceAssurance@aer.ca;
10. If requested by the Director, Pismo shall submit, within two (2) business days, any records pertaining to this Order.

General

11. All submissions of work related to requirements in this Order shall be submitted in the format, and to the appropriate AER system, as required by AER regulations;
12. Where a deadline or reporting frequency has been specified in this Order, the Director may authorize in writing a different deadline or reporting frequency as applicable;
13. In carrying out the requirements of this Order, Pismo shall obtain and comply with all required federal, provincial, or municipal permits and governing legislation and provide to the AER all authorizations obtained upon request by the AER;
14. All applicable regulatory requirements are to be followed and complied with in the undertaking of any actions or directions prescribed under this Order.

Failure by Pismo to fulfil the requirements of this Order to the satisfaction of the Director, will result in a suspension and/or abandonment order.

Dated at the City of Edmonton in the Province of Alberta, the 19th day of September, 2024.



Tyler Callicott
Director, Enforcement and Orphaning
Alberta Energy Regulator

In complying with this order, the party or parties named must obtain all approvals necessary, notwithstanding the above requirements.

This order in no way precludes any enforcement actions being taken regarding this matter under the *Oil and Gas Conservation Act (OGCA)*, the *Pipeline Act*, and the *Oil and Gas Conservation Rules (OGCR)* or any other provincial or federal legislation, or by any other regulator with jurisdiction.

All enforcement actions issued by the AER may be subject to a follow-up review to confirm previous commitments have been completed and measures have been implemented, to ensure similar noncompliances are prevented in the future. The AER may request any information that demonstrates steps have been taken to prevent repeat noncompliances from occurring.

Under the *Responsible Energy Development Act*, an eligible person may appeal decisions that meet certain criteria. Eligible persons and appealable decisions are defined in section 36 of the *Responsible Energy Development Act* and section 3.1 of the *Responsible Energy Development Act General Regulation*. If you wish to file a request for regulatory appeal, you must submit your request according to the AER's requirements. You can find filing requirements and forms on the AER website, www.aer.ca, under Regulating Development: Project Application: Regulatory Appeal Process.

Appendix 1

Licences held by the Licensee

Table 1 Wells

Licence	Surface Location	Well UWI	Status
W0079369	16-19-049-01W4	A0-16-19-049-01W4/0	Inactive
W0085416	09-19-049-01W4	00-09-19-049-01W4/0	Active
W0097129	01-36-040-13W4	02-01-36-040-13W4/0	Inactive
W0098261	15-10-040-13W4	02-15-10-040-13W4/0	Abandoned
W0099511	11-11-040-13W4	02-11-11-040-13W4/0	Inactive
W0108864	14-11-040-13W4	02-14-11-040-13W4/0	Inactive
W0119748	14-22-048-01W4	00-14-22-048-01W4/0	Inactive
W0123511	08-11-040-13W4	00-08-11-040-13W4/0	Abandoned
W0123578	15-10-040-13W4	03-15-10-040-13W4/0	Inactive
W0128093	14-08-052-12W5	00-14-08-052-12W5/0	Inactive
W0132072	08-08-052-12W5	00-08-08-052-12W5/0	Abandoned
W0133777	11-11-040-13W4	05-14-11-040-13W4/0	Inactive
W0133877	09-10-040-13W4	05-16-10-040-13W4/0	Inactive
W0134506	08-16-040-13W4	06-08-16-040-13W4/0	Inactive
W0135927	13-29-040-13W4	02-13-29-040-13W4/0	Active
W0136325	10-10-040-13W4	02-10-10-040-13W4/0	Inactive
W0145417	07-11-040-13W4	B0-07-11-040-13W4/0	Inactive
W0146455	06-11-040-13W4	03-06-11-040-13W4/0	Abandoned
W0148414	16-26-040-13W4	00-16-26-040-13W4/0	Abandoned
W0150461	15-32-040-13W4	00-15-32-040-13W4/2	Inactive
W0218675	16-09-040-13W4	02-16-09-040-13W4/0	Abandoned
W0221990	15-11-040-14W4	02-15-11-040-14W4/0	Inactive
W0225626	02-16-040-13W4	00-02-16-040-13W4/0	Inactive
W0227250	02-16-040-13W4	02-02-16-040-13W4/0	Inactive
W0227459	08-36-040-13W4	03-09-36-040-13W4/0	Inactive
W0274757	01-06-041-13W4	00-01-06-041-13W4/2	Inactive
W0280546	09-20-040-13W4	00-09-20-040-13W4/0	Active
W0306279	02-36-040-13W4	03-02-36-040-13W4/0	Inactive
W0316496	11-31-048-01W4	00-11-31-048-01W4/0	Inactive
W0411533	16-27-048-01W4	00-16-27-048-01W4/0	Inactive
W0411593	05-27-048-01W4	00-05-27-048-01W4/0	Inactive
W0415598	14-11-048-01W4	00-14-11-048-01W4/0	Abandoned
W0421386	15-27-048-01W4	00-15-27-048-01W4/0	Inactive
W0421451	08-27-048-01W4	02-08-27-048-01W4/0	Inactive
W0421452	10-27-048-01W4	03-10-27-048-01W4/0	Inactive
W0422178	16-11-040-13W4	02-13-11-040-13W4/0	Active
W0422945	15-14-048-01W4	00-15-14-048-01W4/0	Active
W0423216	08-22-048-01W4	00-08-22-048-01W4/2	Paper
W0423407	16-13-040-14W4	00-09-18-040-13W4/0	Active
W0424402	16-10-052-13W5	00-08-14-052-13W5/0	Active

W0424417	13-12-040-14W4	00-13-11-040-14W4/0	Inactive
W0424947	01-10-040-13W4	00-01-11-040-13W4/0	Inactive
W0425089	09-27-048-01W4	00-09-27-048-01W4/0	Inactive
W0425147	05-27-048-01W4	02-05-27-048-01W4/0	Inactive
W0425261	16-03-040-13W4	00-15-02-040-13W4/0	Inactive
W0425763	12-27-048-01W4	00-12-27-048-01W4/0	Inactive
W0426107	06-27-048-01W4	00-06-27-048-01W4/0	Inactive
W0429562	16-03-040-13W4	00-09-02-040-13W4/0	Active
W0430078	13-15-040-13W4	02-12-16-040-13W4/0	Active
W0430659	14-14-048-01W4	00-14-14-048-01W4/0	Active
W0431280	01-13-040-14W4	00-01-18-040-13W4/0	Active
W0431828	16-15-052-13W5	00-09-14-052-13W5/0	Active
W0433694	05-09-052-12W5	02-06-08-052-12W5/0	Active
W0434880	15-19-049-01W4	02-15-19-049-01W4/0	Active
W0434881	14-27-048-01W4	00-14-27-048-01W4/0	Inactive
W0434918	11-14-048-01W4	00-11-14-048-01W4/0	Abandoned
W0434919	14-14-048-01W4	02-14-14-048-01W4/0	Active
W0435710	01-13-040-14W4	00-08-18-040-13W4/0	Active
W0437457	08-22-048-01W4	02-08-22-048-01W4/0	Inactive
W0437463	14-22-048-01W4	02-14-22-048-01W4/0	Active
W0445823	16-14-048-01W4	02-16-14-048-01W4/0	Inactive
W0445824	09-14-048-01W4	00-09-14-048-01W4/0	Inactive
W0445825	14-14-048-01W4	00-13-14-048-01W4/0	Abandoned
W0445948	04-27-048-01W4	00-04-27-048-01W4/0	Inactive
W0445972	13-27-048-01W4	00-13-27-048-01W4/0	Inactive
W0446114	08-22-048-01W4	03-08-22-048-01W4/2	Inactive
W0446115	01-22-048-01W4	00-01-22-048-01W4/0	Active
W0446143	14-22-048-01W4	03-14-22-048-01W4/0	Inactive
W0449232	08-22-048-01W4	04-08-22-048-01W4/0	Inactive
W0459281	09-03-048-01W4	02-09-03-048-01W4/0	Inactive
W0460363	15-15-048-01W4	00-15-15-048-01W4/0	Inactive
W0460382	12-14-048-01W4	00-12-14-048-01W4/0	Inactive
W0465391	11-27-048-01W4	02-11-27-048-01W4/0	Inactive
W0465415	12-14-048-01W4	00-09-15-048-01W4/0	Inactive
W0468395	11-02-048-01W4	00-11-02-048-01W4/0	Active
W0468577	01-30-049-01W4	02-09-19-049-01W4/0	Active
W0470612	05-02-048-01W4	00-06-02-048-01W4/0	Abandoned
W0470972	08-03-048-01W4	00-08-03-048-01W4/0	Abandoned
W0474795	01-11-048-01W4	02-01-11-048-01W4/0	Abandoned

Table 2 Facilities

Licence	Surface Location	Status
F8049	07-10-040-13W4	Inactive
F8083	02-36-040-13W4	Active
F12170	02-18-052-12W5	Active

F42542	05-27-048-01W4	Inactive
F43444	14-14-048-01W4	Active
F43553	01-13-040-14W4	Active
F47295	12-14-048-01W4	Inactive

Table 3 Pipelines

Licence	Segment	From Surface Location	To Surface Location	Status
P16735	6	10-18-052-12W5	02-18-052-12W5	Abandoned
	7	02-18-052-12W5	02-18-052-12W5	Operating
	8	04-17-052-12W5	02-18-052-12W5	Discontinued
	9	12-08-052-12W5	04-17-052-12W5	Discontinued
	15	06-08-052-12W5	10-08-052-12W5	Discontinued
P20725	2	01-36-040-13W4	02-36-040-13W4	Discontinued
	4	16-26-040-13W4	16-26-040-13W4	Discontinued
	3	16-26-040-13W4	02-36-040-13W4	Discontinued
P31952	1	16-09-040-13W4	01-16-040-13W4	Discontinued
	2	01-16-040-13W4	05-15-040-13W4	Discontinued
P33505	1	14-20-040-13W4	04-21-040-13W4	Abandoned
P40227	1	01-06-041-13W4	04-06-041-13W4	Operating
	2	13-31-040-13W4	04-06-041-13W4	Discontinued
	3	01-10-040-13W4	07-10-040-13W4	Discontinued
	4	08-11-040-14W4	13-12-040-14W4	Operating
	5	16-03-040-13W4	01-10-040-13W4	Discontinued
	6	13-15-040-13W4	09-16-040-13W4	Discontinued
P40260	1	09-20-040-13W4	10-20-040-13W4	Abandoned
P43783	1	09-19-049-01W4	16-19-049-01W4	Operating
P46660	1	02-18-052-12W5	02-18-052-12W5	Discontinued
P53255	1	16-15-052-13W5	10-15-052-13W5	Operating
	2	16-10-052-13W5	10-15-052-13W5	Abandoned
	3	10-15-052-13W5	02-18-052-12W5	Operating
P55865	1	02-36-040-13W4	01-36-040-13W4	Operating
	2	07-10-040-13W4	11-11-040-13W4	Operating
	3	11-11-040-13W4	02-14-040-13W4	Operating
P58685	1	10-11-040-13W4	11-11-040-13W4	Discontinued
	2	11-11-040-13W4	11-11-040-13W4	Operating
	3	08-11-040-13W4	11-11-040-13W4	Discontinued
	4	11-11-040-13W4	02-36-040-13W4	Discontinued
	5	11-11-040-13W4	11-11-040-13W4	Operating
	6	09-16-040-13W4	10-16-040-13W4	Discontinued
	7	07-10-040-13W4	11-11-040-13W4	Discontinued
	8	07-11-040-13W4	08-11-040-13W4	Discontinued
	9	10-10-040-13W4	07-10-040-13W4	Abandoned
	10	04-15-040-13W4	07-10-040-13W4	Discontinued
	11	10-11-040-13W4	08-11-040-13W4	Abandoned
	12	08-16-040-13W4	05-15-040-13W4	Abandoned
	13	14-11-040-13W4	11-11-040-13W4	Operating

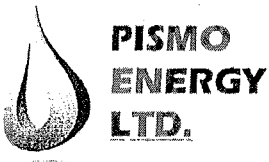
	14	03-10-040-13W4	07-10-040-13W4	Discontinued
	15	02-16-040-13W4	05-15-040-13W4	Discontinued
	16	02-16-040-13W4	05-15-040-13W4	Discontinued
	17	08-36-040-13W4	08-36-040-13W4	Discontinued
	18	08-36-040-13W4	02-36-040-13W4	Discontinued
	19	01-36-040-13W4	02-36-040-13W4	Discontinued
	20	11-11-040-13W4	09-10-040-13W4	Operating
	21	10-16-040-13W4	08-16-040-13W4	Discontinued
	22	16-11-040-13W4	15-11-040-13W4	Abandoned
P58686	1	15-11-040-14W4	07-11-040-14W4	Operating
	2	13-12-040-14W4	15-11-040-14W4	Discontinued
	3	01-13-040-14W4	03-13-040-14W4	Discontinued
P9892	3	04-17-052-12W5	04-17-052-12W5	Operating

This is **Exhibit "H"** referred to in the Affidavit of John Zang sworn before me this 27th day of November 2024



A Commissioner for Oaths in and for Alberta

Kendra Larson
Student-at-Law



September 26 , 2024

ALBERTA ENERGY REGULATOR
VIA EMAIL
Attention: Tyler Callicott
Dear Mr. Callicott:

CONFIDENTIAL

Re: AER Order Dated September 19, 2024 Re Pismo Energy Ltd. 9th "Order"

This is the weekly progress update of Pismo Energy Ltd. ("Pismo") as required by the Order.

The following activities occurred over the last week:

1. Pismo retained legal counsel to assist it;
2. Pismo held meetings and advised its material worker interest participants ("WIPs") of the Order and the effects on them currently and going forward;
3. Pismo's operating staff met to allocate the items required by the Order (i.e. divided out who was responsible for what);
4. Pismo proceeded to contact various contractors and suppliers to obtain quotes for work required under the Order;
5. Pismo obtained Judgement against a WIP (Brevet Oil Ltd.) including, *inter alia*, judgement of over \$240,000, to accept the license transfer for the Pismo wells it holds an interest in, and to remedy spills and environmental damage to assets it operates but are licensed to Pismo; and
6. Pismo consented to the DDS transfer of facility and well licenses to the WIPs--Poker Chip Energy Ltd. and North Fork Resources Ltd.

This progress update does not include all actions taken by Pismo. Although effort has been made to disclose all material and legally disclosable activities, there may be other material actions taken not contained in this update.

Yours truly,

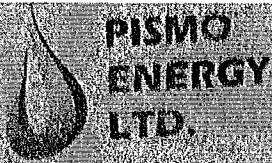
TOPANGA ENERGY LTD.

Per:

John C. Zang

Email: jzang@topangaresources.com

Phone: 403 680 9264



**PISMO
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LTD.**

October 3, 2024

ALBERTA ENERGY REGULATOR
VIA EMAIL
Attention: Tyler Callicott
Dear Mr. Callicott:

CONFIDENTIAL

Re: Alberta Energy Regulator (the "AER") Order Dated September 19, 2024 Re Pismo Energy Ltd. (the "Order")

This is the weekly progress update of Pismo Energy Ltd. ("Pismo") as required by the Order.

The following activities occurred over the last week:

1. Pismo and working interest holders have submitted license transfer and have now received the initial response to same from the AER;
2. Pismo has commenced compliance with the right of way surveillance. Same has been delayed to allow farmers to complete their harvest;
3. An updated Emergency Response Plan is in progress. Expected completion date October 10, 2024;
4. Pismo has proceeded to inspect its inactive wells and filed reports on same in DDS. There are additional wells to be inserted on DDS (they have been inspected but Pismo awaits the reports on those inspections);
5. Pismo has proceeded with the steps necessary to obtain its WCSS;
6. Pismo is proceeding with enforcement of the Order recently granted to it by the Court of King's Bench against Brevet Oil Ltd.; and
7. Pismo continues with other activities required under the Order;

This progress update does not include all actions taken by Pismo. Although effort has been made to disclose all material, non-privileged, and/or legally disclosable activities, there may be other material actions taken not contained in this update.

Yours truly,

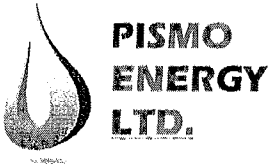
TOPANGA ENERGY LTD.

Per: 

John C. Zang

Email: jzang@topangaresources.com

Phone: 403 680 9264



October 10, 2024

ALBERTA ENERGY REGULATOR
Suite 205, 4999 98 Avenue,
Edmonton, AB. T6B 2X3

VIA EMAIL
CONFIDENTIAL

Attention: Tyler Callicott

Dear Mr. Callicott:

Re: Alberta Energy Regulator (the “AER”) Order Dated September 19, 2024 Re Pismo Energy Ltd. (the “Order”)

This is the weekly progress update of Pismo Energy Ltd. (“**Pismo**”) as required by the Order.

The following activities occurred over the last week or prior thereto:

1. In regard to paragraph 1 of the Order:
 - a. Pismo confirms it is a member of WCSS (see proof attached);
 - b. Right of Way inspections are on-going approximately 53.6% have been completed. The remainder are largely in the Alliance area and the farmers do not wish us to proceed onto their crops until harvest has occurred. We seek an **extension** of this requirement to October 31, 2024;
 - c. Pismo is proceeding with its review of cathodic protection. As some lines are non-continuous they require field inspections (all in the Alliance area). As a result of the crop concerns listed above this inspection will need to be delayed;
 - d. Registration with Utility safety partners (“**USP**”) is in place (see confirmation attached); and
 - e. Registration of licensed pipelines has occurred with USP.
2. Pismo and working interest participants have submitted license transfer and have now received the initial response to same from the AER. The AER is requiring Pismo to get consent for the license transfer from municipalities for which municipal taxes are owed. Pismo has approached some of these municipalities. One municipality has commenced a lawsuit against Pismo and a working interest participant. Pismo is working to find a solution to enable to the transfers of some of its licences and the related on-going liabilities.
3. Pismo has retained a consultant to locate buyers of some of the Pismo assets. Through this, Pismo hopes to be in a position to satisfy (at least partially) the monetary requirements of the Order. Paragraph 5 of the Order requires funds to be paid by



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October 19, 2024. As this sales process will not see any results by that date, Pismo seeks an **extension** of the date required by Paragraph 5 of the Order to November 19, 2024;

4. An updated Emergency Response Plan is essentially complete subject only to some internal reviews. Pismo expects completion by October 17, 2024;
5. Pismo has proceeded to inspect its inactive wells and filed reports on same in DDS. There are additional wells to be inserted on DDS (they have been inspected but Pismo awaits the reports on those inspections);
6. Pismo is proceeding with enforcement of the Order recently granted to it by the Court of King's Bench against Brevet Oil Ltd. ("**Brevet**"). As Brevet agreed and as the Court ordered, Brevet is required to accept the license transfers and to meet other requirements. Pismo is proceeding with collection proceedings for the judgement amount of \$247,624; and
7. Pismo continues with other activities required under the Order.

This progress update does not include all actions taken by Pismo. Although effort has been made to disclose all material, non-privileged, and/or legally disclosable activities, there may be other material actions taken not contained in this update.

Yours truly,

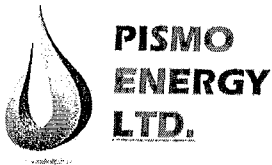
TOPANGA ENERGY LTD.

Per:

John C. Zang

Email: jzang@topangaresources.com

Phone: 403 680 9264



October 17, 2024

ALBERTA ENERGY REGULATOR
Suite 205, 4999 98 Avenue,
Edmonton, AB. T6B 2X3

VIA EMAIL
CONFIDENTIAL

Attention: Tyler Callicott

Dear Mr. Callicott:

Re: Alberta Energy Regulator (the “AER”) Order Dated September 19, 2024 Re Pismo Energy Ltd. (the “Order”)

This is the weekly progress update of Pismo Energy Ltd. (“Pismo”) as required by the Order.

The following activities occurred over the last week or prior thereto:

1. In regard to the AER’s comments arising from the Pismo response of October 10, 2024 concerning paragraph 1 of the Order:
 - a. Pismo confirms it is a member of WCSS (see proof attached)___no comment from AER. Matter completed.
 - b. Right of Way inspections: Over 95% of the right of way inspections have now been completed as farmer access was provided. The last right of way inspection for the one remaining pipeline—license number 58685-4-- is currently being carried out and will be completed imminently. We expect confirmation of right of way inspections by October 24, 2024.
 - c. Pismo’s consultant has completed its cathodic protection review. Pismo is waiting for their report which was expected to be delivered before today. We are endeavoring to receive the report as soon as possible. Pismo requests information from the AER of what information the AER requires to demonstrate “that cathodic protection is being maintained”.
 - d. Registration with Utility Safety Partners (“USP”) is in place (confirmation attached to the October 10, 2024 Report). The AER has sought additional proof. Please see attached at Schedule “A”. and
 - e. Registration of licensed pipelines has occurred with USP. The AER has sought additional proof. Please see attached at Schedule “A”.
2. Pismo sales process is on-going. Through this sales process it will be able to access funds in order to make payments to the AER. It has two purchases arranged and is in discussions with others. The AER should expect to receive further information in regard to this from Pismo legal counsel in the near future.



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3. An updated Emergency Response Plan is completed and will delivered as required by the Order.
4. Pismo is proceeding with enforcement of the Order filed September 23, 2024 recently granted to it by the Court of King's Bench against Brevet Oil Ltd. ("**Brevet**"). As Brevet agreed and as the Court ordered, Brevet is required to accept the license transfers and to meet other requirements. Pismo is proceeding with collection proceedings for the judgement amount of \$247,624. Under the Order Brevet had 30 days to rectify certain defaults; and
5. Pismo continues with other activities required under the AER Order.

This progress update does not include all actions taken by Pismo. Although effort has been made to disclose all material, non-privileged, and/or legally disclosable activities, there may be other material actions taken not contained in this update.

Yours truly,

TOPANGA ENERGY LTD.

Per:

John C. Zang

Email: jzang@topangaresources.com

Phone: 403 680 9264



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SCHEDULE "A"

- Email attaching registered pipelines:

----- Forwarded message -----
 From: Tasha Hunter (Utility Safety Partners) <support@utilitypartners.zendesk.com>
 Date: Thu, Oct 3, 2024 at 9:59 AM
 Subject: Re: ACTION REQUIRED call list
 To: brover <evor.davidson@gmail.com>

Hi Tasha,
 Your request (9000549) has been updated. To add address comments, reply to this email or click the link below:
<https://tickets.zendesk.com/hot/requests/9000549>

Tasha Hunter (Alberta One-Call)
 +1 403 242 5151

Hallo,

Please see the attached copies of your databases for your review. If the attached data accurately represents your entire notification area, please send back the signed verification forms. Once we receive the signed forms, we will activate the data in the system.

PLEASE NOTE: YOUR DATA WILL NOT BE ACTIVATED UNTIL THE VERIFICATION FORM SIGNED BY THE DESIGNATED DATABASE CONTACT IS RETURNED.

Also, please advise us to whether you would like a test ticket sent over for each account before final activation. Thank!

- Registered Pipelines (attached to above email):

Station code	Quarter	Section	Township	Range	Meridian	Name	Province	Validation	Reason	duplicate_record
PISMONRG	SE	6	41	13	W4	SE-06-41-AB	AB	Pass		
PISMONRG	SW	6	40	13	W4	SW-06-40-AB	AB	Pass		
PISMONRG	NW	31	40	13	W4	NW-31-40-AB	AB	Pass		
PISMONRG	SE	36	40	13	W4	SE-36-40-AB	AB	Pass		
PISMONRG	NE	25	40	13	W4	NE-25-40-AB	AB	Pass		
PISMONRG	SE	25	40	13	W4	SE-25-40-AB	AB	Pass		
PISMONRG	SW	25	40	13	W4	SW-25-40-AB	AB	Pass		
PISMONRG	NW	24	40	13	W4	NW-24-40-AB	AB	Pass		
PISMONRG	SW	24	40	13	W4	SW-24-40-AB	AB	Pass		
PISMONRG	NW	13	40	13	W4	NW-13-40-AB	AB	Pass		
PISMONRG	SW	13	40	13	W4	SW-13-40-AB	AB	Pass		
PISMONRG	NW	12	40	13	W4	NW-12-40-AB	AB	Pass		
PISMONRG	NE	11	40	13	W4	NE-11-40-AB	AB	Pass		
PISMONRG	SE	11	40	13	W4	SE-11-40-AB	AB	Pass		
PISMONRG	SW	11	40	13	W4	SW-11-40-AB	AB	Pass		
PISMONRG	SE	14	40	13	W4	SE-14-40-AB	AB	Pass		
PISMONRG	NE	10	40	13	W4	NE-10-40-AB	AB	Pass		
PISMONRG	NW	10	40	13	W4	NW-10-40-AB	AB	Pass		
PISMONRG	SE	10	40	13	W4	SE-10-40-AB	AB	Pass		
PISMONRG	SW	10	40	13	W4	SW-10-40-AB	AB	Pass		
PISMONRG	NE	3	40	13	W4	NE-03-40-AB	AB	Pass		
PISMONRG	SW	15	40	13	W4	SW-15-40-AB	AB	Pass		
PISMONRG	SE	16	40	13	W4	SE-16-40-AB	AB	Pass		
PISMONRG	NE	9	40	13	W4	NE-09-40-AB	AB	Pass		
PISMONRG	SW	16	40	13	W4	SW-16-40-AB	AB	Pass		
PISMONRG	SE	21	40	13	W4	SE-21-40-AB	AB	Pass		
PISMONRG	NE	20	40	13	W4	NE-20-40-AB	AB	Pass		
PISMONRG	NE	20	40	13	W4	NE-20-40-AB	AB	Pass		
PISMONRG	SE	26	40	13	W4	SE-26-40-AB	AB	Pass		
PISMONRG	SW	13	40	13	W4	SW-13-40-AB	AB	Pass		
PISMONRG	NE	12	40	13	W4	NE-12-40-AB	AB	Pass		
PISMONRG	SW	19	49	1	W4	SW-19-49-AB	AB	Pass		
PISMONRG	NW	8	52	12	W5	NW-08-52-AB	AB	Pass		
PISMONRG	NE	8	52	12	W5	NE-08-52-AB	AB	Pass		
PISMONRG	SW	8	52	12	W5	SW-08-52-AB	AB	Pass		
PISMONRG	SE	17	52	12	W5	SE-17-52-AB	AB	Pass		
PISMONRG	SW	18	52	12	W5	SW-18-52-AB	AB	Pass		
PISMONRG	NE	18	52	12	W5	NE-18-52-AB	AB	Pass		
PISMONRG	SE	18	52	12	W5	SE-18-52-AB	AB	Pass		
PISMONRG	SW	13	52	13	W5	SW-13-52-AB	AB	Pass		
PISMONRG	NE	7	52	12	W5	NE-07-52-AB	AB	Pass		
PISMONRG	SW	14	52	13	W5	SW-14-52-AB	AB	Pass		
PISMONRG	NW	14	52	13	W5	NW-14-52-AB	AB	Pass		
PISMONRG	NE	15	52	13	W5	NE-15-52-AB	AB	Pass		
PISMONRG	SW	15	52	13	W5	SW-15-52-AB	AB	Pass		
PISMONRG	SE	15	52	13	W5	SE-15-52-AB	AB	Pass		
PISMONRG	NE	10	52	13	W5	NE-10-52-AB	AB	Pass		



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LTD.**

- USP Confirmation:



Verification of Update to Data Form

October 3, 2024

PISMO ENERGY LTD.

Attention: Trevor Davidson

Phone: 403-452-0704; Email: tdavidson@topangaresources.com

Your updated data has been imported into Utility Safety Partners' system. The updated data has been exported and is being returned to you for review, prior to being activated in the system. This data will represent your complete notification area once these changes are approved.

Please complete the following:

1. Review the enclosed data to ensure the complete notification area is included and accurately represented.
2. Sign the following portion of the form, indicating the updated data is correct.
3. Send the signed form to info@utility-safety.ca. The updated data will then be activated in the system.

* Note: If the enclosed data is not accurate, report the details of the discrepancy to info@utility-safety.ca.

Station Codes that have been verified:	PISMONRG
Name of person signing this form:	Trevor Davidson
Date Signed:	8-24
Signature:	

VERSION CONTROL				
Date (MM-DD-YY)	Completed by:	Approved by:	Briefly describe changes	Version of final copy
2007	A Wade	A Wade	Document created	V1
07-13-16	K Zaba	S Kirk	Content updated	V2
09-27-21	K Zaba	T Hantec	Content updated to align with USP	V3



**PISMO
ENERGY
LTD.**

October 31, 2024

ALBERTA ENERGY REGULATOR
Suite 205, 4999 98 Avenue,
Edmonton, AB. T6B 2X3

VIA EMAIL
CONFIDENTIAL

Attention: Tyler Callicott

Dear Mr. Callicott:

Re: Alberta Energy Regulator (the "AER") Order Dated September 19, 2024 Re Pismo Energy Ltd. (the "Order")

This is the weekly progress update of Pismo Energy Ltd. ("Pismo") as required by the Order.

The following activities occurred over the last week or prior thereto:

1. Cathodic and ROW: Completion and receipt of reports relating to Right of Way Inspection and Cathodic Protection Review (clauses 1(b) and 1(c) of the Order). This information has now been provided. It appears that our October 25, 2024 emails may have crossed in this regard. The emails of October 25 provided the information requested in the AER email of October 25, 2024. The process used to carryout was Pismo provided a map/location identifier to the inspector who walked the line or if possible drive down the line who then provided his inspection report. For the cathodic inspection a report was provided. Pismo is proceeding to have the deficiencies rectified. Based on information received, completion of rectification of any cathodic protection deficiencies are anticipated to occur by December 15, 2024. The draft RCAM Plan has been amended showing this.
2. USP: Attached is an email from Alberta One-Call in regard to the USP registration. As shown, the pipelines are not registered only the lands descriptions are registered. Attached as well is the csv file showing the lands which were registered.
3. ERP: Revised ERP attached.
4. Brevet Spills—FIS 20231648 (well 12-27) and FIS 20232638 (well 15-27): Attached is the Quote received for the remediation of the releases for the 12-27 location. Also attached is the AFE for same. Pismo is also endeavoring to obtain a quote for the 15-27 location. Work is anticipated to be completed by December 15, 2024. On October 26th, 2024 John Zang met with the Brevet Oil Inc. representative to discuss this matter.
5. Methane Emissions: See the attached email sent to Brevet Oil Ltd. ("Brevet") and its production accountant seeking information. In addition, John Zang met with the Brevet representative at which meeting this issue was discussed.
6. Inspection Reports Example: Please see attached.

7. Debts Outstanding: Reference is made to our discussion of October 28, 2024 and the recent correspondence of Pismo's legal counsel dated October 18, 2024 and October 30, 2024.
8. Sales Process: The Pismo sales process is on-going.
9. AER Meeting/Financial Matters: Certain proposals were made to the AER at the meeting of October 28, 2024 with follow-up correspondence delivered on October 30, 2024. Pismo and its legal counsel await the AER's response. See also the alterations made in the draft RCAM Plan.
10. RCAM Plan: An amended draft RCAM Plan is attached with "tracked changes" showing the changes made thereto. A final version with the Appendix attached will be delivered upon acceptance by the AER.
11. Pismo continues with other activities required under the AER Order.

This progress update does not include all actions taken by Pismo. Although effort has been made to disclose all material, non-privileged, and/or legally disclosable activities, there may be other material actions taken not contained in this update.

Yours truly,

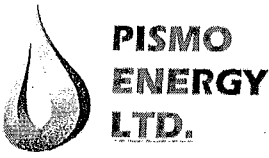
TOPANGA ENERGY LTD.

Per: 

John C. Zang

Email: jzang@topangaresources.com

Phone: 403 680 9264



November 7, 2024

ALBERTA ENERGY REGULATOR
Suite 205, 4999 98 Avenue,
Edmonton, AB. T6B 2X3

VIA EMAIL
CONFIDENTIAL

Attention: Tyler Callicott

Dear Mr. Callicott:

Re: Alberta Energy Regulator (the "AER") Order Dated September 19, 2024 Re Pismo Energy Ltd. (the "Order")

This is the weekly progress update of Pismo Energy Ltd. ("Pismo") as required by the Order. This correspondence also responds to your correspondence dated November 5, 2024 (the "AER Nov 5 Letter"). In that regard, reference is also made the email sent to you on November 6, 2024 concerning your November 5, 2024 correspondence. We acknowledge receipt of your email of todays date. Pismo awaits your reply to matters raised in that email.

The following activities occurred over the last week or prior thereto:

1. Cathodic and ROW: The Right of way inspections were carried out between September 15, 2024 and October 30, 2024 (the one Lloydminster pipeline inspection was completed on October 19, 2024, the Carrott Creek pipelines were inspected September 15 to September 30, 2024, and the Alliance pipelines were inspected between September 15 and October 30, 2024). Any deficiencies noted in the ROW inspections are anticipated to be rectified by December 15, 2024. The RCAM Plan (see attached) has been amended to show this. In regard to your comments in the AER Nov 5 Letter, Pismo advises that to the best of its information the CP surveys were completed for all of Pismo's licensed pipelines where required by the regulations and AER Directives. In addition, the CP deficiencies previously identified to the AER are all of the deficiencies that Pismo is aware of. Reading between the lines in the AER Nov 5 letter, it appears that the AER has some information in regard to the pipelines that has not been shared with Pismo. If the AER is aware that any of the statements made above are incorrect, Pismo asks that the AER provide that information so it can be reviewed and addressed. Further Pismo asks the AER to advise of what additional information it requires in regard to the CP surveys. Pismo is making every effort to fulfill the requests of the AER, but requires clarity of what is being asked for. Perhaps the easiest way to work our way through this issue is to meet with the AER to discuss their concerns and identify areas where more information is required. Pismo asks that you arrange this meeting between Pismo and the AER involved staff.
2. USP: The following was provided in the Pismo October 31, 2024 Reort:

"Attached is an email from Alberta One-Call in regard to the USP registration. As shown, the pipelines are not registered only the lands descriptions are registered. Attached as well is the csv file showing the lands which were registered."



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Pismo has just received (at 10:53 AM on November 7, 2024) an indication of the pipeline that AER is indicating was not addressed. Pismo is reviewing the matter to ensure it was either “caught” in the prior registrations or if not Pismo will proceed to make the necessary USP registration.

3. ERP: Based on Pismo’s discussion with the AER personnel reviewing the revised ERP, it appears that the AER personnel was reviewing the incorrect ERP. I note that the revised ERP was also attached to the Pismo October 31, 2024 Report. As indicated in your November 7, 2024 email, the AER will review the revised ERP and provide any comments. Pismo awaits on same.
4. Brevet Spills— As stated in the October 31, 2024 Report FIS 20231648 (well 12-27) and FIS 20232638 (well 15-27) the clean-up work on the two wells is anticipated to be complete by December 15 2024. The RCAM Plan shows this as well.
5. Methane Emissions: the attempts to uncover this information is on-going.
6. Debts Outstanding: Pismo repeats its proposal referenced in our discussion of October 28, 2024 and the recent correspondence of Pismo’s legal counsel dated October 18, 2024 and October 30, 2024. We acknowledge receipt of your correspondence of November 6 and your email of November 7, 2024. Legal counsel for Pismo will provide a further response.
7. Sales Process: The Pismo sales process is on-going.
8. RCAM Pan: An amended draft RCAM Plan is attached with “tracked changes” showing the changes made thereto from the last version. A final version with the Appendix attached will be delivered upon acceptance by the AER.
9. Pismo continues with other activities required under the AER Order.

This progress update does not include all actions taken by Pismo. Although effort has been made to disclose all material, non-privileged, and/or legally disclosable activities, there may be other material actions taken not contained in this update.

Yours truly,

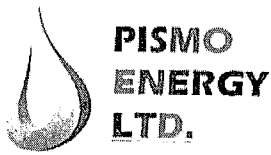
TOPANGA ENERGY LTD.

Per: 

John C. Zang

Email: jzang@topangaresources.com

Phone: 403 680 9264



November 14, 2024

ALBERTA ENERGY REGULATOR
Suite 205, 4999 98 Avenue,
Edmonton, AB. T6B 2X3

VIA EMAIL
CONFIDENTIAL

Attention: Tyler Callicott

Dear Mr. Callicott:

Re: Alberta Energy Regulator (the "AER") Order Dated September 19, 2024 Re Pismo Energy Ltd. (the "Order")

This is the weekly progress update of Pismo Energy Ltd. ("Pismo") as required by the Order.

The following activities occurred over the last week or prior thereto:

1. Cathodic and ROW: Pismo continues to take steps to remedy the deficiencies in the ROW and cathodic inspection. This is shown in the RCAM Plan.
2. USP: As Pismo copied to you last week, Pismo received a notice from AER--Breana Burton--identifying what Pismo believes was the pipeline that the AER views as not being recorded with USP. As we stated in the Pismo November 7, 2024 response (copy attached without attachments) contrary to what the AER had indicated, the referenced pipeline was in fact covered by the Pismo USP registration.
3. ERP: As indicated in the Pismo November 7, 2024 Report, it appears that the AER personnel was reviewing an earlier draft of the Pismo ERP. Pismo pointed them to the correct version and Pismo was advised that the AER would review this version and provides any comments on same. No comments have been received from the AER. As such, Pismo believes that the ERP is satisfactory, and that item has been satisfied.
4. Brevet Spills— As stated in the November 7, 2024 Report and October 31, 2024 Report FIS 20231648 (well 12-27) and FIS 20232638 (well 15-27) the clean-up work on the two wells is anticipated to be complete by December 15 2024. The RCAM Plan shows this as well.
5. Methane Emissions: The attempts to uncover this information is on-going. Brevet has failed to provide any information in this regard.
6. Mandatory Closure Spend Quota ("MCSQ"): Pismo has proceeded to obtain quotes from suppliers for the abandonment of wells and a facility. Pismo has delivered Authorizations For Expenditure to its working interest participants on the wells/facility. Schedule "A" shows the wells and facility proposed to be abandoned as well as the anticipated cost of this abandonment program of \$737,299. Through this abandonment program Pismo believes it will have met the MCSQ requirements (including for 2022 and 2023). In addition that will result in an improved LLM rating. In addition, Pismo asks the AER to advise of the deposit



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amount required (as currently shown at paragraph 4(a) of the Order) once the listed abandonments are complete.

7. Sales Process: The Pismo sales process is on-going.
8. RCAM Plan: Pismo delivered an amended RCAM Plan with its November 5, 2024 Report. Pismo has received no comments from the AER. As such attached is a clean copy of the RCAM Plan for the AER approval as contemplated by paragraph 3 of the Order.
9. Pismo continues with other activities required under the AER Order.

This progress update does not include all actions taken by Pismo. Although effort has been made to disclose all material, non-privileged, and/or legally disclosable activities, there may be other material actions taken not contained in this update.

Yours truly,

PISMO ENERGY LTD.

Per:


John C. Zang

Email: jzang@topangaresources.com

Phone: 403 680 9264

SCHEDULE "A"

PISMO MCSQ SPEND

WELLS

Estimated Abandonment Cost

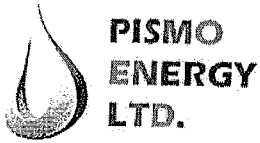
100042704801W400	PISMO LLOYD 4-27-48-1	\$	36,225
100052704801W400	PISMO LLOYD 5-27-48-1	\$	36,225
102052704801W400	PISMO LLOYD 5-27-48-1	\$	36,225
100062704801W400	PISMO LLOYD 6-27-48-1	\$	36,225
102082704801W400	PISMO LLOYD 8-27-48-1	\$	36,225
100092704801W400	PISMO LLOYD 9-27-48-1	\$	36,225
103102704801W400	PISMO LLOYD 10-27-48-1	\$	36,225
102112704801W400	PISMO LLOYD 11-27-48-1	\$	36,225
100122704801W400	PISMO LLOYD 12-27-48-1	\$	107,100
100132704801W400	PISMO LLOYD 13-27-48-1	\$	36,225
100142704801W400	PISMO LLOYD 14-27-48-1	\$	36,225
100152704801W400 & 02	PISMO LLOYD 15-27-48-1	\$	62,475
100162704801W400	PISMO LLOYD 16-27-48-1	\$	36,225

FACILITY

	2-36-40-13 W4M	\$	169,249
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TOTAL

\$ 737,299



November 7, 2024

ALBERTA ENERGY REGULATOR
Suite 201, 5002 -55 Street
Red Deer, AB. T4N 7A4

VIA EMAIL
CONFIDENTIAL

Attention: Breana Burton

Dear Ms. Burton:

Re: USP Pipeline Registration

Further to your correspondence dated November 7, 2024 wherein you advise that the pipeline under the lands 10-11-040-13W4M (the "LSD 10 Pipeline") is not Utility Safety Partners registered it appears that this is incorrect.

Please refer to the attached csv of the USP registration showing at line 14 registration on NE 11-040-13W4M. I believe this will cover LSDs 9, 10, 15, and 16 and therefore includes the LSD 10 Pipeline. Please review this and confirm that this is not non-compliant and remove any notice of non-compliance on Compliance Dashboard. If I am incorrect please explain the AER's position so that Pismo can rectify the alleged non-compliance.

Yours truly,

PISMO ENERGY LTD.

Per: 

John C. Zang

Email: jzang@topangaresources.com

Phone: 403 680 9264

cc. AER: T Callcott

REASONABLE CARE AND MEASURES PLAN OF PISMO ENERGY LTD.

Date of Plan: November 6, 2024

Administrator of Plan: John Zang ("Zang")

Co-ordinator of Plan: Trevor Davidson ("Davidson")

Purpose of Plan: To demonstrate the ability of Pismo Energy Ltd. ("Pismo") to provide reasonable care and measures at the sites listed on Appendix "A" (the "Sites") (herein referred to as the "Purpose").

Personnel: The following shall be responsible for the oversight on Site completion of the Reasonable Care and Measure Plan (the "Plan"):

John Zang
Trevor Davidson
(all herein referred to as the "Monitors")

Date of Commencement of Work Under the Plan:

The next business day after approval by the Alberta Energy Regulator the "AER" of the Plan (the "Commencement Date" or "CD").

Plan Activities:

The intended Plan activities to be carried out to meet the Purpose are as follows:

Activity #	Brief Description	Responsible Person	Commencement Date	Completion Date
1	Deliver Plan to Monitors, Operators, and Working Interest Participants ("WIPs") for each Site	Zang	CD	2 days post CD
2	Co-ordination Meeting by Zoom, Zang Chair, all Monitors, Operators and WIPs. Assignment of Site to be Inspected to the Monitors	Zang	CD	2 days post CD
3	Site Inspections (see below under the heading "Inspections" for requirements). Correct any pipeline right of way and cathodic protection deficiencies.	Davidson	4 days post CD	December 15, 2024
4	Delivery of Inspection Reports to Monitors.	Operators	On-going	46 days post CD
5	Activity Check-up Meeting with Monitors and Operators	Zang	15 days post CD	15 days post CD
6	Complete all necessary work for inactive wells to make them compliant with Directive 013 (such to occur after the activity identified in number 3 above)	Monitors	5 days post CD	90 days post CD

7	Provide all outstanding or inaccurate methane emissions reports as required by Directive 60, except in relation to the Sites located on 27-048-01W4 (the "Brevet Sites").	Zang	29 days post CD	30 days post CD
8	Request from Brevet Oil Inc. ("Brevet") and its consultants all records in their possession relating to methane emissions as required by Directive 60 in relation to the Sites located on 27-048-01W4 (the "Brevet Emission Records")	Zang	7 days post CD	10 days post CD
9	In the event Brevet fails to provide the Brevet Emission Records by on or before 21 days post CD commence an application to the Court of King's Bench compelling Brevet to do so. Pismo will make best efforts to satisfy the inaccurate/not delivered methane emission reporting.	Zang	21 days post CD	60 days post CD
10	If not rectified by Brevet as required by the Court Order compelling it do same, rectify any non-compliances as identified in FIS 20231648 (site 12-27) and FIS 20232638 (site 15-27). Such work to include the removal of any contaminated soil and testing for same etc. Pismo to make best efforts to complete remediation by December 15, 2024.	Davidson	October 23, 2024	December 15, 2024
11	Complete any outstanding non-compliant FIS as identified in the AER Order, except for non-compliances FIS 20231648 and FIS 20232638 (see item 10 above) relating to the Brevet Sites.	Davidson	Prior to CD	November 30, 2024
12	Obtain quotes and necessary reviews of the Brevet Sites for abandonment and create and deliver to Brevet AFE's and Cash Calls for same.	Davidson	October 24, 2024	November 17, 2024
13	Obtain quotes and necessary reviews of the facility Site located at 02-36-040-13W4 for abandonment and create and deliver AFE (with Cash Call) for same to WIP of this Site.	Davidson	7 days post CD	45 days post CD
14	Complete and provide to AER Emergency Response Plan ("ERP") (FIS Inspection 539958)	Davidson	Prior to CD **Complete**	7 days post CD
15	Hold an update ERP meeting with field operators	Monitors	Prior to CD	10 days post CD
16	Hold an operations meeting with all field operators and WIPs to ensure compliance with the measures of this RCAM Plan	Monitors	3 days post CD	10 days post CD
17	FIS 504867 (Culvert replacement). Work is substantially complete with approval of the AER. Waiting for final inspection by Canada Fisheries.	Davidson	Prior to CD	Not in Pismo's control
18	The following FIS Inspections have been completed: FIS4655989, FIS 539958, and FIS 537961	Davidson	Complete	Complete

Inspections:

The Operators are required to carry-out inspections of each Site to ensure compliance with Alberta Energy Regulator (the "AER") directives including Directive 013 in relation to inactive wells (the "Inspections" or individually

an "Inspection"). The Inspections require attendance at each Site and preparation of an Inspection Report for each Site. The Inspection Reports (examples of which have been provided to the AER under separate cover) shall include:

- Any non-compliance with AER Directive 013 ("Dir 013");
- Whether the Site is High Risk, Medium Risk, or Low Risk (as defined by Dir 013);
- If the Site is High Risk identify any non-compliance which must be addressed immediately;
- List all work required to make the Site compliant with the Purpose;
- Indicate any work conducted at the Site during the Inspection (field operators are required, when attending the Site to have with them chains, locks, and valve arm removal equipment to ensure the Site and equipment are secure);
- Indicate any spills on the Site;
- Indicate any debris on the Site;
- Confirm signage is in place including showing Pismo's name and emergency number on it;
- Confirm that all wellheads are conspicuously marked or fenced such that they are visible in all seasons with well identification sign in plain view;
- For pipelines and facilities at the Sites assess whether they have pressure or significant fluids present;
- High Risk Sites: Inspection Reports are due within 24 hours of the Inspection of a High Risk Site and work to remedy any non-compliance with the Purpose of this Plan shall commence to be rectified immediately.

Remedial Work Plan: For other than a High Risk Site, within 28 days from the receipt of an Inspection Report which indicates a deficiency commence remedial work plan to rectify any noncompliance with Dir 013 (the "RWP"). Any deficiencies in a High Risk Site shall be addressed immediately.

On Going Activities, Compliance Monitoring, and Rectification of Pismo's Compliance:

Immediately, in addition to current field operations mandates, Pismo requires:

- The Operators shall be required to attend to producing Sites on a daily basis, High Risk Sites on a daily basis, shut-in Sites on a weekly basis, and inactive sites (which are compliant with Directive 013) on a monthly basis.
- All Onestop reports shall be filed within 24 hours of the matter occurring.
- All FIS notifications shall be delivered to both Monitors and shall be diarized for a completion date;

- All field operators shall deliver reports for each Site (including photographs and including identifying any non-compliances) of each Site on a weekly basis or where site visits are of a longer period upon each attendance.
- Where Pismo is not the Operator of the Site, each Operator, within five days of last day of each month, shall provide Pismo with all operating information requested by Pismo from time to time (including production reports, emission reports, reports required by the AER, incidents at the Site, and any non-compliances with AER Directives.
- Each Operator shall provide to Pismo an irrevocable direction that Pismo can enter the Site at any time without notice to the Operator, can conduct work at the Site at anytime with three days notice to the operator (except where emergent conditions exist). The failure provide access shall result in a penalty of \$10,000 per day and any other remedies that Pismo is entitled to at law.

Go Forward Activities Regarding Any Future AER Reported Non-compliances:

The specific actions to improve Pismo's field inspection satisfactory rating include as provided in this RCAM Plan and as follows:

- Comply with the pre-set inspection program for all Sites. This includes the dairy maintained by Zang providing set dates for each inspection for each site to be concluded;
- Requirement that all inspection reports of the AER be delivered to Zang when received by the Operator;
- Requirement that a meeting be held within one business day of any AER inspection report being received (and immediately for any High Risk Site), such meeting to occur between the Operator, Zang, Davidson, and the Field Operator for the Site;
- Requirement that any AER inspection report be resolved as soon as possible;
- Requirement that the Operator notify Zang when each AER reporting is made with a screenshot of same;
- Maintain the Pismo Emergency Response Plan and hold regular meetings in regard to same;
- Require each WIP Operator to allow Pismo and it authorized agents/contractors to enter any Site at any time with a meaningful liquidated damages amount if it fails to do so;
- Require each WIP Operator to:
 - Deliver to Pismo immediately any non-compliances it becomes aware of (whether through the AER or otherwise);
 - Upon receipt any AER notice of non-compliance (the "**Non-compliance**") notify the Monitors of same;
 - Within 24 hours (or earlier in emergent circumstances) of the receipt of any AER notice of Non-compliance provide

- its commitment to resolve the Non-compliance including providing the time of completion;
- o To not prohibit nor inhibit Pismo from providing any work to resolve a Non-compliance; and
 - o To deliver to Pismo within 48 hours of notice by Pismo, as a "Cash Call" under the operating procedure, the estimated sum required to rectify any Non-compliance.

All of these activities will be put in place within thirty (30) days of the acceptance of this RCAM Plan by the AER Director.

Funding of Activities and Memberships--Including Funding for Incidents and Emergencies:

- Pismo incident and emergency resources and memberships include WCSS, USP, its WIPs (and funds there from), and insurance through Palm Insurance Canada Inc. (coverholder for Lloyds), its Emergency Response Plan;
- Reference is made to the correspondence of Pismo legal counsel addressed to the AER on October 18, 2024 and October 30, 2024 and to the meeting which occurred with the AER on October 28, 2024 ;
- Funding for incidents and emergencies will be provided by the WIPs (including the related company to Pismo) and through the alteration of the Cash Call requirements under the applicable operating procedures. These companies are North Fork Resources Ltd. and Poker Chip Exploration Ltd. their contractors will be utilized. Any deductible will be satisfied by the working interest participants if the escape occurs on assets jointly owned by them (which are all of the current operating sites); and
- Funding will also occur through potential sales of assets owned by Pismo and its related company and through collection on the accounts receivable of Pismo including the Judgement received against Brevet.

APPENDIX "A"

APPENDIX "A"

Table 1 Wells

Licence	Surface Location	Well UWI	Status
W0079369	16-19-049-01W4	A0-16-19-049-01W4/0	Inactive
W0085416	09-19-049-01W4	00-09-19-049-01W4/0	Active
W0097129	01-36-040-13W4	02-01-36-040-13W4/0	Inactive
W0098261	15-10-040-13W4	02-15-10-040-13W4/0	Abandoned
W0099511	11-11-040-13W4	02-11-11-040-13W4/0	Inactive
W0108864	14-11-040-13W4	02-14-11-040-13W4/0	Inactive
W0119748	14-22-048-01W4	00-14-22-048-01W4/0	Inactive
W0123511	08-11-040-13W4	00-08-11-040-13W4/0	Abandoned
W0123578	15-10-040-13W4	03-15-10-040-13W4/0	Inactive
W0128093	14-08-052-12W5	00-14-08-052-12W5/0	Inactive
W0132072	08-08-052-12W5	00-08-08-052-12W5/0	Abandoned
W0133777	11-11-040-13W4	05-14-11-040-13W4/0	Inactive
W0133877	09-10-040-13W4	05-16-10-040-13W4/0	Inactive
W0134506	08-16-040-13W4	06-08-16-040-13W4/0	Inactive
W0135927	13-29-040-13W4	02-13-29-040-13W4/0	Active
W0136325	10-10-040-13W4	02-10-10-040-13W4/0	Inactive
W0145417	07-11-040-13W4	B0-07-11-040-13W4/0	Inactive
W0146455	06-11-040-13W4	03-06-11-040-13W4/0	Abandoned
W0148414	16-26-040-13W4	00-16-26-040-13W4/0	Abandoned
W0150461	15-32-040-13W4	00-15-32-040-13W4/2	Inactive
W0218675	16-09-040-13W4	02-16-09-040-13W4/0	Abandoned
W0221990	15-11-040-14W4	02-15-11-040-14W4/0	Inactive
W0226626	02-16-040-13W4	00-02-16-040-13W4/0	Inactive
W0227250	02-16-040-13W4	02-02-16-040-13W4/0	Inactive
W0227459	08-36-040-13W4	03-09-36-040-13W4/0	Inactive
W0274757	01-06-041-13W4	00-01-06-041-13W4/2	Inactive
W0280546	09-20-040-13W4	00-09-20-040-13W4/0	Active
W0306279	02-36-040-13W4	03-02-36-040-13W4/0	Inactive
W0316496	11-31-048-01W4	00-11-31-048-01W4/0	Inactive
W0411533	16-27-048-01W4	00-16-27-048-01W4/0	Inactive
W0411593	05-27-048-01W4	00-05-27-048-01W4/0	Inactive
W0415598	14-11-048-01W4	00-14-11-048-01W4/0	Abandoned
W0421386	15-27-048-01W4	00-15-27-048-01W4/0	Inactive
W0421451	08-27-048-01W4	02-08-27-048-01W4/0	Inactive
W0421452	10-27-048-01W4	03-10-27-048-01W4/0	Inactive
W0422178	16-11-040-13W4	02-13-11-040-13W4/0	Active
W0422945	15-14-048-01W4	00-15-14-048-01W4/0	Active
W0423216	08-22-048-01W4	00-08-22-048-01W4/2	Paper
W0423407	16-13-040-14W4	00-09-18-040-13W4/0	Active
W0424402	16-10-052-13W5	00-08-14-052-13W5/0	Active

W0424417	13-12-040-14W4	00-13-11-040-14W4/0	Inactive
W0424947	01-10-040-13W4	00-01-11-040-13W4/0	Inactive
W0425089	09-27-048-01W4	00-09-27-048-01W4/0	Inactive
W0425147	05-27-048-01W4	02-05-27-048-01W4/0	Inactive
W0425261	16-03-040-13W4	00-15-02-040-13W4/0	Inactive
W0425763	12-27-048-01W4	00-12-27-048-01W4/0	Inactive
W0426107	06-27-048-01W4	00-06-27-048-01W4/0	Inactive
W0429562	16-03-040-13W4	00-09-02-040-13W4/0	Active
W0430078	13-15-040-13W4	02-12-16-040-13W4/0	Active
W0430659	14-14-048-01W4	00-14-14-048-01W4/0	Active
W0431280	01-13-040-14W4	00-01-18-040-13W4/0	Active
W0431828	16-15-052-13W5	00-09-14-052-13W5/0	Active
W0433694	05-09-052-12W5	02-06-08-052-12W5/0	Active
W0434880	15-19-049-01W4	02-15-19-049-01W4/0	Active
W0434881	14-27-048-01W4	00-14-27-048-01W4/0	Inactive
W0434918	11-14-048-01W4	00-11-14-048-01W4/0	Abandoned
W0434919	14-14-048-01W4	02-14-14-048-01W4/0	Active
W0435710	01-13-040-14W4	00-08-18-040-13W4/0	Active
W0437457	08-22-048-01W4	02-08-22-048-01W4/0	Inactive
W0437463	14-22-048-01W4	02-14-22-048-01W4/0	Active
W0445823	16-14-048-01W4	02-16-14-048-01W4/0	Inactive
W0445824	09-14-048-01W4	00-09-14-048-01W4/0	Inactive
W0445825	14-14-048-01W4	00-13-14-048-01W4/0	Abandoned
W0445948	04-27-048-01W4	00-04-27-048-01W4/0	Inactive
W0445972	13-27-048-01W4	00-13-27-048-01W4/0	Inactive
W0446114	08-22-048-01W4	03-08-22-048-01W4/2	Inactive
W0446115	01-22-048-01W4	00-01-22-048-01W4/0	Active
W0446143	14-22-048-01W4	03-14-22-048-01W4/0	Inactive
W0449232	08-22-048-01W4	04-08-22-048-01W4/0	Inactive
W0459281	09-03-048-01W4	02-09-03-048-01W4/0	Inactive
W0460363	15-15-048-01W4	00-15-15-048-01W4/0	Inactive
W0460382	12-14-048-01W4	00-12-14-048-01W4/0	Inactive
W0465391	11-27-048-01W4	02-11-27-048-01W4/0	Inactive
W0465415	12-14-048-01W4	00-09-15-048-01W4/0	Inactive
W0468395	11-02-048-01W4	00-11-02-048-01W4/0	Active
W0468577	01-30-049-01W4	02-09-19-049-01W4/0	Active
W0470612	05-02-048-01W4	00-06-02-048-01W4/0	Abandoned
W0470972	08-03-048-01W4	00-08-03-048-01W4/0	Abandoned
W0474795	01-11-048-01W4	02-01-11-048-01W4/0	Abandoned

Table 2 Facilities

Licence	Surface Location	Status
F8049	07-10-040-13W4	Inactive
F8083	02-36-040-13W4	Active
F12170	02-18-052-12W5	Active

F42542	05-27-048-01W4	Inactive
F43444	14-14-048-01W4	Active
F43553	01-13-040-14W4	Active
F47295	12-14-048-01W4	Inactive

Table 3 Pipelines

Licence	Segment	From Surface Location	To Surface Location	Status
P16735	6	10-18-052-12W5	02-18-052-12W5	Abandoned
	7	02-18-052-12W5	02-18-052-12W5	Operating
	8	04-17-052-12W5	02-18-052-12W5	Discontinued
	9	12-08-052-12W5	04-17-052-12W5	Discontinued
	15	06-08-052-12W5	10-08-052-12W5	Discontinued
P20725	2	01-36-040-13W4	02-36-040-13W4	Discontinued
	4	16-26-040-13W4	16-26-040-13W4	Discontinued
	3	16-26-040-13W4	02-36-040-13W4	Discontinued
P31952	1	16-09-040-13W4	01-16-040-13W4	Discontinued
	2	01-16-040-13W4	05-15-040-13W4	Discontinued
P33505	1	14-20-040-13W4	04-21-040-13W4	Abandoned
P40227	1	01-06-041-13W4	04-06-041-13W4	Operating
	2	13-31-040-13W4	04-06-041-13W4	Discontinued
	3	01-10-040-13W4	07-10-040-13W4	Discontinued
	4	08-11-040-14W4	13-12-040-14W4	Operating
	5	16-03-040-13W4	01-10-040-13W4	Discontinued
	6	13-15-040-13W4	09-16-040-13W4	Discontinued
P40260	1	09-20-040-13W4	10-20-040-13W4	Abandoned
P43783	1	09-19-049-01W4	16-19-049-01W4	Operating
P46660	1	02-18-052-12W5	02-18-052-12W5	Discontinued
P53255	1	16-15-052-13W5	10-15-052-13W5	Operating
	2	16-10-052-13W5	10-15-052-13W5	Abandoned
	3	10-15-052-13W5	02-18-052-12W5	Operating
P55865	1	02-36-040-13W4	01-36-040-13W4	Operating
	2	07-10-040-13W4	11-11-040-13W4	Operating
	3	11-11-040-13W4	02-14-040-13W4	Operating
P58685	1	10-11-040-13W4	11-11-040-13W4	Discontinued
	2	11-11-040-13W4	11-11-040-13W4	Operating
	3	08-11-040-13W4	11-11-040-13W4	Discontinued
	4	11-11-040-13W4	02-36-040-13W4	Discontinued
	5	11-11-040-13W4	11-11-040-13W4	Operating
	6	09-16-040-13W4	10-16-040-13W4	Discontinued
	7	07-10-040-13W4	11-11-040-13W4	Discontinued
	8	07-11-040-13W4	08-11-040-13W4	Discontinued
	9	10-10-040-13W4	07-10-040-13W4	Abandoned
	10	04-15-040-13W4	07-10-040-13W4	Discontinued
	11	10-11-040-13W4	08-11-040-13W4	Abandoned
	12	08-16-040-13W4	05-15-040-13W4	Abandoned
	13	14-11-040-13W4	11-11-040-13W4	Operating

	14	03-10-040-13W4	07-10-040-13W4	Discontinued
	15	02-16-040-13W4	05-15-040-13W4	Discontinued
	16	02-16-040-13W4	05-15-040-13W4	Discontinued
	17	08-36-040-13W4	08-36-040-13W4	Discontinued
	18	08-36-040-13W4	02-36-040-13W4	Discontinued
	19	01-36-040-13W4	02-36-040-13W4	Discontinued
	20	11-11-040-13W4	09-10-040-13W4	Operating
	21	10-16-040-13W4	08-16-040-13W4	Discontinued
	22	16-11-040-13W4	15-11-040-13W4	Abandoned
P58686	1	15-11-040-14W4	07-11-040-14W4	Operating
	2	13-12-040-14W4	15-11-040-14W4	Discontinued
	3	01-13-040-14W4	03-13-040-14W4	Discontinued
P9892	3	04-17-052-12W5	04-17-052-12W5	Operating



Bennett Jones

APPENDIX "B"

Bennett Jones LLP
4500 Bankers Hall East, 855 - 2nd Street SW
Calgary, Alberta, Canada T2P 4K7
Tel: 403.298.3100 Fax: 403.265.7219

Keely Cameron
Partner
Direct Line: 403.298.3324
e-mail: cameronk@bennettjones.com
Our File No.: 98495.1

October 18, 2024

Via E-Mail (Tyler.Callicott@aer.ca and insolvency@aer.ca)

Alberta Energy Regulator
Suite 1000, 250 - 5 Street SW
Calgary, AB T2P 0R4

Attention: Tyler Callicott and AER Insolvency Group

Dear Sirs and Madams:

Re: **Pismo Energy Ltd. Order**

We are counsel to Pismo Energy Ltd. ("Pismo").

We are in receipt of your letter and Order dated September 19, 2024 ordering that Pismo take various steps to address its liabilities and alleged non-compliances, including paying outstanding debts within 30 days and providing security deposits within 45 days.

In issuing the Order, it was noted by the AER, amongst other things, that Pismo is financially distressed and has been unable to meet various payment obligations. As a result, the AER is seeking to have Pismo make various payments, despite noting its financial distress and to provide a number of plans.

As you were previously advised, Pismo had been in the process of fundraising to enable it to address certain issues in relation to the AER, when the Order was issued. The effect of the Order was to make it impossible for Pismo to raise funds, as potential lenders were concerned about regulatory uncertainty. In response, Pismo pivoted to commencing a sales process, and is seeking to sell its assets. It intends to utilize any resulting funds to address its regulatory obligations and pursue an orderly windup.

Pismo's ability to execute this plan and prevent all of its assets from becoming orphaned, will depend on the AER's willingness to work with Pismo in this regard.

REQUEST FOR TIME TO COMPLETE SALES PROCESS AND FACILITATE TRANSFER

Pismo respectfully requests that the AER provide Pismo with 45 days to conclude its sales process. So far, Pismo has found 2 purchasers for over 15 wells. The sales process is continuing and some other parties are also interested in Pismo's assets. Pismo will use the proceeds from all of the wells sold to shut in wells that cannot be sold. In our view, this represents the best way forward to try and limit environmental impact and avoid the burden on the Orphan Well Association ("OWA"). We also note that a number of Pismo's wells are heavy oil wells and it is anticipated that the ability to sell them will be significantly diminished if they are shut in. In addition, working interest participants have recently filed for transfer of licenses to them to ensure safe operations and so that there is no deleterious impact on the viability of the wells resulting from their shut-in.

To facilitate the sales and transfer process, Pismo would be prepared to commence formal insolvency proceedings to enable the transfer of the licenses, notwithstanding municipal tax arrears. However, it would be Pismo's preference to use or provide the funds that it would spend on insolvency professionals as security to offset the liabilities associated with any sites that it cannot sell.

Pismo would also be prepared to provide regular reporting on the process. It is Pismo's intention to continue to provide care and custody with respect of the assets and I understand has recently provided confirmation of its membership in a spill cooperative.

REMEDIAL ACTIONS

The Order requires Pismo to submit a Reasonable Care and Management Plan ("RCAM") to the AER, addressing steps that Pismo will take to address its alleged non-compliances. As required by that Order, Pismo is in the process of delivering the required RCAM Plan to the AER.

As noted above, the main course of action that Pismo intended to take, given its limited circumstances, is the sale of its assets to parties who will better be able to manage them in the long-term, while generating funds that could be used to address its obligations.

In addition, Pismo advises that it is completing the following steps:

1. Maintaining care of its sites

Pismo is continuing to maintain care of its sites. This includes, and is not limited to, meeting the requirements of the September 19, 2024 Order of the AER. Pismo anticipates being able to maintain its sites until the licence of the wells can be transferred to either a purchaser or the OWA.

Pismo confirms that it will continue its site visits as described in the attached Schedule A.

Pismo currently has in place an emergency response plan, attached as Schedule B.



October 18, 2024

Page 3

Pismo looks forward to working with you on a timely transition of its assets and appreciates a meeting at your earliest convenience to discuss.

Yours truly,

BENNETT JONES LLP

Keely Cameron

Keely Cameron
Partner

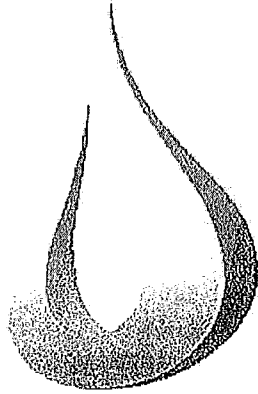


Bennett Jones

SCHEDULE "A"

- Producing Sites will be attended on a daily basis;
- High risk sites (as defined in directive 013) will be attended on a daily basis,
- Shut-in Sites will be attended on a weekly basis;
- Inactive sites (which are compliant with Directive 013) will be attended on a monthly basis;
- All Onestop reports shall be filed within 24 hours of the matter occurring;
- As a result of receiving the attached Order filed September 23, 2024 and the time period for rectification provided to the operator—Brevet Oil Ltd.—thereunder, anticipated to expire next week, Pismo will commence the rectification of the deficiencies on the 27-48-01 W4 lands resulting from the operations of Brevet Oil Ltd. thereon.





**PISMO
ENERGY
LTD.**

Corporate Emergency Response Plan

**24 Hr Emergency Number:
1-866-343-4465**



**PISMO
ENERGY
LTD.**

November 21, 2024

ALBERTA ENERGY REGULATOR
Suite 205, 4999 98 Avenue,
Edmonton, AB. T6B 2X3

**VIA EMAIL
CONFIDENTIAL**

Attention: Tyler Callicott

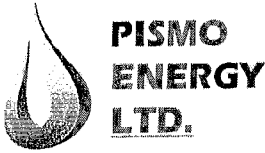
Dear Mr. Callicott:

Re: Alberta Energy Regulator (the “AER”) Order Dated September 19, 2024 Re Pismo Energy Ltd. (the “Order”)

This is the weekly progress update of Pismo Energy Ltd. (“Pismo”) as required by the Order.

The following activities occurred over the last week or prior thereto:

1. Cathodic and ROW: Pismo continues to take steps to remedy the deficiencies in the ROW and cathodic inspection. This is shown in the RCAM Plan.
2. USP: As Pismo has received no response to its November 14, 2024 Report wherein it indicated that the USP registration is correct, by implication the AER acknowledges that matter has been addressed. This item is now completed.
3. ERP: As Pismo has received no response to its November 14, 2024 Report wherein it indicated that the ERP has been submitted without further comment from the AER, by implication the AER acknowledges that matter has been addressed. This item is now completed.
4. Brevet Spills— As stated in the November 7, 2024 Report and October 31, 2024 Report FIS 20231648 (well 12-27) and FIS 20232638 (well 15-27) the clean-up work on the two wells is anticipated to be complete by December 15 2024. The RCAM Plan shows this as well.
5. Methane Emissions: The attempts to uncover this information is on-going. Brevet has failed to provide any information in this regard. Pismo is endeavoring to recover the information through other means.
6. Mandatory Closure Spend Quota (“MCSQ”): In its November 14, 2024 Report Pismo advised as follows: “Pismo has proceeded to obtain quotes from suppliers for the abandonment of wells and a facility. Pismo has delivered Authorizations For Expenditure to its working interest participants on the wells/facility. Schedule “A” shows the wells and facility proposed to be abandoned as well as the anticipated cost of this abandonment program of \$737,299. Through this abandonment program Pismo believes it will have met the MCSQ requirements (including for 2022 and 2023). In addition that will result in an improved LLM rating. In addition, Pismo asks the AER to advise of the deposit amount required (as currently shown at paragraph 4(a) of the Order) once the listed abandonments are complete.” Pismo has received no reply from the AER and awaits same.



7. Sales Process: The Pismo sales process is on-going. Pismo has submitted license transfers for the transfers of a portion of its licensed wells. It is Pismo's position that the AER should address these transfers immediately without delay. This removes substantial liabilities from Pismo and , if a suspension order (like the one in the draft form recently sent by the AER to Pismo) is issued this ensures the organized and safe transfer of the licensed assets, thereby ensuring safety to the public and environment, ensuring the safe operation of same and ensuring the actions taken by the AER do not affect other "innocent" (i.e. not in default) interest holders. We ask that Mr. Callicott (AER) immediately correspond with Matias Totz (AER) with a copy to myself enquiring as to the status of the Pismo's license transfer applications and advise of the AER's response. Pismo expects the AER to utilize a coordinated approach in these proceedings involving Pismo. It does not accept the division of reviews and in these circumstances a global review of all matters before the AER is required. In addition, as the actions set-out in the draft Order will impact other Working Interest Participants (the "WIPs"), Pismo suggests that AER should consult with the WIPs before any actions are taken that were materially affect them (such as a shut-in order).
8. RCAM Pan: In its November 14, 2024 Report Pismo advised "Pismo delivered an amended RCAM Plan with its November 5, 2024 Report. Pismo has received no comments from the AER. As such attached is a clean copy of the RCAM Plan for the AER approval as contemplated by paragraph 3 of the Order." Pismo repeats his ask for confirmation from the AER Director that the RCAM Plan is satisfactory such that it can move forward with the work carried out therein.
9. Pismo continues with other activities required under the AER Order.


Pismo acknowledges receipt of a draft Order from the AER. This draft order essentially sets-out the suspension and abandonment of Pismo assets. Pismo confirms that a meeting with yourself has been scheduled for November 25, 2024. At that meeting Pismo will be requesting information/response from the AER on the matters indicated herein (see above paragraphs 2, 3, 6, 7, and 8). Pismo requires a fair approach from the AER and complete disclosure of all intentions and activities of the AER in regard to Pismo.

This progress update does not include all actions taken by Pismo. Although effort has been made to disclose all material, non-privileged, and/or legally disclosable activities, there may be other material actions taken not contained in this update.

Yours truly,

PISMO ENERGY LTD.

Per:


John C. Zang

Email: jzang@topangaresources.com

Phone: 403 680 9264

This is **Exhibit "I"** referred to in the Affidavit of John Zang sworn before me this 27th day of November 2024



A Commissioner for Oaths in and for Alberta

Kendra Larson
Student-at-Law

----- Forwarded message -----

From: **Directive088Transfers** <Directive088Transfers@aer.ca>

Date: Wed, 27 Nov 2024 at 12:54

Subject: Application Nos. 1955896, 1955897, 1955906 and 1955907 - Supplemental Information Request

To: John Zang <jzang@topangaresources.com>

Cc: Directive088Transfers <Directive088Transfers@aer.ca>

Dear John Zang,

The Alberta Energy Regulator (AER) is reviewing the subject transfer applications:

- Application No. 1955896 from Pismo Energy Ltd. to North Fork Resources Ltd., as submitted on November 22, 2024;
- Application No. 1955897 from Pismo Energy Ltd. to North Fork Resources Ltd., as submitted on November 22, 2024;

- Application No. 1955906 from Pismo Energy Ltd. to North Fork Resources Ltd., as submitted on November 23, 2024; and
- Application No. 1955907 from Pismo Energy Ltd. to Poker Chip Exploration Ltd., as submitted on November 24, 2024.

1. Effective September 15, 2024, and in accordance with the Government of Alberta issued Ministerial Order 096/2024, the AER will continue to require evidence that licensees, whether an applicant, transferor or transferee, has outstanding municipal tax arrears which exceed an established threshold, now determined to be \$20,000.00 in cumulative property taxes owing to municipalities for the previous fiscal year.

Our records indicate Pismo Energy Ltd. (Pismo) has outstanding municipal tax arrears in excess of the threshold. In order to advance review of the subject applications, Pismo must provide satisfactory evidence to the AER that arrears exceeding the threshold have been paid, or they have a repayment arrangement in good standing with the municipality or municipalities to which the arrears are owed has been made, or payment of municipal taxes owing exceeding the threshold is a condition of the purchase and sale agreement with North Fork and Poker Chip Exploration Ltd.

The AER will accept evidence in the form of either a letter signed by the Chief Administrative Officer of the municipality on the municipality's letterhead or a valid tax certificate, or a letter signed by a director or an officer of the company containing a verbatim citation of the condition within the purchase and sale agreement.

For more information on accepted forms of evidence see Bulletin 2024-22.

Please provide the required evidence by **December 4, 2024** by responding to this email at Directive088Transfers@aer.ca.

If the required evidence is not provided by the above deadline, the AER will close the subject applications and return them as incomplete, as per section 3(4)(b) of the *Alberta Energy Regulator Rules of Practice* and Ministerial Order 096/2024.

If you have any questions, please contact Directive088Transfers@aer.ca.

2. As provided in *Directive 088* with supplemental guidance in *Manual 023*, licence transfer applications trigger a holistic licensee assessment of the parties transacting. This assessment includes consideration of any outstanding debts owed to the AER at time of transfer.

Our records reflect Pismo has outstanding levies:

- 2023 Admin levy - \$11,154.33; penalty - \$2,230.87
- 2024 Admin levy - \$11,890.90; penalty - \$2,378.18
- 2023 OFL - \$32,361.65; penalty - \$6,472.33
- 2024 OFL - \$26,775.21; penalty - \$6,394.85

To permit further consideration of the subject licence transfers, Pismo is required to provide payment for the outstanding levies of by **December 4, 2024**. Failure to pay by the deadline provided will result in the subject applications being closed. Payment must be made payable to the "Alberta Energy Regulator" in Canadian currency by cheque, money order, or bank draft. Direct payment to the attention of AER's Finance Department and indicate the applicable year and levy that the payment is for.

Please provide your response confirming payment to Directive088Transfers@aer.ca.

Questions related to Orphan Fund Levy invoices should be directed to OrphanLevy@aer.ca. Questions related to Admin Levy invoices should be directed to payment_accountingquiries@aer.ca.

Regards,

Matias Totz
Eligibility, Transfers & Security
Regulatory Applications

Alberta Energy Regulator

e [Directive088Transfers@aer.ca](mailto:Directive088Transfers@ aer.ca) t 403-297-8311

a Suite 1000, 250 – 5 Street SW, Calgary, AB T2P 0R4

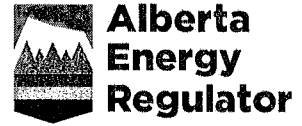
inquiries 1-855-297-8311 24-hour emergency 1-800-222-6514



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Calgary Head Office
Suite 1000, 250 – 5 Street SW
Calgary, Alberta T2P 0R4
Canada



Bulletin 2024-22

Updated Requirements for Unpaid Municipal Property Taxes

Updated Requirements for Unpaid Municipal Property Taxes

Release Date: September 16, 2024

Effective September 15, 2024, and in accordance with [Ministerial Order 096/2024 \(https://kings-printer.alberta.ca/Documents/MinOrders/2024/Energy_and_Minerals/2024_096_Energy_and_Minerals.pdf\)](https://kings-printer.alberta.ca/Documents/MinOrders/2024/Energy_and_Minerals/2024_096_Energy_and_Minerals.pdf), the AER will continue to require evidence that licensees have resolved unpaid property taxes exceeding a threshold amount before approving a new well licence application under *Directive 056: Energy Development Applications and Schedules*, *Directive 089: Geothermal Resource Development*, and *Directive 090: Brine-Hosted Mineral Development* or a well licence transfer application under *Directive 088: Licensee Life-Cycle Management*.

The threshold for municipal tax arrears remains at \$20 000. This amount was determined by reviewing current licensee information related to unpaid municipal taxes and in consultation with the Ministry of Energy and Minerals and the Ministry of Municipal Affairs. The list of licensees that exceed this threshold is provided by Municipal Affairs.

Listed licensees must continue to provide satisfactory evidence to the AER that arrears exceeding the threshold have been paid or that a payment arrangement has been made with the municipality or municipalities to which the arrears are owed. The AER will accept evidence in the form of either a letter signed by the chief administrative officer of the municipality on municipality letterhead or a valid tax certificate. It is the licensee's responsibility to gather and submit evidence when requested by the AER as part of the application process. For well licence transfer applications where the transferor is listed, the applicant must provide evidence that payment of municipal taxes exceeding the threshold is a condition of the purchase and sale agreement with the transferee. Evidence must be in the form of a letter signed by a director or an officer of the company and contain a verbatim citation of the condition within the purchase and sale agreement. This letter should be provided at the time of application and may be subject to an AER audit.

If required evidence is not provided by the licensee, the AER will return the application as incomplete, per section 3(4)(b) of the *Alberta Energy Regulator Rules of Practice* and Ministerial Order 096/2024.

This new order differs from the previous order in that the direction does not apply to an application for approval of the transfer of a well licence if the transferee has no municipal tax arrears in excess of the threshold and any of the following apply:

- a) "The well licence pertains to a well which is designated by the AER to be an orphan well under section 70(2) of the *Oil and Gas Conservation Act*, R.S.A 2000, c. O-6, as amended (*OGCA*),
- b) "The transferor is a working interest participant which is deemed by the AER to be a defaulting working interest participant under section 70(2) of the *OGCA*, or
- c) "The well licence, or the well to which it pertains, is the property of a debtor subject to a proceeding in which a receiver, receiver-manager, trustee, liquidator, or monitor has been appointed, including, without limiting the foregoing, a proceeding in which the Court of King's Bench of Alberta has appointed a receiver, receiver-manager, trustee, or liquidator on an application by the AER under section 106.1 of the *OGCA*."

For more information about AER actions and procedures in response to unpaid municipal property taxes, please visit our website, aer.ca > Regulating Development > Project Application > [Application Processes \(/regulating-development/project-application/application-processes\)](http://aer.ca/regulating-development/project-application/application-processes). If you have any questions, contact our Customer Contact Centre by phone at 1-855-297-8311 or by email at inquiries@aer.ca (<mailto:inquiries@aer.ca>).

GOVERNMENT OF ALBERTA
DEPARTMENT OF ENERGY AND MINERALS
RESPONSIBLE ENERGY DEVELOPMENT ACT
S.A. 2012, c. R.17.3

MINISTERIAL ORDER 096/2024

I, BRIAN JEAN, Minister of Energy and Minerals, pursuant to section 67 of the *Responsible Energy Development Act*, make the Municipal Tax Requirements for Approving Licences Direction, in the attached Appendix.

This Order rescinds and replaces Ministerial Order 043/2023.

DATED at Edmonton, in the Province of Alberta, this 26 day of August, 2024.



Honourable Brian Jean
Minister of Energy and Minerals

APPENDIX

LICENCES AND UNPAID MUNICIPAL TAXES

PURPOSE

The Minister of Energy and Minerals is authorized by section 67 of the *Responsible Energy Development Act*, S.A. 2012, c. R-17.3 ("REDA") to give directions to the Alberta Energy Regulator (the "AER") for the purpose of:

- a. Providing priorities and guidelines for the AER to follow in the carrying out of its powers, duties and functions; and
- b. Ensuring the work of the AER is consistent with the program, policies and work of the Government of Alberta in respect of energy resource and mineral resource development, public land management, environmental management and water management.

Acquiring and holding a licence or approval for energy development in Alberta is a privilege and not a right.

Albertans expect assurance that companies that obtain licences are able to meet their obligations for the entire life cycle of the development, including during operation and up to and including the end-of-life of the projects.

Albertans expect that these obligations should not be avoided by transferring licences to companies to the effect that risk is transferred onto members of the public, including municipalities and taxpayers.

There is an unreasonable risk to members of the public, including municipalities and taxpayers, in the AER granting an application for, or a transfer of, a licence where the applicant, transferor, or transferee has unpaid municipal taxes owing.

DIRECTION TO THE AER

- 1) When considering an application for approval of a well licence to permit the drilling of a new well, or the transfer of a well licence, under applicable energy resource enactments as defined in the REDA, the AER must consider whether the applicant for the licence ("applicant"), the proposed transferor of a licence ("transferor"), or the proposed transferee of a licence ("transferee") has outstanding municipal tax arrears exceeding the threshold amount established by the AER in consultation with the Assistant Deputy Minister responsible for energy resources policy at the Ministry of Energy and Minerals and the Assistant Deputy Minister responsible for property tax policy at the Ministry of Municipal Affairs (the "threshold").
- 2) The AER shall require evidence and take reasonable steps to confirm that an applicant, transferor, or a transferee has no municipal tax arrears in excess of the threshold or has adopted a payment plan acceptable to the municipality or municipalities that are owed those municipal tax arrears in excess of the threshold.
- 3) If the transferor or transferee has municipal tax arrears in excess of the threshold, the AER shall require evidence that the payment of those municipal tax arrears in excess of the threshold be a condition of the transferor and transferee's agreement for sale of the licence.

- 4) The evidence and reasonable steps referred to in paragraphs 2 and 3 of this direction shall include:
- a. reviewing a list compiled by the Ministry of Municipal Affairs of licensees known to have municipal tax arrears in excess of the threshold in the fiscal year preceeding the application, and confirming the applicant, transferor, or transferee is not listed,
 - b. if the applicant or transferee is listed, the applicant, transferor, or transferee must provide satisfactory evidence to the AER that those municipal tax arrears in excess of the threshold have been paid or an alternative repayment arrangement with the municipality or municipalities to which the municipal tax arrears in excess of the threshold are owed has been made,
 - c. if the transferor is listed, obtain evidence satisfactory to the AER that payment of those municipal tax arrears in excess of the threshold is a condition of the agreement for purchase and sale of the licences that are the subject of the transfer,
 - d. conducting routine compliance audits under the usual AER standard operating procedures and applying regulatory enforcement tools available to the AER if the applicant, transferor, or transferee provides false or misleading information about a payment or payment arrangement.
- 5) This direction does not apply to an application for approval of the transfer of a well licence if the transferee has no municipal tax arrears in excess of the threshold and:
- a. The well licence pertains to a well which is designated by the AER to be an orphan well under section 70(2) of the *Oil and Gas Conservation Act*, R.S.A. 2000, c. O-6, as amended ("OGCA"),
 - b. The transferor is a working interest participant which is deemed by the AER to be a defaulting working interest participant under section 70(2) of the OGCA, or
 - c. The well licence, or the well to which it pertains, is the property of a debtor subject to a proceeding in which a receiver, receiver-manager, trustee, liquidator, or monitor has been appointed, including, without limiting the foregoing, a proceeding in which the Court of King's Bench of Alberta has appointed a receiver, receiver-manager, trustee, or liquidator on an application by the AER under section 106.1 of the OGCA.

The AER shall implement this direction within a reasonable time and shall have all necessary operating procedures and business systems in place no later than September 15, 2024.

This is **Exhibit "J"** referred to in the Affidavit of John Zang sworn before me this 27th day of November 2024



A Commissioner for Oaths in and for Alberta

Kendra Larson
Student-at-Law

----- Forwarded message -----

From: **Lonny Olsen** <Lonny.Olsen@aer.ca>

Date: Wed, 27 Nov 2024 at 11:47

Subject: Issuance of Order- Pismo Energy Ltd. A7BP

To: John Zang <jzang@topangaresources.com>

Cc: Mary Edey <Mary.Edey@aer.ca>, Tyler Callicott <Tyler.Callicott@aer.ca>

Good morning,

This email contains an order being issued to Pismo Energy Ltd. (Pismo). The attached order will be considered being served to Pismo and no other method of service will be made.

Please reply back to this email confirming receipt of the order.

Any questions regarding the order should be made to Tyler Callicott at Tyler.Callicott@aer.ca

Regards,

Lonny Olsen B.A.

Sr. Specialist, Compliance Assurance

Alberta Energy Regulator

e Lonny.Olsen@aer.ca tel 403-297-3513 fax 403-297-4117
Suite 1000, 250 – 5 Street SW, T2P 0R4 Calgary, Alberta

inquiries 1-855-297-8311 24-hour emergency 1-800-222-6514 www.aer.ca

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Security Classification: Protected A

Made at Edmonton, in the
Province of Alberta, on
November 27, 2024

ALBERTA ENERGY REGULATOR

Pursuant to sections 22, 26.2 and 27 of the *Oil and Gas Conservation Act (OGCA)*, sections 22.1 and 23 of the *Pipeline Act*, section 1.100(2) of the *Oil and Gas Conservation Rules (OGCR)*, and sections 140 and 241 of the *Environmental Protection and Enhancement Act (EPEA)*;

Pismo Energy Ltd. (A7BP)

1150, 707 - 7 Avenue SW
Calgary, AB T2P 3H6

(Pismo, or the Licensee)

WHEREAS the Licensee is the holder of Business Associate (BA) Code A7BP, and the well, facility, and pipeline licences granted by the Alberta Energy Regulator (AER) under the authority of the *OGCA* and *Pipeline Act*, listed in Appendix 1 (collectively, the Licences);

WHEREAS there is physical infrastructure associated with the Licences, including wells, well sites, facilities, facility sites, pipelines (the Sites);

WHEREAS Pismo was licensed or otherwise authorized by the AER to operate the Licences on the land legally described in Appendix 1 (the Lands);

WHEREAS Pismo is an “operator” as defined in section 134(b)(i) of the *EPEA*;

WHEREAS the Lands are “specified land” as defined in section 134(f) of the *EPEA* and section 1(t) of the *Conservation and Reclamation Regulation*;

WHEREAS on September 19, 2024, the AER issued an order (the September Order) to Pismo under sections 22 and 26.2 of the *OGCA*, section 22.1 of the *Pipeline Act*, and section 1.100(2) of the *OGCR* due in part to concerns that Pismo was not providing reasonable care and measures to prevent impairment or damage in respect of the Sites, and to mitigate the risks of Pismo’s assessed lack of capability to meet its regulatory and liability obligations throughout the energy life cycle;

WHEREAS clause 1 of the September Order required Pismo to conduct right-of-way (ROW) surveillance as required, demonstrate that cathodic protection is being maintained, and register all of its licenced pipelines with USP no later than October 4, 2024;

WHEREAS clauses 2 and 3 of the September Order required Pismo to submit a Reasonable Care and Measures plan (the RCAM Plan) to the satisfaction of the Director to demonstrate its ability to provide reasonable care and measures at its Sites, to be provided no later than October 19, 2024, and to implement the RCAM Plan once approved;

WHEREAS clause 4 of the September Order required Pismo to post a security deposit in the amount of \$412,286.00, representing 10% of Pismo's inactive liability, to offset the estimated costs of abandoning and reclaiming a well or facility and of carrying out any other activities necessary to ensure the protection of the public and the environment no later than November 3, 2024;

WHEREAS clause 4 of the September Order also required Pismo to post security deposits for the full outstanding amounts of the 2022 and 2023 Mandatory Closure Spend Quota (MCSQ) no later than November 3, 2024;

WHEREAS clause 5 of the September Order required Pismo to pay in full, all outstanding debts to the AER for the 2023 and 2024 Administration Fees, and to the AER on behalf of the Orphan Fund all outstanding debts for the 2023 and 2024 Orphan Fund Levies, no later than October 19, 2024;

WHEREAS clause 6 of the September Order required Pismo to submit a plan to the satisfaction of the Director, that detailed all actions Pismo would take to ensure its 2024 MCSQ would be met, to be submitted no later than October 19, 2024;

WHEREAS on October 7 and October 11, 2024, the AER requested Pismo provide records to verify compliance with clause 1 of the September Order;

WHEREAS Pismo provided an RCAM Plan on October 21, 2024, and the AER issued a letter to Pismo on October 25, 2024, requesting additional information to address deficiencies with the RCAM Plan, including plans to remediate contamination at two of its Sites, more details as to its incident response capability, plans to address methane emissions reporting, and copies of inspection reports for its assets;

WHEREAS on October 10, 2024, Pismo requested an extension to the deadline to pay its outstanding debts to the AER as required under clause 5 of the September Order;

WHEREAS on October 15, 2024, the Director informed Pismo that he had declined to exercise his discretion to extend the deadline for compliance with clause 5 of the September Order;

WHEREAS on October 17, 2024, the AER issued a letter advising Pismo that it had failed to fully comply with clause 1 of the September Order and that it was required to immediately come into compliance;

WHEREAS on October 18, 2024, Pismo requested an extension of 45 days for clauses 4 and 5 of the September Order and submitted a proposal to the AER that included a sale of all of its assets to partially fund activities related to fulfilling its regulatory obligations;

WHEREAS on October 21, 2024, Pismo requested an extension of 45 days to the deadline for clause 5 of the September Order;

WHEREAS on October 25, 2024, the AER issued a letter to Pismo advising that it had failed to fully comply with clauses 1(b), 1(c), 1(e), 2(a), 2(b), 2(c), 2(d), and 5 of the September Order;

WHEREAS the AER met with Pismo on October 28, 2024, to discuss Pismo's proposal for the sale of all of its assets;

WHEREAS on October 30, 2024, Pismo submitted further information following the October 28, 2024, meeting;

WHEREAS Pismo provided an amended RCAM Plan on October 31, 2024, which continued to be deficient;

WHEREAS on November 5, 2024, the AER issued a letter to Pismo advising that Pismo had failed to fully comply with clauses 1(b), 1(c), 1(e), 2(a), 2(b), 2(c), 4, 5 of the September Order and that it was required to immediately come into compliance;

WHEREAS on November 5, 2024, the Director advised Pismo that he declined to exercise his discretion to extend the deadlines related to clauses 4 and 5 of the September Order and intended to escalate enforcement action due to Pismo's failure to comply with the September Order;

WHEREAS, as of the date of this Order, Pismo has failed to fully comply with clauses 1, 2, 4, 5, and 6 of the September Order;

WHEREAS the September Order stipulated that failure by Pismo to fulfil the requirements of the September Order to the satisfaction of the Director would result in a suspension and/or abandonment order;

WHEREAS Tyler Callicott, Director of Enforcement and Orphaning, (the Director) has the authority to issue orders and impose terms and conditions pursuant to sections 22, 26.2, and 27 of the *OGCA* and sections 22.1 and 23 of the *Pipeline Act* and sections 140 and 241 of the *Environmental Protection and Enhancement Act (EPEA)*;

WHEREAS the Director has the authority to require a licensee to provide a security deposit at any time where the Director considers it appropriate to do so to offset the estimated costs of abandoning and reclaiming a well or facility and of carrying out any other activities necessary to ensure the protection of the public and environment pursuant to section 1.100(2) of the *OGCR*;

WHEREAS the Director has reasonable grounds to believe that the Licensee has contravened Acts, regulations, or rules under the jurisdiction of the AER and that it is necessary and appropriate to order the Licensee and to impose terms and conditions on the Licensee to address those contraventions;

WHEREAS the Director finds that, based on the factors leading to the September Order and Pismo's failure to address those obligations by completing the actions required in the September Order, that

reasonable care and measures are not being taken to prevent impairment or damage at, or associated with, the Sites;

WHEREAS based on Pismo's failure to comply with the MCSQ security requirement, and failure to comply with the outstanding debt to the AER in respect of the Administration Fees and the Orphan Fund Levies, the Director is of the opinion that Pismo has demonstrated to the AER that it is not able to manage its financial obligations;

WHEREAS, based on the factors leading to the September Order and Pismo's failure to address those obligations by completing the actions required in the September Order, the Director is of the opinion that Pismo is unable to meet its regulatory and liability obligations throughout the energy lifecycle, and it is appropriate to require Pismo to provide a security deposit to offset the estimated costs of abandoning and reclaiming a well or facility and of carrying out any other activities necessary to ensure the protection of the public and environment;

WHEREAS the Director considers it necessary to order that Pismo's wells and facilities be suspended or abandoned and that Pismo's pipelines be discontinued or abandoned in order to protect the public or the environment;

WHEREAS section 137 of the *EPEA* states that an operator must conserve and reclaim specified land, and unless exempted by the regulations, obtain a reclamation certificate in respect of the conservation and reclamation;

WHEREAS reclamation certificates have not been issued for the Lands under section 138 of the *EPEA*;

WHEREAS section 140 of the *EPEA* permits the AER to issue an environmental protection order directing the performance of any work if the AER is of the opinion the work is necessary to conserve and reclaim specified land;

WHEREAS the Director is of the opinion that the performance of the work described in this Order is necessary to conserve and reclaim the Lands;

Therefore, I, Tyler Callicott, Director of Enforcement and Orphaning, pursuant to sections 22 and 26.2 of the *OGCA*, section 22.1 of the *Pipeline Act*, and section 1.100(2) of the *OGCR*, do hereby order and direct the following:

Immediate Actions

1. Pismo shall maintain for all its Sites:
 - a. Emergency response number is posted at each Site, will remain active, and will initiate an immediate response when called,
 - b. Adequate insurance for its Sites in accordance with section 4.2(10) of *Directive 067: Eligibility Requirements for Acquiring and Holding Energy Licences and Approvals*,

- c. Membership in good standing with a spill cooperative.

Suspension

2. All wells, facilities, and pipelines listed in Appendix 1 are hereby suspended.
3. Pismo must, at a minimum, conduct the following suspension activities for the wells, facilities, and pipelines in Appendix 1:
 - a. Within 14 calendar days from the date of this Order, Pismo must ensure its wells are suspended, sealed, locked, and chained in a manner acceptable to the AER.
 - b. Within 14 calendar days from the date of this Order, Pismo must ensure its pipelines are discontinued pursuant to the *Pipeline Act* and *Rules* and in a manner acceptable to the AER.
 - c. Within 14 calendar days from the date of this Order, Pismo shall ensure that any containment devices or equipment including, but not limited to, tanks, vessels, pipelines, lease piping, sumps, drains, tubs, containers, pits or containment rings on any of the Sites are depressurized, emptied and rendered safe and acceptable to the AER.
 - d. Pismo must immediately report any hazards on the Sites that present a risk to public safety or the environment and must address the hazards in a manner acceptable to the AER no later than fourteen (14) days from the date of this Order or as otherwise specified by the AER in writing.
4. Within 14 calendar days from the date of this Order, Pismo shall provide written confirmation and supporting documentation to the Director verifying that its Sites have been suspended pursuant to this Order and AER rules and regulations. Supporting documentation may include, but not be limited to, photographs with location data and descriptions which adequately demonstrate compliance with the relevant components of this Order.

Maintenance

5. Pismo shall ensure that, no less than once each 30-day period, each of its Sites is inspected to ensure that the Site remains safe and that any impacts or potential impacts to public safety or the environment are addressed. Inspections must be documented and contain sufficient information to verify inspections are conducted in compliance with this Order and AER regulations.

Abandonment

6. Within 30 calendar days of the date of this Order, Pismo shall submit a plan for the orderly abandonment of its Sites (the Abandonment Plan). The Abandonment Plan must include, at minimum:

- a. Timelines for implementation and expected completion of abandonment of its wells and facilities
 - b. Timelines for implementation and expected completion of abandonment of its pipelines.
 - c. Timelines for remediation of the 12-27 Well Site and the 15-27 Well Site.
7. The Abandonment Plan must be implemented as approved by the Director.
 8. Abandonment work, including surface abandonment and removal of cement pads, debris and produced liquids associated with the wells, must be completed in accordance with AER requirements no later than 6 months from the date of this Order.

Reclamation

9. Within thirty (30) calendar days from the date of this Order, Pismo must submit a Reclamation Plan for AER approval for the conservation and reclamation of the Lands (the Reclamation Plan).
10. The Reclamation Plan shall include the actions Pismo will take to reclaim the Lands and obtain reclamation certificates as required under section 137 of the *EPEA*. The Reclamation Plan shall include:
 - a. A list of all actions to be taken in obtaining a reclamation certificate (such as Environmental Site Assessments, Detailed Site Assessments, reclamation certificate applications), and
 - b. A schedule of implementation for each step in the Reclamation Plan.
11. If any changes occur to the Reclamation Plan, Pismo must immediately inform the AER in writing.
12. Pismo must implement the Reclamation Plan, as approved by the AER. The AER will advise Pismo if the Reclamation Plan is complete or requires changes.
13. Pismo shall apply for a reclamation certificate for each Site once that site is fully reclaimed in accordance with section 137(2) of the *EPEA*.

Reporting

14. Beginning 7 days from the date of this Order, Pismo must provide written updates every (1) week to the Director with details on the progress of the work required under this Order;
15. All plans and information required in this Order shall be submitted to Tyler.Callcott@aer.ca and ComplianceAssurance@aer.ca;

16. If requested by the Director, Pismo shall submit, within two (2) business days, any records pertaining to this Order.

General

17. All submissions of work related to requirements in this Order shall be submitted in the format, and to the appropriate AER system, as required by AER regulations;
18. Where a deadline or reporting frequency has been specified in this Order, the Director may authorize in writing a different deadline or reporting frequency as applicable;
19. In carrying out the requirements of this Order, Pismo shall obtain and comply with all required federal, provincial, or municipal permits and governing legislation and provide to the AER all authorizations obtained upon request by the AER;
20. All applicable regulatory requirements are to be followed and complied with in the undertaking of any actions or directions prescribed under this Order.

Dated at the City of Edmonton in the Province of Alberta, the 27th day of November, 2024



Tyler Callicott
Director, Enforcement and Orphaning
Alberta Energy Regulator

In complying with this order, the party or parties named must obtain all approvals necessary, notwithstanding the above requirements.

This order in no way precludes any enforcement actions being taken regarding this matter under the *Oil and Gas Conservation Act (OGCA)*, the *Pipeline Act*, and the *Oil and Gas Conservation Rules (OGCR)* or any other provincial or federal legislation, or by any other regulator with jurisdiction.

All enforcement actions issued by the AER may be subject to a follow-up review to confirm previous commitments have been completed and measures have been implemented, to ensure similar noncompliances are prevented in the future. The AER may request any information that demonstrates steps have been taken to prevent repeat noncompliances from occurring.

Under the *Responsible Energy Development Act*, an eligible person may appeal decisions that meet certain criteria. Eligible persons and appealable decisions are defined in section 36 of the *Responsible Energy Development Act* and section 3.1 of the *Responsible Energy Development Act General Regulation*. If you wish to file a request for regulatory appeal, you must submit your request according to the AER's requirements. You can find filing requirements and forms on the AER website, www.aer.ca, under Regulating Development: Project Application: Regulatory Appeal Process.

Appendix 1

Licences held by the Licensee

Table 1 Wells

Licence	Surface Location	Well UWI
W0079369	16-19-049-01W4	A0-16-19-049-01W4/0
W0085416	09-19-049-01W4	00-09-19-049-01W4/0
W0097129	01-36-040-13W4	02-01-36-040-13W4/0
W0098261	15-10-040-13W4	02-15-10-040-13W4/0
W0099511	11-11-040-13W4	02-11-11-040-13W4/0
W0108864	14-11-040-13W4	02-14-11-040-13W4/0
W0119748	14-22-048-01W4	00-14-22-048-01W4/0
W0123511	08-11-040-13W4	00-08-11-040-13W4/0
W0123578	15-10-040-13W4	03-15-10-040-13W4/0
W0128093	14-08-052-12W5	00-14-08-052-12W5/0
W0132072	08-08-052-12W5	00-08-08-052-12W5/0
W0133777	11-11-040-13W4	05-14-11-040-13W4/0
W0133877	09-10-040-13W4	05-16-10-040-13W4/0
W0134506	08-16-040-13W4	06-08-16-040-13W4/0
W0135927	13-29-040-13W4	02-13-29-040-13W4/0
W0136325	10-10-040-13W4	02-10-10-040-13W4/0
W0145417	07-11-040-13W4	B0-07-11-040-13W4/0
W0146455	06-11-040-13W4	03-06-11-040-13W4/0
W0148414	16-26-040-13W4	00-16-26-040-13W4/0
W0150461	15-32-040-13W4	00-15-32-040-13W4/2
W0218675	16-09-040-13W4	02-16-09-040-13W4/0
W0221990	15-11-040-14W4	02-15-11-040-14W4/0
W0225626	02-16-040-13W4	00-02-16-040-13W4/0
W0227250	02-16-040-13W4	02-02-16-040-13W4/0
W0227459	08-36-040-13W4	03-09-36-040-13W4/0
W0274757	01-06-041-13W4	00-01-06-041-13W4/2
W0280546	09-20-040-13W4	00-09-20-040-13W4/0
W0306279	02-36-040-13W4	03-02-36-040-13W4/0
W0316496	11-31-048-01W4	00-11-31-048-01W4/0
W0411533	16-27-048-01W4	00-16-27-048-01W4/0
W0411593	05-27-048-01W4	00-05-27-048-01W4/0
W0415598	14-11-048-01W4	00-14-11-048-01W4/0
W0421386	15-27-048-01W4	00-15-27-048-01W4/0
W0421451	08-27-048-01W4	02-08-27-048-01W4/0
W0421452	10-27-048-01W4	03-10-27-048-01W4/0
W0422178	16-11-040-13W4	02-13-11-040-13W4/0
W0422945	15-14-048-01W4	00-15-14-048-01W4/0
W0423216	08-22-048-01W4	00-08-22-048-01W4/2
W0423407	16-13-040-14W4	00-09-18-040-13W4/0
W0424402	16-10-052-13W5	00-08-14-052-13W5/0

W0424417	13-12-040-14W4	00-13-11-040-14W4/0
W0424947	01-10-040-13W4	00-01-11-040-13W4/0
W0425089	09-27-048-01W4	00-09-27-048-01W4/0
W0425147	05-27-048-01W4	02-05-27-048-01W4/0
W0425261	16-03-040-13W4	00-15-02-040-13W4/0
W0425763	12-27-048-01W4	00-12-27-048-01W4/0
W0426107	06-27-048-01W4	00-06-27-048-01W4/0
W0429562	16-03-040-13W4	00-09-02-040-13W4/0
W0430078	13-15-040-13W4	02-12-16-040-13W4/0
W0430659	14-14-048-01W4	00-14-14-048-01W4/0
W0431280	01-13-040-14W4	00-01-18-040-13W4/0
W0431828	16-15-052-13W5	00-09-14-052-13W5/0
W0433694	05-09-052-12W5	02-06-08-052-12W5/0
W0434880	15-19-049-01W4	02-15-19-049-01W4/0
W0434881	14-27-048-01W4	00-14-27-048-01W4/0
W0434918	11-14-048-01W4	00-11-14-048-01W4/0
W0434919	14-14-048-01W4	02-14-14-048-01W4/0
W0435710	01-13-040-14W4	00-08-18-040-13W4/0
W0437457	08-22-048-01W4	02-08-22-048-01W4/0
W0437463	14-22-048-01W4	02-14-22-048-01W4/0
W0445823	16-14-048-01W4	02-16-14-048-01W4/0
W0445824	09-14-048-01W4	00-09-14-048-01W4/0
W0445825	14-14-048-01W4	00-13-14-048-01W4/0
W0445948	04-27-048-01W4	00-04-27-048-01W4/0
W0445972	13-27-048-01W4	00-13-27-048-01W4/0
W0446114	08-22-048-01W4	03-08-22-048-01W4/2
W0446115	01-22-048-01W4	00-01-22-048-01W4/0
W0446143	14-22-048-01W4	03-14-22-048-01W4/0
W0449232	08-22-048-01W4	04-08-22-048-01W4/0
W0459281	09-03-048-01W4	02-09-03-048-01W4/0
W0460363	15-15-048-01W4	00-15-15-048-01W4/0
W0460382	12-14-048-01W4	00-12-14-048-01W4/0
W0465391	11-27-048-01W4	02-11-27-048-01W4/0
W0465415	12-14-048-01W4	00-09-15-048-01W4/0
W0468395	11-02-048-01W4	00-11-02-048-01W4/0
W0468577	01-30-049-01W4	02-09-19-049-01W4/0
W0470612	05-02-048-01W4	00-06-02-048-01W4/0
W0470972	08-03-048-01W4	00-08-03-048-01W4/0
W0474795	01-11-048-01W4	02-01-11-048-01W4/0

Table 2 Facilities

Licence	Surface Location
F8049	07-10-040-13W4
F8083	02-36-040-13W4
F12170	02-18-052-12W5

F42542	05-27-048-01W4
F43444	14-14-048-01W4
F43553	01-13-040-14W4
F47295	12-14-048-01W4

Table 3 Pipelines

Licence	Segment	From Surface Location	To Surface Location
P16735	6	10-18-052-12W5	02-18-052-12W5
	7	02-18-052-12W5	02-18-052-12W5
	8	04-17-052-12W5	02-18-052-12W5
	9	12-08-052-12W5	04-17-052-12W5
	15	06-08-052-12W5	10-08-052-12W5
P20725	2	01-36-040-13W4	02-36-040-13W4
	4	16-26-040-13W4	16-26-040-13W4
	3	16-26-040-13W4	02-36-040-13W4
P31952	1	16-09-040-13W4	01-16-040-13W4
	2	01-16-040-13W4	05-15-040-13W4
P33505	1	14-20-040-13W4	04-21-040-13W4
P40227	1	01-06-041-13W4	04-06-041-13W4
	2	13-31-040-13W4	04-06-041-13W4
	3	01-10-040-13W4	07-10-040-13W4
	4	08-11-040-14W4	13-12-040-14W4
	5	16-03-040-13W4	01-10-040-13W4
	6	13-15-040-13W4	09-16-040-13W4
P40260	1	09-20-040-13W4	10-20-040-13W4
P43783	1	09-19-049-01W4	16-19-049-01W4
P46660	1	02-18-052-12W5	02-18-052-12W5
P53255	1	16-15-052-13W5	10-15-052-13W5
	2	16-10-052-13W5	10-15-052-13W5
	3	10-15-052-13W5	02-18-052-12W5
P55865	1	02-36-040-13W4	01-36-040-13W4
	2	07-10-040-13W4	11-11-040-13W4
	3	11-11-040-13W4	02-14-040-13W4
P58685	1	10-11-040-13W4	11-11-040-13W4
	2	11-11-040-13W4	11-11-040-13W4
	3	08-11-040-13W4	11-11-040-13W4
	4	11-11-040-13W4	02-36-040-13W4
	5	11-11-040-13W4	11-11-040-13W4
	6	09-16-040-13W4	10-16-040-13W4
	7	07-10-040-13W4	11-11-040-13W4
	8	07-11-040-13W4	08-11-040-13W4
	9	10-10-040-13W4	07-10-040-13W4
	10	04-15-040-13W4	07-10-040-13W4
	11	10-11-040-13W4	08-11-040-13W4
	12	08-16-040-13W4	05-15-040-13W4
	13	14-11-040-13W4	11-11-040-13W4

	14	03-10-040-13W4	07-10-040-13W4
	15	02-16-040-13W4	05-15-040-13W4
	16	02-16-040-13W4	05-15-040-13W4
	17	08-36-040-13W4	08-36-040-13W4
	18	08-36-040-13W4	02-36-040-13W4
	19	01-36-040-13W4	02-36-040-13W4
	20	11-11-040-13W4	09-10-040-13W4
	21	10-16-040-13W4	08-16-040-13W4
	22	16-11-040-13W4	15-11-040-13W4
P58686	1	15-11-040-14W4	07-11-040-14W4
	2	13-12-040-14W4	15-11-040-14W4
	3	01-13-040-14W4	03-13-040-14W4
P9892	3	04-17-052-12W5	04-17-052-12W5