

THIS IS EXHIBIT " 22 "

referred to in the Affidavit of

J. David Rushford

Sworn before me this 8th

day of March 2016



CHRIS SIMARD
Barrister and Solicitor



KWK E&P Canada Balance Sheets

In thousands

	December 31, 2015	December 31, 2014	Variance	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 24,491	\$ 13,774	\$ 10,717	77.8%
Accounts receivable, net of allowance for doubtful	(2,207)	20,719	(22,926)	-110.7%
Derivative assets at fair value		39,741	(39,741)	-100.0%
Inventories and other current assets	6,962	9,177	(2,215)	-24.1%
Total current assets	<u>29,246</u>	<u>83,411</u>		
Property, plant and equipment				
Oil and gas properties, full cost method	88,689	250,624	(161,935)	-64.6%
Other property and equipment	68,306	90,070	(21,764)	-24.2%
Property, plant and equipment - net	<u>156,995</u>	<u>340,694</u>		
Derivative assets at fair value		15,438	(15,438)	-100.0%
Other assets	6,089	6,271	(181)	-2.9%
	<u>\$ 192,331</u>	<u>\$ 445,813</u>		

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities				
Accounts payable	\$ 1,017	\$ 2,606	\$ (1,589)	-61.0%
Accrued liabilities	6,222	10,907	(4,685)	-43.0%
Current portion of long-term debt				0.0%
Total current liabilities	<u>7,239</u>	<u>13,513</u>		
Intercompany loan	408,551	408,551		
Long-term debt	105,648	116,606	(10,957)	-9.4%
Accrued Partnership Liability	121,813	106,678	15,135	14.2%
Asset Retirement obligations	69,075	69,026	49	0.1%
Stockholders' equity				
Common stock, \$0.01 par value	2,658	2,658		0.0%
Paid in capital in excess of par value	45,998	45,998		0.0%
Accumulated other comprehensive income	25,932	35,798	(9,865)	-27.6%
Retained earnings	(594,584)	(353,014)	(241,570)	68.4%
Total equity	<u>(519,995)</u>	<u>(268,560)</u>		
	<u>\$ 192,331</u>	<u>\$ 445,813</u>		



KWK E&P Canada Balance Sheets

In thousands

	December 31, 2015	December 31, 2014	Variance	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 17,695	\$ 11,873	\$ 5,822	49.0%
Accounts receivable, net of allowance for doubtful	(1,594)	17,860	(19,454)	-108.9%
Derivative assets at fair value	()	34,257	(34,257)	-100.0%
Inventories and other current assets	5,030	7,910	(2,880)	-36.4%
Total current assets	<u>21,130</u>	<u>71,900</u>		
Property, plant and equipment				
Oil and gas properties, full cost method	86,231	242,390	(156,158)	-64.4%
Other property and equipment	27,198	51,288	(24,090)	-47.0%
Property, plant and equipment - net	<u>113,429</u>	<u>293,678</u>		
Derivative assets at fair value		13,307	(13,307)	-100.0%
Other assets	4,400	5,405	(1,005)	-18.6%
	<u>\$ 138,960</u>	<u>\$ 384,291</u>		

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities				
Accounts payable	\$ 733	\$ 2,245	\$ (1,512)	-67.3%
Accrued liabilities	4,497	9,404	(4,906)	-52.2%
Current portion of long-term debt	76,331	100,514	(24,183)	-24.1%
Total current liabilities	<u>81,561</u>	<u>112,162</u>		
Intercompany loan	413,282	413,282		
Long-term debt			()	-100.0%
Accrued Partnership Liability	88,010	91,956	(3,946)	-4.3%
Asset Retirement obligations	49,907	59,501	(9,594)	-16.1%
Stockholders' equity				
Common stock, \$0.01 par value	1,817	1,817		0.0%
Paid in capital in excess of par value	28,118	28,118		0.0%
Accumulated other comprehensive income	24,686	35,889	(11,203)	-31.2%
Retained earnings	(548,421)	(358,435)	(189,987)	53.0%
Total equity	<u>(493,800)</u>	<u>(292,610)</u>		
	<u>\$ 138,960</u>	<u>\$ 384,291</u>		