

PennWest
Exploration

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September 20, 2013

VIA E-MAIL

Attention: Mark Dorin

Dear Sir:

Re: Letter dated August 26th 2013, Armisie Oilfield Surface Rights Issues
North ½ SW ¼ of 4-52-25-W4M
North ½ SE ¼ of 4-52-25-W4M

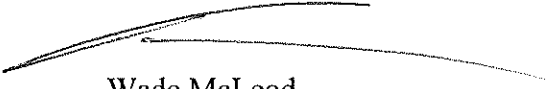
In response to your various correspondence with respect to these matters, and in particular response to your letter dated August 26th, 2013, please find enclosed the following documents, which Penn West has only recently located in our files:

1. Surface Lease Agreement dated January 1, 1962 between Frank S. Lieber and Armisie Oil Company Ltd.; and
2. Amendment to Surface Lease dated February 1, 2004, between Elizabeth Irene Storochuk and Petrofund Energy Trust. (similar amendments taken with each registered interest holder)

Since the original 1962 agreement (page 2, Clause 1), grants the Lessee the right to construct pipelines on the subject lands in connection with the operation of the wells, and since the 2004 amending agreement clearly expands the subject lands to include all of the lands affected by Penn West's wells, pipelines and infrastructure on the Braun's lands, it would appear that there is no need to enter into new pipeline right-of-way agreements or surface leases. If you wish to discuss the review of annual compensation for the surface lease of the subject lands now that the lease has been located, I am pleased to do so.

Should you have any questions or concerns, please feel free to contact the undersigned at 403-693-2575.

Yours truly,



Wade McLeod
Manager Surface Acquisition

Attachments:

- Agreement dated January 1, 1962.
- Amendment to Surface Lease dated February 4, 2004