

LEASE INFORMATION FOR THE RANCH ON BRADEN ROAD

ANNUAL SURFACE LEASE INFORMATION FOR WELL PADSITE

Parcel 1: SEC 32-80-17-W6

OVINTIV INC. : \$26,770.00

In addition, for each additional well(s) drilled upon the Leased Premises (20 wells have been applied for licensing), Oviniv Inc. shall also increase the adverse effect portion of the Lease annual rental by \$500.00 per well. If any of the well(s), including the Initial Well Padsite, change status to abandoned, the increased nuisance and disturbance payment in respect of that well(s) will be discontinued, and the nuisance and disturbance portion of the Lease annual rental will be reduced in the amount of such payment.

The above payments and annual rentals for any additional well(s) drilled shall be effective for any wells spudded within 4 years of the date of this lease. (Date of lease is Oct 7, 2019).

SURFACE LEASE INFORMATION FOR TEMPORARY LEASE

Parcel 1: SEC 32-80-17-W6

NOVA GAS TRANSMISSION LTD.: has an option to lease, for an 8 month term, being June 1, 2021 to January 31, 2022 for a total of \$122,760.00. The option to lease shall be exercised by May 31, 2021*.

***UPDATE MAY 20, 2021: the option to lease will not be exercised. Please contact CLHbid.com for more information.**

The Peace River Regional District ('PRRD') has issued a Temporary Use Permit for a pipe and maintenance material storage site for a period of 3 years (January 3, 2020 to December 12, 2022).

Agricultural Land Commission ('ALC') has approved the temporary site for 6 years from September 25, 2019. The conditions include continued upkeep of the existing chainlink fence, continued erosion and weed control and reclamation of the site as overseen by a qualified registered professional agrologist as well as an Irrevocable Letter of Credit in the amount of \$50,000 made payable to the Minister of Finance. Owner has indicated that there may be options for rezoning for the site after the expiration of the current Permit from the PRRD. Options may also relate to converting the site to an all-weather farm and ranch yard after 2025 to comply with the ALC ruling.

Bidders are advised to carry out their own due diligence in relation to the above lease details. Prior to the sale, please contact CLHbid.com for copies of the lease agreements for you and your lawyer's review.