



**FORT CALGARY
RESOURCES LTD.**

4301 400 3RD AVENUE SW
CALGARY, ALBERTA T2P 4H2
PHONE: 403.263.7938
FAX: 403.261.1708

November 18, 2013

Manitoba Innovation, Energy and Mines
360 - 1395 Ellice Avenue
Winnipeg, MB R3G 3P2

DELIVERED VIA E-MAIL TO:
leonardo.leonen@gov.mb.ca
ORIGINAL DELIVERED VIA MAIL

Attention: Leo Leonen

Dear Mr. Leonen:

RE: ASSIGNMENT OF UNIT INTEREST & REVISED EXHIBIT "A"
TO EAST MANSON UNIT NO. 1
FORT CALGARY TO 1779275; 1779275 TO SURGE ENERGY INC.
TWP. 13, RGE. 28 W1M: SECTION 29
WILLEN-REEDER AREA, MANITOBA OUR FILE: U-0002

Pursuant to a Share Purchase and Sale Agreement dated October 22, 2013, Fort Calgary Resources Ltd. conveyed their entire interest in the subject Unit Agreement to its affiliate 1779275 Alberta Ltd. (1779275). Immediately following that conveyance, effective November 15, 2013, 1779275 contributed all of its assets to the Surge General Partnership (Surge Partnership).

Attached are the following:

- Assignment Agreement related to the subject transactions;
- Exhibit A - Revision No. 1
- Signed Execution pages by both 1779275 and Surge Energy Inc. (Managing Partner of Surge General Partnership)

Kindly amend your records accordingly and advise any affected departments.

Should you have any questions please contact the undersigned at either (403) 263-7938 (ext 7010) or lbec@fortcal.com.

Yours truly,

FORT CALGARY RESOURCES LTD.

Per: 
Lara L. Bec
Land Consultant

/llb

Enclosure(s) - 1

ASSIGNMENT AGREEMENT

THIS AGREEMENT made as of the 13th day of November, 2013.

AMONG:

FORT CALGARY RESOURCES LTD., a body corporate, having an office at the City of Calgary, in the Province of Alberta (hereinafter referred to as the "Assignor")

OF THE FIRST PART

- and -

1779275 ALBERTA LTD., a body corporate, having an office at the City of Calgary, in the Province of Alberta (hereinafter referred to as the "Company")

OF THE SECOND PART

- and -

SURGE GENERAL PARTNERSHIP, a partnership formed and existing in accordance with the laws of Alberta (hereinafter referred to as the "Assignee")

OF THE THIRD PART

WHEREAS the Assignor is a party to or successor in interest to parties to the Agreements as set forth and described in Schedule "A" hereto (such Agreement or Agreements including all amendments thereto, if any, being hereinafter referred to as the "said Agreement", regardless of whether there be more than one of them, but if more than one, then such reference shall be collective);

AND WHEREAS by a Share Purchase and Sale Agreement dated the 22nd day of October, 2013 made between the Assignor and the Company, the Company acquired the Assignor's entire right, title, estate and interest in and to the said Agreement;

AND WHEREAS subsequently by a Contribution Agreement dated the 13th day of November, 2013, made between the Company and the Assignee, the Assignee acquired the Company's entire right, title, estate and interest in and to those lands and title documents (hereinafter referred to as the "said Lands") all as set forth and described in Schedule "A" attached hereto and forming a part hereof;

AND WHEREAS the Assignor, on behalf of itself and the Company, desires to assign, transfer and convey directly unto the Assignee its entire interest of the Assignor in the said Agreement to which the Assignee has become entitled;

AND WHEREAS the Assignor desires to assign, transfer and convey unto the Assignee a portion of the interest of the Assignor in the said Agreement to which the Assignee has become entitled;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the mutual covenants and agreement hereinafter set forth and contained, the parties hereto mutually covenant and agree as follows:

1. The Assignor hereby assigns, transfers, sets over and conveys unto the Company, effective as of **September 1, 2013** (the "Effective Date"), the Assignor's entire right, title, estate and interest in and to the said Agreement, to hold the same unto the Company for its sole use and benefit absolutely, subject nevertheless to the terms and conditions of the said Agreement.
2. The Company hereby assigns, transfers, sets over and conveys unto the Assignee, effective as of **November 13, 2013** (the "Effective Date"), the Company's entire right, title, estate and interest in and to the said Agreement, to hold the same unto the Assignee for its sole use and benefit absolutely, subject nevertheless to the terms and conditions of the said Agreement.
3. The Company and the Assignee both hereby agree with the Assignor that nothing herein, express or implied, shall operate to have effect as any warranty, representation, or guarantee of title or covenant of title on the part of the Assignor except that the representations and warranties contained in the Purchase and Sale Agreement shall apply hereto of the period provided in the Purchase and Sale Agreement
4. The Assignee hereby accepts the within assignment, transfer and conveyance to it of the Assignor's interest and the Assignee hereby covenants and agrees with the Assignor that from and after the Effective Date it shall and will from time to time and at all times hereafter be bound by and observe, perform and fulfil each and every covenant, agreement, term, condition and stipulation on the part of the Assignor in the said Agreement; PROVIDED THAT nothing herein contained shall be construed as a release of the Assignor from any obligations or liabilities under the said Agreement, which obligations or liabilities accrued prior to the Effective Date.
5. The Assignor covenants and agrees with the Assignee that it shall and will, from time to time and at all times hereafter at the request and cost of the Assignee, execute such further assurances and do all such further acts as may be reasonably required for the purpose of vesting in the Assignee the Assignor's interest.

6. The address of the Assignee for all notices to be hereafter served on it under the said Agreement, but subject to the provisions thereof as to notices, shall be:

Surge General Partnership
#2100, 635 - 8 Avenue S.W.
Calgary, AB
T2P 3M3

7. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF the parties hereto have executed and delivered these presents as of the date first above written.

ASSIGNOR:

FORT CALGARY RESOURCES LTD.



Lara L. Bec, Land Consultant

ASSIGNEE:

SURGE GENERAL PARTNERSHIP, by
its managing partner Surge Energy Inc.



Laury Chapitan,
Supervisor, Contracts & Administration

COMPANY:

1779275 ALBERTA LTD.



Lara L. Bec, Land Consultant

SCHEDULE "A"

ATTACHED TO AND FORMING PART OF THAT CERTAIN ASSIGNMENT AGREEMENT DATED THE 13TH DAY OF November, 20 13 MADE AMONG FORT CALGARY RESOURCES LTD., OF THE FIRST PARTY, 1779275 ALBERTA LTD., OF THE SECOND PART, AND SURGE GENERAL PARTNERSHIP, OF THE SECOND PART

the "said Agreement"

East Manson Unit No. 1 – Unit Agreement, effective May 1, 2013, originally voluntarily made by Fort Calgary Resources Ltd.

[For reference only; Twp. 13, Rge. 28 W1M: Section 29]

EXHIBIT "A"

Attached to and made part of an agreement entitled - EAST MANSON UNIT NO. 1

Tract No.	Land Description	Tract Participation	WELLS	Working Interest Owner	Working Interest	Share-of Tract Participation	Royalty Owner
1-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 1	8.39%	102/02-29-013-28W1	Surge	100.00	100.00	Crown
			102/01-28-013-28W1				
2-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 2	6.85%	100/02-29-013-28W1	Surge	100.00	100.00	Crown
			102/02-29-013-28W1				
3-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 3	6.42%	100/04-29-013-28W1	Surge	100.00	100.00	Crown
4-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 4	4.74%	100/04-29-013-28W1	Surge	100.00	100.00	Crown
5-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 5	7.01%	100/05-29-013-28W1	Surge	100.00	100.00	Crown
			102/05-29-013-28W1				
6-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 6	8.98%	100/05-29-013-28W1	Surge	100.00	100.00	Crown
			102/05-29-013-28W1				
7-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 7	7.43%	100/07-29-013-28W1	Surge	100.00	100.00	Crown
			102/07-29-013-28W1				
8-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 8	6.43%	100/07-29-013-28W1	Surge	100.00	100.00	Crown
			102/07-29-013-28W1				
9-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 9	3.19%	102/10-29-013-28W1	Surge	100.00	100.00	Crown
			100/10-29-013-28W1				
10-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 10	4.92%	100/10-29-013-28W1	Surge	100.00	100.00	Crown
			102/10-29-013-28W1				
11-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 11	8.72%	102/10-29-013-28W1	Surge	100.00	100.00	Crown
			100/12-29-013-28W1				
12-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 12	7.80%	100/12-29-013-28W1	Surge	100.00	100.00	Crown
13-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 13	5.01%	100/14-29-013-28W1	Surge	100.00	100.00	Crown
			100/15-29-013-28W1				
14-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 14	5.90%	102/15-30-013-28W1	Surge	100.00	100.00	Crown
			100/14-29-013-28W1				
15-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 15	4.70%	100/15-29-013-28W1	Surge	100.00	100.00	Crown
			100/15-29-013-28W1				
16-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 16	3.51%		Surge	100.00	100.00	Crown
		100.00%					

Crown = Manioba Innovation, Energy and Mines
Surge = Surge Energy Inc.

Exhibit Revision No. =
Revised Exhibit Date =

A-1

1
13-Nov-13

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2-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 2	6.85%	102/01-28-013-28W1	Surge	100.00	100.00	Crown
3-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 3	6.42%	100/02-29-013-28W1	Surge	100.00	100.00	Crown
4-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 4	4.74%	100/04-29-013-28W1	Surge	100.00	100.00	Crown
5-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 5	7.01%	100/05-29-013-28W1	Surge	100.00	100.00	Crown
6-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 6	8.98%	102/05-29-013-28W1	Surge	100.00	100.00	Crown
7-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 7	7.43%	100/07-29-013-28W1	Surge	100.00	100.00	Crown
8-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 8	6.43%	102/07-29-013-28W1	Surge	100.00	100.00	Crown
9-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 9	3.19%	100/10-29-013-28W1	Surge	100.00	100.00	Crown
10-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 10	4.92%	102/10-29-013-28W1	Surge	100.00	100.00	Crown
11-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 11	8.72%	100/12-29-013-28W1	Surge	100.00	100.00	Crown
12-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 12	7.80%	100/12-29-013-28W1	Surge	100.00	100.00	Crown
13-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 13	5.01%	100/14-29-013-28W1	Surge	100.00	100.00	Crown
14-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 14	5.90%	100/15-29-013-28W1	Surge	100.00	100.00	Crown
15-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 15	4.70%	100/14-29-013-28W1	Surge	100.00	100.00	Crown
16-29	Twp. 13, Rge. 28 W1M: Sec. 29, Lsd. 16	3.51%	100/15-29-013-28W1	Surge	100.00	100.00	Crown
		100.00%		Surge	100.00	100.00	Crown

Crown = Manitoba Innovation, Energy and Mines
Surge = Surge Energy Inc.

Exhibit Revision No. = 1
Revised Exhibit Date = 13-Nov-13