

ASSIGNMENT OF UNIT INTEREST

THIS AGREEMENT made as of the 30th day of November, 2001.

BETWEEN:

PROGRESS ENERGY 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 -

PROGRESS ENERGY PETROLEUM LTD., a body corporate, having an office at the City of Calgary, in the Province of Alberta (hereinafter referred to as the "Assignee")

OF THE SECOND PART

WHEREAS the Assignor is a party to or successor in interest to a party to a Plan of Unit Operation agreement more particularly set forth and described in Schedule "A" attached hereto (such agreement, including all amendments thereto, if any, hereinafter referred to as the "Agreement");

AND WHEREAS, effective November 30, 2001 (hereinafter referred to as the "Effective Date"), the Assignor sold, inter alia, the interests described in Schedule "A" hereto to the Assignee;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual premises and covenants hereinafter contained, the parties hereto agree as follows:

1. The Assignor hereby assigns, transfers, sets over and conveys unto the Assignee, effective as of the Effective Date, all of the Assignor's right, title, estate and interest in and to the Agreement and all benefit and advantage to be derived therefrom, together with the interest of the Assignor in and to all facilities, property and rights to which the Agreement pertains, including the Assignor's interest in all lands, all petroleum substances within, upon or under such lands, all property and equipment owned in conjunction with said facilities pursuant to the terms and conditions of the Agreement (all right, title, estate and interest of Assignor being assigned hereinafter collectively referred to as the "Assigned Interest").

2. The Assignee hereby accepts the within assignment and conveyance of the Agreement and hereby covenants and agrees with the Assignor that 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 and under the Agreement as if the Assignee had as of the Effective Date been named a party to the Agreement.
3. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
4. This Agreement shall be effective as of the Effective Date.
5. The address for notices for the Assignee under the Agreement shall be:

Progress Energy Petroleum Ltd.
1110, 520 – 5th Avenue S.W.
Calgary, Alberta
T2P 3R7

IN WITNESS WHEREOF the parties hereto have executed and delivered this Agreement as of the day and year first above written.

PROGRESS ENERGY LTD.

(Assignee)

Per. _____

Michael R. Culbert
V.P., Marketing and Business Development

PROGRESS ENERGY PETROLEUM LTD.

(Assignee)

Per. _____

Michael R. Culbert
V.P., Marketing and Business Development

SCHEDULE "A"

To an Assignment of Unit Interest Agreement dated the 30th day of November, 2001 between
Progress Energy Ltd., as Assignor and Progress Energy Petroleum Ltd., as Assignee

"Agreement":

Birdtail Unit No. 2

"Assigned Interest":

100%

Lands (reference only)

Twp 16 Rge 27 W1M Sections 18-20