

EXPLORATION RESERVATION R

Effective date:

Expiry date:

This agreement is made in duplicate, this day of .

BETWEEN:

Her Majesty the Queen, in the right of the Province of Manitoba, represented by the Minister of Mineral Resources, referred to in this agreement as "the minister";

and

Company Name

referred to in this agreement as "the holder".

Definitions

1 In this agreement,

"Act" means The Oil and Gas Act, and includes any amendment to the Act; (<Loi>)

"regulation" means a regulation made under the Act, and includes any amendment to the regulation; (<règlement>)

"reservation area" means the reservation area described in section 5. (<périmètre de la réserve>)

Meaning of "Crown"

2 For the purpose of this agreement, **"Crown"** means Her Majesty the Queen in right of the province, and includes any person appointed by the Crown to perform the duties imposed and exercise the powers conferred by this agreement, the Act, and regulations.

Agreement is subject to Act and regulations

3 This agreement is subject to the Act and regulations.

Headings

4 The headings used in this agreement are for convenience only and shall not be considered in its interpretation.

Grant of rights to holder

5 Subject to this agreement, the Act and regulations, and in consideration of the rent paid by the holder, the minister hereby grants to the holder the exclusive right to drill for oil and gas and to test a well to determine whether the well is capable of producing oil and gas within the following reservation area:

Legal Description

(deemed to contain hectares, more or less)

Three year term

6 The term of this agreement is three years, commencing on the effective date of this agreement.

No surface rights conveyed

7 This agreement does not convey to the holder any right or interest in the surface of the reservation area.

Holder to comply with law in operations

8 The holder shall comply with the Act and regulations, and any other law applicable to the holder's operations under this agreement.

Amendments to legislation apply

9 The holder acknowledges and agrees that the rights, interests, duties, and obligations under this agreement may be varied in accordance with any amendment or substitution of the Act or regulations, including any such amendment or substitution made after the execution of this agreement or issuance of the exploration reservation, or any renewal, continuation, or substitution of the exploration reservation.

Minister may cancel agreement

10(1) The holder acknowledges that the minister may cancel this agreement in accordance with section 61 of the Act if the holder fails to comply with this agreement, the Act, or regulations.

Rights of the Crown

10(2) Any right of the Crown against the holder in respect of a failure to comply with the Act, regulations, and this agreement shall not be prejudiced, lost, or merged by the cancellation of this agreement, and the Crown shall have the same remedies for the recovery of any rent, payment, or damages due or accruing due at the time of cancellation as if this agreement remained in full force and effect.

Service of document

11 A document relating to this agreement may be served in accordance with section 209 of the Act

(a) in the case of the Crown, upon the Petroleum Registrar at the following address:

Agriculture And Resources Development
Petroleum Branch
1395 Ellice Avenue Suite 360
Winnipeg, Manitoba R3G 3P2

(b) in the case of the holder, at the address provided to the Petroleum Registrar under section 208 of the Act.

Agreement is binding

12 This agreement is binding upon the parties to it, and to the holder's heirs, executors, administrators, successors, and assigns.

Related documents

13 This agreement is subject to the following documents:

N/A

IN WITNESS of this agreement, the minister and the holder have executed this agreement.

SIGNED, SEALED AND DELIVERED

Her Majesty the Queen in right of Manitoba

The Director of Petroleum for The Minister of Mineral Resources
Disposition Regulation.

under the Crown

(signature of witness, or seal)

(signature of holder)