



Growth, Enterprise and Trade

Petroleum Branch

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May 25, 2018

Mr. Peter Parkinson
Corex Resources Ltd.
3100, 525-8th Avenue SW
Calgary, AB
T2P 1G1

Dear Mr. Parkinson,

RE: Daly Unit No. 15 & Daly Unit No. 16 Approval

The Petroleum Branch is pleased to grant approval of the following units:

1) **Daly Unit No. 15** (*Lodgepole Formation*):

Twp 10 / Rge 28 WPM: LSD 6 & N/2 of Sect. 9; LSD 15 & NW/4 of Sect. 10

2) **Daly Unit No. 16** (*Lodgepole Formation*):

Twp 10 / Rge 28 WPM: LSDs 1, 7, 8 of Sect. 4

The effective date for the above mentioned units is June 1, 2018.

The execution pages of the Unit Agreements are signed and attached.

Corex is reminded that there is no approval yet to start water injection and separate conversion applications are required for any existing horizontals to be converted into injectors within these new units. Please inform the Branch 1(one) month in advance of when Corex wants to start injection so a Waterflood Order can be created and TTEF calculated, etc.

If you have any questions in respect of the applications required please contact Leo Leonen, Technical Engineering Officer, at (204) 9456570.

Yours truly,

Amy Jordan
A/Director

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Cc: PB Virden Office