

<Name of Bank>
<Bank's Mailing Address & contact number(s)>

**Irrevocable
Standby Letter of Credit No.**
<letter of credit number>

Beneficiary:
Alberta Energy Regulator
Suite 1000, 250-5th Street SW
Calgary, Alberta
T2P 0R4, Canada

Applicant:
<Approval Holder's Name>
<Approval Holder's Address>

Date of Issue:
<date>

Date and Place of Expiry:
<date and place>

Amount:
Not Exceeding CAD <xxx,xxx.00>
<amount in words> and 00/100 Canadian Dollars

At the request of <Approval Holder Name>, <Approval Holder address> (hereinafter called the 'Operator') and in regard to the requirement of the Alberta Energy Regulator (hereinafter called the 'AER') for the posting by the Operator of security to ensure the satisfactory performance of suspension, abandonment, remediation and surface reclamation pursuant to the Environmental Protection and Enhancement Act Approval No. <EPEA Approval No.>, as amended, for the <Project Name> (hereinafter called the '<Project Name> Approval') and the Regulations under Alberta's Environmental Protection and Enhancement Act, (hereinafter called the 'Act') issued to the Operator, all in respect of the Operator's operations in the Province of Alberta, <Name of Bank>, (hereinafter called the 'Bank'), hereby establishes in favour of the AER, this irrevocable letter of credit number <Letter of Credit Number> for drawings up to CAD <xxx,xxx.00> (<Amount in words> 00/100 Canadian Dollars) in aggregate amount. This Letter of Credit is issued, presentable and payable at the above-mentioned address, or such other location that the Bank may provide to the AER in writing from time to time, and expires at close of business 5:00 PM <time zone> on <date of expiry> (the 'Expiry Date').

It is a condition of this letter of credit that it shall be deemed to be automatically extended without amendment, for one year from the present or any future expiration date hereof, unless at least ninety (90) days prior to such date, the Bank will notify the AER in writing by registered mail or courier that the Bank elects not to consider this letter of credit renewed for any such additional period.

The aggregate amount available under this letter of credit shall be reduced immediately following the honouring of any drawing hereunder in an amount equal to the amount of such drawing. Except when the amount of this letter of credit is increased, this letter of credit cannot be modified or revoked without the AER's consent.

Funds shall be available under this letter of credit and will be available to the AER, subject to the

following terms and conditions and upon presentation to the Bank of the following drawing documents:

A. The AER'S signed and endorsed sight draft drawn on <Name of Bank><Bank Address> making reference to the number and date of this letter of credit,

and either

B. A certificate signed by the AER stating that:

- i. the Operator is in default of its obligation to reclaim the land as required by the provisions of the <Project Name> Approval,
- ii. the draft amount is due and owing by the Operator pursuant to the <Project Name> Approval.

or

C. A certificate signed by the AER stating that the AER has received notice of the Bank's election not to renew this letter of credit and has not received a letter of credit (hereinafter called the "replacement letter of credit") that:

- i. Subject to subparagraphs (ii) and (iii) below, is in the same terms, mutatis mutandis, including this paragraph, as this letter of credit,
- ii. covers the Operator's operations from the commencement of its operations to the end of the period covered by the replacement letter of credit, but taking into account any reduction or increase in the amount of security required by the AER pursuant to the Act, and
- iii. is operative from the date of expiry of this letter of credit.

If:

A. The Bank makes payment pursuant to paragraph C. above, and,

B. The AER thereafter receives security satisfactory to the AER under the Act, the amount of which is equal to or exceeds the amount paid hereunder, the payment made pursuant to paragraph C. above will be repaid to the Operator.

It is understood that the Bank is obligated under this letter of credit to make payment of monies only and not to perform services or otherwise.

Partial and multiple drawings are permitted.

The Bank agrees that drafts drawn and presented by the AER under this letter of credit will be duly honoured, provided that all terms and conditions of this letter of credit have been complied with.

This letter of credit sets forth in full the terms of the Bank's undertaking, and such undertaking is not subject to any agreement, requirement or qualification and shall not in any way be amended, modified, amplified, or limited by reference to any document, instrument or agreement referred to herein or in which this letter of credit is referred to or to which this letter of credit relates and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement. The obligation of the Bank under this letter of credit is in no way contingent upon reimbursement of any drawing hereunder or upon the Bank's ability to perfect a lien or security interest.

The Bank's obligation to pay is irrevocable, absolute and unconditional, and in furtherance and support thereof and without limiting the irrevocable, absolute, and unconditional nature of the Bank's obligation to the beneficiary hereunder, any demand by the beneficiary shall be honoured without any inquiry as to the beneficiary's rights to make such demand, without regard to or recognition of any contractual rights, claims or defences (legal or equitable) of the Operator against the beneficiary and without regard to any other defence to the beneficiary's demand for payment, arising as a result of any dispute between the beneficiary and the Operator or between the Operator and the Bank.

This letter of credit shall be governed by and construed in accordance with the law of the Province of Alberta (without reference to choice of law doctrine) and is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce Publication No. 600 ("UCP 600"), as amended or revised from time to time. In the event of any conflict between the law of the Province of Alberta and the UCP 600, the UCP 600 shall control. Notwithstanding Article 36 of the UCP 600, if this letter of credit expires during an interruption of business as described in said Article 36, the Bank agrees to effect payment if this letter of credit is drawn against within 30 days after the resumption of business.