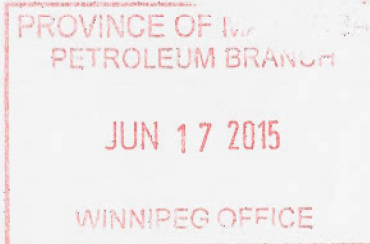




2100, 635 – 8th Avenue SW Calgary, AB T2P 3M3



June 15, 2015

Royalty Interest Owners
East Manson Unit No. 4
(Addressee List Attached)

Re: Assignment of Unit Interest - Surge General Partnership to TORC Oil & Gas Ltd.
East Manson Unit No. 4 (the "Unit")
Unit Agreement (the "Agreement")
Manson Area, Manitoba
Surge File: U00031

Pursuant to a Purchase and Sale Agreement dated April 26, 2015 and made effective May 1, 2015, Surge Energy Inc. assigned its entire interest in the Agreement to TORC Oil & Gas Ltd.

We enclose for your records a copy of the Assignment Agreement dated June 15, 2015 between Surge Energy Inc. and TORC Oil & Gas Ltd. together with signed counterpart to the Agreement, executed on behalf of TORC Oil & Gas Ltd. We are also enclosing revised Exhibit "A" effective July 1, 2015.

TORC Oil & Gas Ltd. has assumed operatorship of the Unit from Surge Energy Inc. effective June 15, 2015.

We trust you will find the above and enclosures to be in order. Please direct all questions or comments to Sarah Kozan by email at skozan@torcoil.com or by phone at (403) 930-4166.

Sincerely,

SURGE ENERGY INC.

Margaret Elekes
Vice President, Land

Encl

cc: TORC Oil & Gas Ltd.

EXHIBIT "A"

Attached to and made part of an agreement entitled - EAST MANSON UNIT NO. 4

Tract No.	Land Description	Tract Participation	WELLS	Working Interest Owner	Working Interest	Share of Tract Participation	Royalty Owner
4-7	Twp. 14, Rge. 28 W1M: Sec. 7, Lsd 4	4.66%	100/05-12-014-29W1 HZ	TORC	100.00	100.00	Leonard Estate - 100%
5-7	Twp. 14, Rge. 28 W1M: Sec. 7, Lsd 5	1.67%	100/06-12-014-29W1 HZ	TORC	100.00	100.00	Leonard Estate - 100%
12-7	Twp. 14, Rge. 28 W1M: Sec. 7, Lsd 12	0.05%	100/11-12-014-29W1 HZ	TORC	100.00	100.00	Leonard Estate - 100%
1-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 1	7.86%	102/11-12-014-29W1 HZ	TORC	100.00	100.00	Leonard Estate - 100%
2-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 2	7.36%	100/04-12-014-29W1 HZ	TORC	100.00	100.00	6147675 MB - 50% Bens & Woods - 50%
3-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 3	5.43%	100/04-12-014-29W1 HZ	TORC	100.00	100.00	6147675 MB - 50% Bens & Woods - 50%
4-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 4	4.49%	100/03-12-014-29W1 HZ	TORC	100.00	100.00	6348395 MB - 50% Bens & Woods - 50%
5-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 5	6.66%	100/04-12-014-29W1 HZ	TORC	100.00	100.00	6348395 MB - 50% Bens & Woods - 50%
6-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 6	8.01%	100/05-12-014-29W1 HZ	TORC	100.00	100.00	6348395 MB - 50% Bens & Woods - 50%
7-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 7	7.53%	100/05-12-014-29W1 HZ	TORC	100.00	100.00	6147675 MB - 50% Bens & Woods - 50%
8-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 8	4.80%	100/05-12-014-29W1 HZ	TORC	100.00	100.00	6147675 MB - 50% Bens & Woods - 50%
9-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 9	1.96%	100/06-12-014-29W1 HZ	TORC	100.00	100.00	6147675 MB - 50% Bens & Woods - 50%
10-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 10	5.11%	100/11-12-014-29W1 HZ	TORC	100.00	100.00	6147675 MB - 50% Bens & Woods - 50%
11-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 11	7.72%	100/11-12-014-29W1 HZ	TORC	100.00	100.00	6348395 MB - 50% Bens & Woods - 50%
12-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 12	8.89%	100/11-12-014-29W1 HZ	TORC	100.00	100.00	6348395 MB - 50% Bens & Woods - 50%
13-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 13	8.67%	100/11-12-014-29W1 HZ	TORC	100.00	100.00	6348395 MB - 50% Bens & Woods - 50%
14-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 14	5.75%	100/11-12-014-29W1 HZ	TORC	100.00	100.00	6348395 MB - 50% Bens & Woods - 50%
15-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 15	3.04%	100/13-12-014-29W1 HZ	TORC	100.00	100.00	6147675 MB - 50% Bens & Woods - 50%
16-12	Twp. 14, Rge. 28 W1M: Sec. 12, Lsd 16	0.51%	100/13-12-014-29W1 HZ	TORC	100.00	100.00	6147675 MB - 50% Bens & Woods - 50%
		100.00%					

Crown = Manitoba Mineral Resources
 TORC = TORC Oil & Gas Ltd.
 Leonard Estate = The Estate of Leo Glenn Leonard
 6147675 MB = 6147675 Manitoba Ltd. (c/o Judy F. McAuley)
 6348395 MB = 6348395 Manitoba Ltd. (c/o Sandra Fay Hunt)
 6348409 MB = 6348409 Manitoba Ltd. (c/o Delmar Ray Sheane)
 Bens & Woods = Bens & Woods Holdings Inc.

Exhibit Revision No. = 1
 Revised Exhibit Date = July 1, 2015