

Closing Date: February 13, 2019 1:00 P.M. Winnipeg, Manitoba



The Notice of Public Offering of Crown Oil & Gas Rights is placed on the Petroleum Branch website and e-mailed to all parties on the Public Offering mailing list. You may subscribe to receive an e-mail copy of the Notice of Public Offering and Results by contacting Angela Hiebert at <u>Angela.Hiebert@gov.mb.ca</u> or 204-945-6578.

Acceptable form of Bid

The Petroleum Registrar will receive bids on the sale date up to 1:00 pm (Manitoba official time).

Each individual bid offering is to be submitted under sealed tender, with the Public Offering Sale date clearly indicated on the outside of each envelope. Each bid must consist of the first year rental fee (\$3.50/hectare), a non-refundable \$400.00 application fee, along with the bonus offer as determined by the bidder, an address for service, the GST Number and the names and percentage of interest of all parties to the agreement.

Effective immediately, the bid letter must be in accordance with the Sample bid forms attached. Petroleum Branch will only accept bid offerings in the attached sample formats. Any deviation from the sample forms provided may result in a rejection of the bid.

See sample bids attached or at http://www.gov.mb.ca/iem/petroleum/tenure/sample_bids.pdf

EXAMPLE OF BONUS BIDDING

Sample No.1

Re: Lease Offer - (sale date) Parcel No. ()

(Company Name) hereby submits a bonus offer of \$20,000.00 for the subject Parcel A17.

Payment for the subject parcel, if successful, is to be made via Electronic Funds Transfer from (Company Name) general account in the total amount of \$20,624.00 being made up as follows:

Bonus Offer First Year Rental Application Fee \$20,000.00 224.00 (\$3.50/hectare; minimum \$50.00) 400.00 \$20,624.00

If we are the successful bidder we request that the lease be issued to:

ABC Oil Company (100%) (complete address)

("signed")

NOTE: Bid letters must be on Company letterhead and must match name on Electronic Funds Transfer form

Sample No. 1 - acceptable form of bonus bidding offer permitted at a scheduled "Public Offering of Crown Oil and Gas Rights".

EXAMPLE OF BONUS BIDDING

Sample No. 2

Re: Lease Offer - (sale date)

(Company Name) hereby makes an offer on the following lease parcels. Our bonus offer on each parcel is as indicated, as is our order of choice. If our offer on Choice No. 1 is unsuccessful, ignore Choice No. 1 and consider Choice No. 2. Similarly on Choice No. 2, Choice No. 3, and so on. Specific conditions relating to each Choice is as indicated.

Choice No 1 must list a minimum of 2 parcels to start.

	Choice No. 1	Choice No. 2	Choice No. 3	Etc.
Conditions:	Must acquire Parcel A17	Must acquire Parcel A17	Must acquire Parcel A17	None
Parcel A17	\$15,100.00	\$18,400.00	\$20,000.00	\$28,700.00
Parcel A 8	8,600.00	9,600.00	12,000.00	
Parcel A12	6,900.00	7,400.00		
Parcel A 5	5,400.00			
	\$36,000.00	\$35,400.00	\$32,000.00	\$28,700.00

If successful, payment for the subject parcel(s), including the above noted bonus(es) plus applicable rental(s) and application fee(s), is to be made via Electronic Funds Transfer from (Company Name) general account.

If we are successful on one of the above choices we request that the lease(s) be issued to:

ABC Oil Company (100%) (Address)

("signed")

NOTE: Bid letters must be on Company letterhead and must match name on Electronic Funds Transfer form

Sample No. 2 - acceptable form of bonus bidding offer permitted at a scheduled "Public Offering of Crown Oil and Gas Rights".

PUBLIC OFFERING OF CROWN OIL AND GAS RIGHTS

The undersigned will receive offers to purchase oil and gas leases as described in **SCHEDULE A**, up to 1:00 P.M. (Manitoba official time) on the 13th day of February, 2019.

Each offer must be enclosed in a separately sealed envelope with "Lease Offer – February 13, 2019" clearly indicated on the outside of the envelope, and be accompanied, where applicable, by the following:

- a) The cash bid of the bidder;
- b) Rent for each lease for the first year at the rate of \$3.50 per hectare;
- c) An application fee of \$400.00 per lease;
- d) Method of payment (electronic transfer of funds company account);
- e) The full name and address for service of the party the agreement is to be issued to;
- f) Where the agreement is to be issued in undivided interests, each interest should be clearly indicated;
- g) The G.S.T. Registration Number for each party wishing to have an interest in the agreement.

The bonus, rental and fee must be submitted by electronic funds transfer. All authorizations for electronic funds transfer must be filed with the Branch on an approved form (Attachment No. 1) as set forth in Informational Notice 09-02 (enclosed). It is the company's responsibility to ensure that relevant account information remains current. A company may cancel this authorization at any time by written notice to the Petroleum Registrar. Authorizations for the February 13, 2019 sale must be received no later than January 16, 2019. Bank drafts and certified cheques will not be accepted, unless the bidder has been granted special prior exemption by the Petroleum Registrar.

The bidder is responsible for having sufficient funds in its account on sale day to cover all bids, rentals and fees. If the Branch is notified by the bank that insufficient funds are available, the parcel(s) will be awarded to the next highest bidder. Manitoba reserves the right to refuse future bids and/or posting requests by that bidder.

The bidder may request that consideration be given on another parcel or parcels, if an offer on one or more parcels is not successful, provided that the intent and order of choice is clearly stated and provided that alternative offers are for specific amounts. Any offer received contrary to these conditions or the regulation, will not be considered.

All offers should be mailed to:

Petroleum Registrar Manitoba Growth Enterprise and Trade Petroleum Branch 1395 Ellice Avenue, Suite 360 Winnipeg Manitoba R3G 3P2

or handed to any person acting for the Registrar at the office of the Petroleum Branch, 1395 Ellice Avenue, Suite 360, Winnipeg, Manitoba.

Leases granted shall be subject to the applicable Acts and Regulations in force from time to time.

Manitoba reserves the right to reject any or all offers received and to refund to the person making an offer any funds received from them.

Printed sale results will be provided, when available, to all parties participating in the sale and to other parties upon request. Sale results may be obtained by contacting Angela Hiebert, Crown Oil & Gas Rights Clerk at (204) 945-6578 or through our home page on the internet at www.gov.mb.ca/iem/petroleum.

Dated at Winnipeg, Manitoba this 9th day of January, 2019.

The Petroleum Branch is committed to providing quality service to all its clients. If you have any comments regarding the Manitoba Crown Land Tenure System and administrative policies related to the Crown Disposition Regulation, please contact the undersigned at the address noted above, or by telephone at (204) 945-6526 and fax at (204) 945-0586.

Lisa Combot Acting Petroleum Registrar

Schedule A

Oil and Gas Leases

February 13, 2019

Parcel No.		Section	Township	Range	Meridian	Hectares
A1		SW¼ of 16	1	27	WPM	64
A2		NE¼ of 16	1	27	WPM	64
A3	*	All 31	3	21	WPM	256
A4	*	All 32	3	21	WPM	256
A5		SE ¹ ⁄4 of 4	4	22	WPM	64
A6	*	W ¹ / ₂ of 11	4	22	WPM	128
A7		Lsd.'s 10, 15 & 16 of 11	4	22	WPM	48
A8		Lsd. 13 of 12	4	22	WPM	16
A9		SW ¹ /4 of 14	4	22	WPM	64
A10		NE ¹ /4 of 14	4	22	WPM	64
A11		NE ¹ /4 of 16	4	22	WPM	64
A12		SW ¹ /4 of 23	4	22	WPM	64
A13	*	All 29	4	22	WPM	256
A14	*	NW ¹ /4 of 32	4	22	WPM	64
A15		S ¹ / ₂ of 2	5	22	WPM	128
A16		All 11	5	22	WPM	256
A17	*	NE ¹ /4 of 18	5	22	WPM	64
A18		NW¼ of 22	5	22	WPM	64

* See addendum

Schedule A

Oil and Gas Leases

February 13, 2019

Parcel No.		Section	Township	Range	Meridian	Hectares
A19	*	SE ¹ /4 of 29	5	22	WPM	64
A20		SW¼ of 30	5	22	WPM	64
A21	*	NE ¹ /4 of 10	5	23	WPM	64
A22	*	All 11	5	23	WPM	256
A23	*	W ¹ /2 & NE ¹ /4 of 12	5	23	WPM	192
A24		NW¼ & SE¼ of 14	5	23	WPM	128
A25		All 11	6	23	WPM	256
A26		SE ¹ /4 of 20	9	27	WPM	64
A27		SE ¹ /4 of 32	9	27	WPM	64
A28	*	Lsd.'s 13, 14 & 15 of 30	9	29	WPM	48
A29	*	SW ¹ /4 of 32	10	25	WPM	64
A30	*	Lsd.'s 14, 15 & 16 of 6	10	27	WPM	48
A31	*	SW¼ of 14	14	27	WPM	64
A32	*	SW1/4 & E1/2 of 22	14	27	WPM	192
A33	*	SE ¹ /4 & NW ¹ /4 of 28	14	27	WPM	128
A34	*	NE ¹ /4 of 29	14	27	WPM	64
A35	*	S ¹ /2 & NE ¹ /4 of 32	14	27	WPM	192
A36	*	N ¹ / ₂ of 27	14	28	WPM	128

* See addendum

Schedule A

Oil and Gas Leases

February 13, 2019

Parcel No).	Section	Township	Range	Meridian	Hectares
A37		SW¼ of 28	14	28	WPM	64
A38	*	Ptn. NW ¹ /4 of 6	15	27	WPM	57.595
A39	*	SW ¹ /4 of 20	15	28	WPM	64
A40	*	E ¹ ⁄ ₂ of 11	16	28	WPM	128
A41	*	SE¼ of 12	16	28	WPM	64
A42	*	NE ¹ /4 of 22	16	28	WPM	64

* See addendum

ADDENDUM TO PUBLIC OFFERING OF CROWN OIL AND GAS RIGHTS

February 13, 2019

Parcel A3 and A4

These parcels are under private surface ownership and are located within the protected Whitewater Lake Wildlife Management Area and adjacent to an area containing the Piping Plover. To avoid adverse impact to the species of conservation concern, restrictions and permit requirements will be placed on drilling and production operations in these areas.

Parcel A6

This parcel is under private surface ownership and adjacent to an area containing the Barn Swallow. To avoid adverse impact to this species of conservation concern, restrictions may be placed on drilling and production operations in this area.

Parcel A13

This parcel is under private surface ownership and adjacent to an area containing the Burrowing Owl. To avoid adverse impact to this species of conservation concern, restrictions may be placed on drilling and production operations in this area.

Parcel A14

This parcel is under private surface ownership in an area containing the Burrowing Owl. To avoid adverse impact to this species of conservation concern, restrictions may be placed on drilling and production operations in this area.

Parcel A17

This parcel is under private surface ownership and adjacent to an area containing Baird's Sparrow. To avoid adverse impact to this species of conservation concern, restrictions may be placed on drilling and production operations in this area.

Parcel A19 and A41

This parcel is under private surface ownership and adjacent to an area containing the Chestnut-collared Longspur. To avoid adverse impact to this species of conservation concern, restrictions may be placed on drilling and production operations in this area.

Parcel A21

This parcel is under private surface ownership in an area containing the Bobolink. To avoid adverse impact to this species of conservation concern, restrictions may be placed on drilling and production operations in this area.

Parcel A22

This parcel is under private surface ownership and adjacent to an area containing the Ferruginous Hawk and the Chestnut-collared Longspur. To avoid adverse impact to these species of conservation concern, restrictions may be placed on drilling and production operations in this area.

Parcel A23

This parcel is under private surface ownership in an area containing the Ferruginous Hawk and adjacent to an area containing Baird's Sparrow and Chestnut-collared Longspur. To avoid adverse impact to these species of conservation concern, restrictions may be placed on drilling and production operations in this area.

Parcel A28

This parcel is under private surface ownership and contains a Mining Claim SV12802, expiring April 2019.

Parcel A30

This parcel is under private surface ownership and contains a Mining Claim SV12971, expiring April 2019.

Parcel A29, A31, A32, A33, A38, A41 and A42

These parcels are under private surface ownership and are within the floodplain of the Assiniboine River. Due to the impact of recent flood events, restrictions and conditions may be placed on drilling and production operations in this area.

Parcel A34, A35 and A40

These parcels are under crown surface ownership or a mixture of crown/private surface ownership and are within the floodplain of the Assiniboine River. Due to the impact of recent flood events, Manitoba Infrastructure may request the provision of a 200 year flood protection level. Prior to operations, please contact Sustainable Development as restrictions and conditions may be placed on drilling and production operations in these areas.

Parcel A34

This parcel lies within an area of important fisheries and wildlife habitat value as identified by Sustainable Development. Prior to operations, please contact Sustainable Development as restrictions and special surface management conditions may be placed on drilling and production operations in these areas.

Parcel A35

This parcel has a mixture of crown/private surface ownership and lies within an area of important fisheries and wildlife habitat value as identified by Sustainable Development. Prior to operations, please contact Sustainable Development as restrictions and special surface management conditions may be placed on drilling and production operations in these areas.

Parcel A36

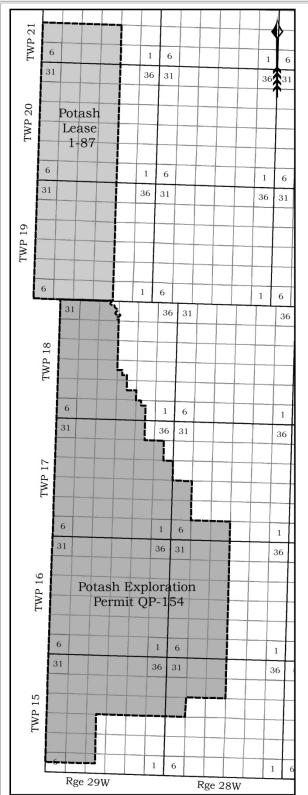
This parcel is under private surface ownership in an area containing Sprague's Pipit and the Bobolink. To avoid adverse impact to this species of conservation concern, restrictions may be placed on drilling and production operations in this area.

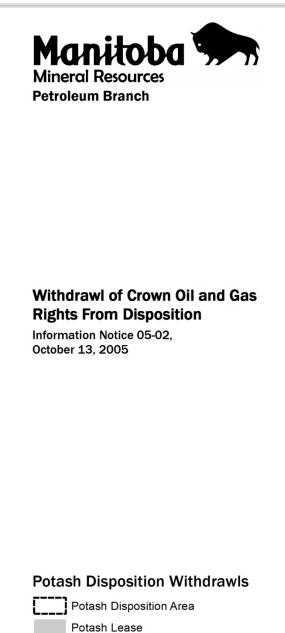
Parcel A39

This parcel is under private surface ownership, adjacent to an area containing the Ferruginous Hawk and Eastern Wood-pewee and adjacent to the Ellice-Archie Community Pasture. The Community Pasture contains important prairie habitat that supports an abundance of species listed under Manitoba's Endangered Species and Ecosystems Act and/or the Federal Species at Risk Act. Restrictions may be placed on drilling and production operations in this area.

For further information regarding any of the above noted parcels, please contact:

Peter Mraz Acting Director Petroleum Branch (204) 945-6576





Potash Exploration Permit

Date: 30 September 2014 Scale: 1:250,000 Projection: UTM NAD83, Zone 14 Cartography: Tim Davis, Petroleum Branch



Innovation, Energy and Mines

Petroleum Branch 360-1395 Ellice Ave, Winnipeg MB R3G 3P2 T 204-945-6577 F 204-945-0586 www.manitoba.ca

INFORMATIONAL NOTICE 09-02

MAY 7, 2009

Mandatory Electronic Fund Transfer at Manitoba Public Offerings of Crown Oil and Gas Lease Rights

On August 23, 1995, the Petroleum Branch introduced electronic transfer of funds for payment of bonuses, rentals and fees submitted with bid offerings at Manitoba Public Offerings of Crown Oil and Gas Lease Rights. This initiative has been very well received by industry and has resulted in a significant reduction in administrative activities for both industry and Branch staff.

To streamline Crown oil and gas procedures, effective with the August 13, 1997 sale, the Petroleum Branch requires mandatory payment of bonuses, rentals and fees be submitted with bid offerings by Electronic fund transfer. Bank drafts or certified cheques are not acceptable unless the bidder has been granted special exemption by the Petroleum Registrar.

All authorizations for electronic funds transfer must be filed with the Branch on an approved form (Attachment No. 1). The authorization should be prepared on company letterhead, witnessed or executed under seal and submitted to the Branch not less than five weeks prior to the date of the sale.

An authorization provided to the Branch does not have to be renewed for each sale. However, it is the company's responsibility to ensure that relevant account information remains current. A company may cancel this authorization at any time by written notice to the Petroleum Registrar.

On sale day, once the successful bids are determined, the total amount owing by the company (any bonus, rental or fee) will be electronically withdrawn from the company's account.

The bidder is responsible for having sufficient funds in its account on sale day to cover all its bids, rentals and fees. If we are notified by the bank that insufficient funds are available, the parcel(s) will be awarded to the next highest bidder. The Department reserves the right to refuse future bids and/or posting requests by that bidder.

If you have any questions or comments in this regard, please contact the Petroleum Registrar at least one week prior to the sale date.

Director

Date:

Phone:

Growth, Enterprise and Trade Petroleum Branch 360 - 1395 Ellice Avenue Winnipeg, MB R3G 3P2

Attention: Peter Mraz Acting Director of Petroleum

Dear Sir:

Re: Remittance for Crown Oil and Gas Rights

Please accept this document as authority for Manitoba Growth, Enterprise and Trade to debit our bank account on the understanding that any such debit will only be used to facilitate the payment by (<u>name of company</u>) for successful bids for Crown oil and gas rights. The debit will be limited to the amount of said successful bids, including any bonus, fees and applicable rent. The treatment of each payment shall be the same as if (<u>name of company</u>) had issued a cheque authorizing the bank to pay the amount indicated from our account.

It is further understood and agreed that (<u>name of company</u>) will have recourse to Manitoba Growth Enterprise and Trade for the recovery of debits made by the Department for purposes that have not been authorized by this document.

This authorization may be canceled by (name of company) at any time by written notice to the Department.

Your receipt of this authorization constitutes delivery by us.

Dated:

(Name of company)

(Corporate Seal)

Per:

Treasurer, Comptroller or Director or Manager of Finance, or similar authority. The signatory should have some responsibility for financial or banking matters in the company.

Account Name:

Account No .:

Bank:

Branch:

Address:

Bank Transit No.:



Growth, Enterprise and Trade

Resource Development Division / Petroleum Branch 360-1395 Ellice Avenue, Winnipeg, MB Canada R3G 3P2 T 204-945-6577 F 204-945-0586 www.manitoba.ca

INFORMATIONAL NOTICE 18-03

April 4, 2018

SCHEDULE OF PUBLIC OFFERINGS OF MANITOBA CROWN OIL AND GAS RIGHTS - 2019

The Department of Growth, Enterprise and Trade has scheduled four Public Offerings of Crown Oil and Gas Rights in 2019.

The sale dates and corresponding closing dates prior to which the Department will entertain requests to have rights posted are:

Sale Date	Closing Date for Posting
February 13, 2019	November 16, 2018
May 15, 2019	February 15, 2019
August 14, 2019	May 17, 2019
November 13, 2019	August 16, 2019

Posting requests must be in writing, indicate the form of disposition requested and be received at the office of the Petroleum Branch, Winnipeg, Manitoba on or before the respective closing date shown above.

Sale Notices, listing the parcels offered and outlining sale procedures together with any special terms and conditions are available **5 weeks prior to the Sale Date** and will be:

- 1. E-mailed to all parties on the mailing list maintained by the Petroleum Branch; and,
- 2. Posted on the Department's internet site located at <u>www.gov.mb.ca/iem/petroleum</u>.

Peter Mraz Acting Director

Cette information existe également en français.