

COURT FILE NUMBER 2401-02680
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

*IN THE MATTER OF THE COMPANIES' CREDITORS' ARRANGEMENT
ACT, R.S.C. 1985, c. C-36, AS AMENDED*

AND IN THE MATTER OF THE PLAN OF COMPROMISE AND
ARRANGEMENT OF 2669337 ALBERTA LTD.



DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE AND
SABRE ENERGY LTD.
800, 1122 – 4 Street SW
Calgary, Alberta T2R 1M1

CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT
Attention: Sam Smith and Phillip LaFlair
Telephone No.: 403-266-3626
Fax No.: 403-262-3867
Email: ssmith@sabre-energy.com
plaflair@sabre-energy.com

AFFIDAVIT OF SAM SMITH

SWORN MAY 20, 2025

I, Sam Smith, of Calgary, Alberta, AFFIRM AND SAY:

1. I am President of Sabre Energy Ltd., which is the managing partner of Sabre Energy Partnership ("SEP"). As such, I have personal knowledge of the matters stated in this Affidavit.
2. Sabre Energy Ltd., Sabre Oil and Gas Ltd. and SEP, shall collectively be referred to as "Sabre" in this Affidavit. Sabre Oil and Gas Ltd. is the other partner to Sabre Energy Partnership.
3. Sabre is engaged in the exploration and production of petroleum and natural gas in Alberta, Canada. Sabre Energy Ltd.'s office is in Calgary, Alberta.

4. 2669337 Alberta Ltd., shall be referred to as “**2669337**” in this Affidavit. 2669337 is the residual company to Razor Energy Corp. (“**Razor**”), which pursuant to the Companies’ Creditors Arrangement Act, R.S.C. 198, c. C-36 as amended (the “**CCA**”) sought and obtained an order from the Court of King’s Bench of Alberta (the “**Court**”) dated February 19, 2025 authorizing FTI Consulting Canada Inc. (the “**Monitor**”) to administer the claims process for any creditors with a proprietary/trust claim (the “**Claims Process**”) against Razor.
5. Pursuant to the Claims Process, Sabre provided a Proof of Claim to its proprietary/trust claim of \$176,994.44 to the Monitor dated March 13, 2015. The Proof of Claim is attached hereto as Appendix A.
6. The Monitor provided a Notice of Revision or Disallowance of Sabre’s Proof of Claim to Sabre dated April 21, 2025. This notice, attached hereto as Appendix B, disallowed Sabre’s \$176,994.44 claim.
7. Pursuant to the procedure outlined in the Notice of Revision or Disallowance, Sabre provided a Notice of Dispute of Revision or Disallowance to the Monitor dated May 5, 2025. The Notice of Dispute of Revision or Disallowance is attached hereto as Appendix C.

Disposition to Razor

8. Pursuant to a Purchase and Sale Agreement dated August 3, 2021, Razor purchased various assets from SEP including SEP’s interests in the following: Swan Hills Unit No.1 (the “**Unit**”), the Judy Creek Gas Plant (the “**Judy Creek GP**”), the Swan Hills Gas Gathering System and the Freeman Lake Water Plant (the “**Transaction**”).
9. Oil is the primary product produced from the Unit, in conjunction with associated gas and natural gas liquids (“**NGLs**”). The associated gas and NGLs are transported to and processed at the Judy Creek GP.
10. In December 2021 (effective as of October 1, 2021), Razor was recognized as the owner of SEP’s interest in the Unit by the Unit operator, Canadian Natural Resources.

Gas Cost Allowance

11. Pursuant to the Government of Alberta’s (“**the Crown**”) taxation powers, the Crown charges royalties on the associated gas and NGLs produced in the province of Alberta. The Crown recognizes that there are direct costs associated with oil and gas production without which such production and royalties would not be generated. To account for such effort, the Crown credits, as against production, amounts related to the construction of gas and NGL infrastructure (Capital Cost Allowance), allowable operating expenses (Operating Cost Allowance), and the payment of 3rd party fees for gathering, compression and processing (Processing Cost Allowance). These

three credits are collectively referred to as gas cost allowance credits ("**GCA**"). GCA is calculated in relation to production at the facility level, which for the purposes of this Affidavit relates to the production at the Judy Creek GP ("**Judy Creek GCA**").

12. GCA is assigned by the Crown to specific production (associated gas and NGLs) which is then credited to the owner of such production as a royalty credit.
13. GCA is estimated by the Crown on the basis of costs from the previous year and is subject to an annual adjustment (the "**13th Month Adjustment**") once current year costs have been submitted by producers to the Crown. 13th Month Adjustments are typically performed by the Crown in the first half the year, with the Crown either allocating a credit or an amount payable to a Producer. Although 13th Month Adjustments are calculated and performed at the facility level, a credit or an amount payable to a producer is allocated at the corporate level.
14. Following the closing of the Transaction, SEP held Judy Creek GCA on behalf of Razor, as SEP remained the recognized owner of the SEP interest in the Unit and the Judy Creek GP (collectively SEP's interest in the Unit and the Judy Creek GP are the "**SEP Interests**"). Judy Creek GCA credits continued to be allocated to SEP monthly, as the recognized owner, until the end of 2021. In accordance with accepted practice, following the sale of SEP Interests, Judy Creek GCA credits would not be allocated to Razor until the new year (2022) - once the Crown completed its 13th Month Adjustments with SEP holding any credits for post Transaction production on behalf of Razor.
15. Following the recognition of Razor as the owner of SEP's interest in the Unit, in January 2022, Razor indicated that it did not wish to be bound by standard practice and requested that SEP transfer the Judy Creek GCA credits to Razor. Razor argued that it was paying the Crown for royalties for the Judy Creek production but not receiving the Judy Creek GCA credits which were being held in trust by Sabre.
16. Despite it not being standard practice, SEP agreed that the transfer of certain Judy Creek GCA credits to Razor would be equitable given the circumstances.
17. However, Sabre was concerned that in agreeing to help Razor, in contravention of standard practice, Sabre would be left in an uncertain and difficult position if the Crown were to cancel SEP's credits following a thirteenth month adjustment. As a result, Sabre agreed to transfer the Judy Creek GCA credits based upon an understanding that Razor, in turn, would hold amounts equal to the transferred credits in trust on behalf of Sabre and return to Sabre such amounts pending the results of the Crown's thirteenth month adjustment. Sabre would not have agreed to transfer the credits without such an understanding.
18. SEP agreed to transfer the Judy Creek GCA Credits to Razor for the months from September through November 2021. Transfer of these credits is noted in invoices JR202110A-021 and JR202112A-0012, attached hereto as Appendix D and E, respectively. These invoices were

prepared by Sabre and accepted by Razor using joint interest billing software for oil and gas property accounting ("**JIB Software**").

19. SEP transferred the following GCA credits (and the associated Crown royalty obligation) to Razor:

	2021-08	2021-09	2021-10	2021-11	Total
Crown Royalty		\$56,997.27	Billed directly to Razor by the Crown	Billed directly to Razor by the Crown	\$56,997.27
Judy Creek GCA Credits	(\$1,854.03)	(\$77,379.23)	(\$77,379.25)	(\$77,379.23)	(\$233,991.74)
Total	(\$1,854.03)	(\$20,381.96)	(\$77,379.25)	(\$77,379.23)	(\$176,994.47)

20. In June 2022 Sabre received notice that the Crown had completed the Judy Creek GP 13th Month Adjustment for the period ending December 31, 2021 (the "**Crown Adjustment**"). The Crown cancelled SEP's Judy Creek GCA credits for the months September through November of 2021.

21. Following the cancellation of the Credits from SEP's account, the Crown allocated the cancelled credits to Razor for the months of September through November of 2021 to balance the facility GCA at the Judy Creek GP.

Failure to Pay to Sabre the Trust Amounts

22. Following the cancellation of SEP's Judy Creek GCA credits and the allocation of such credits to Razor, and pursuant to the agreement between SEP and Razor, SEP requested payment of the amounts referred to in paragraphs 18 and 19 above. Requests were made by email to various employees of Razor on several occasions, including:

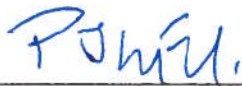
- a. August 18, 2022;
- b. September 8, 2022;
- c. November 15, 2022; and
- d. January 12, 2023.

A request through JIB Software also occurred on September 22, 2022.

23. Despite having taken the benefit of and being enriched by Sabre's actions, Razor did not respond to SEP's requests.

24. Having received no response, Sabre filed a Statement of Claim against Razor on February 1, 2024, attached hereto in Appendices A and C. Sabre was prevented from pursuing its claim as a result of Razor's filing of a Notice of Intention that has led to this Court ordered process.
25. Razor has failed to pay, without just reason, to Sabre the amounts it held in trust on behalf of Sabre that Sabre equitably paid to Razor, at Razor's request, to the detriment of Sabre.

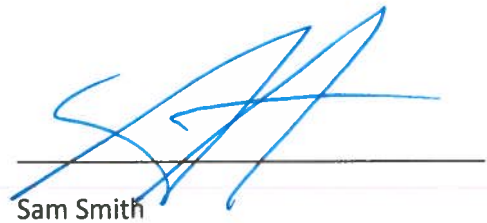
SWORN BEFORE ME at Calgary, Alberta,
this 20th day of May 2025.



A Commissioner for Oaths in and for Alberta

Phillip LaFlair Barrister + Solicitor

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Sam Smith

This is **Appendix "A"** to the Affidavit of Sam Smith

Sworn before me this 20 day of May 2025.

PJWf1.

Notary Public/Commissioner for Oaths in and for Alberta



**Corporate Finance &
Restructuring**
1610, 520 – 5th Ave. SW
Calgary, Alberta, T2P 3R7

PROOF OF CLAIM

IN THE MATTER OF THE CCAA PROCEEDINGS OF 2669337 ALBERTA LTD. (the "APPLICANT")

Regarding the claim of Sabre Energy Partnership, Sabre Energy Ltd., Sabre Oil and Gas Ltd. (referred
to in this form as the "**Claimant**").
(name of Claimant)

All notices or correspondence regarding this claim to be forwarded to the Claimant at the following address:

800, 1122 4 St. S.W., Calgary, AB, T2R 1M1

Telephone Number: (403)266-3626

Facsimile Number: (403)262-3867

Attention (Contact Person): Josh Molcak, Director, Finance

Email Address: jmolcak@sabre-energy.com

(All future correspondence will be delivered to the designated email address unless the Claimant specifically requests that hardcopies be provided)

Please provide hardcopies of materials to the address above.

I, Josh Molcak (name of the Claimant or representative of the Claimant), of Calgary, AB (City, Province or State) do hereby certify that:

I am the Claimant;

OR

I am Director, Finance (state position/title) of the Claimant.

I have knowledge of all the circumstances connected with the claim referred to in this form.

The Applicant is indebted to the Claimant in the sum of CDN\$ \$176,994.44 (insert CDN\$ value of claim) as shown by the statement of account attached hereto and marked Schedule "A". If a Claimant's claim is to be reduced by deducting any counterclaims to which the Applicant is entitled and/or amounts associated with the return of equipment and/or assets by the Applicant, please specify. Capitalized terms used but not defined herein have the meaning given in the Claims Process Order dated February 19, 2025, which is posted on the website of the Monitor at <http://cfcanada.fticonsulting.com/Razor-Blade>.

The statement of account must specify the evidence in support of the claim including the date and location of the delivery of all services and materials. Any claim for interest must be supported by contractual documentation evidencing the entitlement to interest.

- ☒ A. PROPRIETARY/TRUST CLAIM OF \$ 176,994.44. In respect of this claim, the Claimant asserts a proprietary interest in certain assets or funds of the Applicant, or asserts that it is the beneficiary of a trust or deemed trust over certain assets or funds held by the Applicant.

Give full particulars of the proprietary or trust interest which the Claimant asserts, including the specific relevant assets or funds, and attach a copy of the relevant documents as Schedule "B".

- ☐ B. POST-FILING CLAIM OF \$ _____. That in respect of this claim, the relevant amounts owing accrued from and after January 30, 2024.

- ☐ C. SECURED CLAIM OF \$ _____. That in respect of this claim, the Claimant holds security over certain assets of the Applicant, particulars of which are as follows:

Give full particulars of the security, including the date on which the security was given and the value at which the Claimant assesses the security together with the basis of valuation, and attach a copy of the security documents as Schedule "B".

- ☐ D. D&O CLAIM OF \$ _____. That this claim is (i) against the Directors and/or Officers, in their capacity as such, or (ii) by the Directors and/or Officers, in their capacity as such, against the Applicant, and in either case, the relevant amounts accrued from and after January 30, 2024, and the Directors and/or Officers are indemnified pursuant to paragraph 21 of the ARIO and such indemnity is secured by the Directors' Charge (as defined in the ARIO).

Have you acquired this Claim by assignment?

No ☒

Yes ☐


(if yes, attach documents evidencing assignment)

(if yes) Full Legal Name of original creditor(s):

DATED this 13 day of March, 2025.

Per:




Witness
SAM SMITH

**Corporate Finance &
Restructuring**
1610, 520 – 5th Ave. SW
Calgary, Alberta, T2P 3R7

Claimant Signature

Print name of Claimant:

If Claimant is other than an individual, print name and title of authorized signatory.

Signature:



Name:

Josh Molcak

Title:

Director, Finance

Schedule "A"

Company: SEP Pandell JV 5.11.10.22 User: jmolcak@sabre-energy.com Report run: 3/4/2025 10:46:07 AM -07:00

SABRE ENERGY PARTNERSHIP

Aged AP/AR Summary

As of 2025-03-04

Business Associate	Business Associate Name	Major Invoice	Invoice Date	Pay Date	Payment Type	Period Voucher	Transaction	< 31 Days	31 to 60 Days	61 to 90 Days	Over 90 Days	Grand Total
RAZOR	RAZOR ENERGY CORP.	1430	RAZOR FSOA ADJ 2023-04-26	2023-04-26	Invoice	202303 9039	C00003	0.00	0.00	0.00	176,994.44	176,994.44
Grand Total:								0.00	0.00	0.00	176,994.44	176,994.44

COURT FILE NUMBER

COURT

COURT OF KING'S BENCH OF
ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFFS

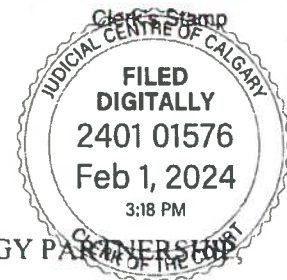
SABRE ENERGY LTD., SABRE ENERGY PARTNERSHIP
SABRE OIL and GAS LTD.

DEFENDANT

RAZOR ENERGY CORP.

DOCUMENT

STATEMENT OF CLAIM



ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

Sabre Energy Ltd.
800, 1122 – 4th Street SW
Calgary, AB T2R 1M1

Phillip LaFlair
Email: plaflair@sabre-energy.com

NOTICE TO DEFENDANT

You are being sued. You are a defendant.

Go to the end of this document to see what you can do and when you must do it.

STATEMENT OF FACTS RELIED ON:

The Parties

1. The Plaintiff, Sabre Energy Ltd., is a corporation registered in Alberta that carries on business in Alberta as an oil and gas company.
2. The Plaintiff, Sabre Oil and Gas Ltd., is a corporation registered in Alberta that carries on business in Alberta as an oil and gas company.
3. The Plaintiff, Sabre Energy Partnership (“SEP”), is a partnership registered in Alberta that carries on business in the oil and gas industry. The partners in SEP are Sabre Energy Ltd. and Sabre Oil and Gas Ltd.

4. The Defendant, Razor Energy Corp. ("**Razor**"), is a corporation registered in Alberta that carries on business as an oil and gas company.

Swan Hill Unit No. 1

5. Pursuant to a Purchase and Sale Agreement dated August 3, 2021 (the "**P&S Agreement**"), Razor purchased various assets from SEP including SEP's interests in the following: Swan Hills Unit No.1 (the "**Unit**"), the Judy Creek Gas Plant, the Swan Hills Gas Gathering System and the Freeman Lake Water Plant.

6. Oil is the primary product produced from the Unit, in conjunction with associated gas and natural gas liquids ("**NGLs**"). The associated gas and NGLs are transported to and processed at the Judy Creek Gas Plant.

Gas Cost Allowance and 13th Month Adjustment

7. Pursuant to the Government of Alberta's ("**the Crown**") taxation powers, the Crown charges royalties on the associated gas and NGLs produced by the Unit. The royalties to be paid to the Crown recognize the costs incurred by oil and gas producers ("**Producers**") relating to the transportation and processing of gas and NGLs. To account for such costs, the Crown credits, to the benefit of Producers, amounts related to the construction of gas and NGL infrastructure (Capital Cost Allowance), allowable operating expenses (Operating Cost Allowance), and the payment of 3rd party fees for gathering, compression and processing (Processing Cost Allowance). These three credits are collectively referred to as gas cost allowance ("**GCA**"). GCA is determined at the facility level, which for the purposes of this claim refer to the Judy Creek Gas Plant ("**Judy Creek**").

8. GCA is estimated by the Crown on the basis of costs from the previous year and is subject to an annual adjustment(s) (the "**13th Month Adjustment**") once current year costs have been submitted by Producers to the Crown. 13th Month Adjustments are typically performed by the Crown in the first half the year, with the Crown either allocating a credit or an amount payable to a Producer. Although 13th Month Adjustments are calculated and performed at the facility level, a credit or an amount payable to a Producer is allocated at the corporate level.

9. The Judy Creek GCA credits are not stand-alone credits. Judy Creek GCA has value to the extent that it is a credit against royalties owing by a Producer to the Crown. When costs relating to the handling of the Crown's royalty portion of Unit gas and NGLs production exceed the amount of royalties payable to the Crown, the ability for a Producer to take benefit of the Judy Creek GCA is said to be cost restricted - that is the Judy Creek credit is limited to the royalties payable to the Crown (meaning gross Crown royalties on gas and NGLs are equal to the GCA credits). The Unit is cost restricted.

10. Judy Creek GCA remained to the credit of SEP following the closing of the transaction governed by the P&S Agreement, as SEP remained the recognized owner of the SEP interest in the Unit and Judy Creek (collectively SEP's interest in the Unit and Judy Creek are the "**SEP Interests**"). Judy Creek GCA credits continued to be allocated to SEP monthly until the end of 2021. In the normal course, following the sale SEP Interests, Judy Creek GCA credits would not be allocated to Razor until the new year (2022)- once the Crown completed its 13th Month Adjustments.

11. In December 2021 (effective as of October 1, 2021), Razor was recognized as the owner of SEP's interest in the Unit by the Unit operator, Canadian Natural Resources. Following such recognition, in or around January 2022, Razor requested that SEP transfer SEP's Judy Creek GCA credits to Razor. Razor argued that, while SEP was not required to transfer the Judy Creek GCA credits to Razor, such transfer of Judy Creek GCA credits would be of great help to Razor, as Razor was paying royalties to the Crown but would not receive the benefit of the Judy Creek GCA credits until after the 13th month adjustment.

12. Contrary to any requirement for SEP to transfer Judy Creek GCA credits to Razor, and in specific reliance upon Razor's agreement, explicit or implied, to hold Judy Creek GCA credits in trust on behalf of SEP and return such credits to SEP, as required, following the 13th month adjustment, SEP agreed to transfer Judy Creek GCA credits to Razor for the months September through November 2021 (the "**GCA Transfer Agreement**").

13. In accordance with the GCA Transfer Agreement, SEP transferred the GCA credits to Razor (and a Crown royalty obligation for September 2021) as follows:

	2021-08	2021-09	2021-10	2021-11	2021-12	TOTAL
Crown Royalty	Settled on FSOA	\$ 56,997.27	Billed directly to Razor by Crown	Billed directly to Razor by Crown	Billed directly to Razor by Crown	\$56,997.27
GCA Credits	(\$1,854.03)	(\$77,379.23)	(\$77,379.25)	(\$77,379.23)		(\$233,991.74)
TOTAL	(\$1,854.03)	(\$20,381.96)	(\$77,379.25)	(\$77,379.23)		(\$176,994.47)

14. In June 2022, the Crown completed the Judy Creek 13th Month Adjustment for the period ending December 31, 2021. The Crown determined that, given SEP was not the owner of the Judy Creek Plant for the months September through November 2021, SEP was not entitled to the Judy Creek GCA credits for the months September through November of 2021 (the “Credits”). The Crown then cancelled the Credits from SEP’s account; however, SEP had already provided the Credits to Razor in accordance with the GCA Transfer Agreement.

15. Following the cancellation of the Credits from SEP’s account, the Crown subsequently allocated the Judy Creek GCA credits to Razor for the months of September through November of 2021. In accordance with the GCA Transfer Agreement, Razor accepted such credits in trust and held the credits on behalf of SEP.

16. Razor had a duty to inform the Crown that Razor had already received the Judy Creek GCA credits pursuant to the GCA Transfer Agreement. Such credits were accepted by Razor without juristic reason, or fraudulently, as the credits were the property of SEP and Razor was not entitled to the GCA credits at law having previously received the credits through the GCA Transfer Agreement.

17. Razor explicitly stated or implied that it would hold any and all GCA credits in trust pending the 13th month adjustment. Regardless, Razor had a duty to SEP and the Crown to hold GCA credits in trust on behalf of SEP.

18. Further, Razor represented to SEP that all amounts owing between the parties as a result of the transfer of amounts relating to the GCA credits would be accounted for through the 13th

month adjustment process pursuant to the P&S Agreement and any amounts owing between the parties would be paid in a timely manner.

The P&S Agreement

19. Article 4 of the P&S Agreement governs post closing adjustments. Specifically, Section 4.2 (f) states:

No adjustments shall be made pursuant to this Article 4 after the Post-Closing Statement of Adjustments is finalized pursuant to Section 4.2(e) unless a specific request in writing is made by the Party requesting such adjustment to the other Party identifying in reasonable detail the adjustment required by this Agreement within: (i) twenty-four (24) months following the Closing Date for: (A) adjustments arising from joint venture audits initiated by a Third Party under a joint operating agreement relating to the Assets; (B) adjustments arising from royalty audits initiated by the royalty payee; and (C) Thirteenth Month Adjustments; or (ii) one (1) year following the Closing Date for any other adjustment. The Parties shall settle, by an appropriate payment by one to the other, any adjustment pursuant to this Section 4.2(f) not later than thirty (30) days after notice requesting the adjustment is given by the Party entitled to the adjustment payment to the other Party required to make the payment.

20. The P&S Agreement defines Thirteen Month Adjustment as:

a reconciliation payment made pursuant to an agreement which provides that, during a period of time (usually a calendar year), revenues and expenses (such as operating expenses, processing fee revenues, excess capacity utilization fees and recoveries, royalties, gas cost allowances or similar cost allowances) will be distributed to or paid on the basis of estimates thereof and, following the end of such period of time, the actual amount of such revenues and costs will be determined and adjustments made by the parties to the agreement to reconcile the estimated amounts and the actual amounts;

Failure to Transfer GCA Credits

21. Pursuant to the GCA Transfer Agreement, Razor explicitly stated or implied that it would hold any and all GCA credits in trust pending the 13th month adjustment. Regardless of the GCA Transfer Agreement, Razor had a duty to SEP and the Crown to hold GCA credits in trust on behalf of SEP.

22. SEP requested the transfer of its GCA credits.

23. Razor has failed to transfer to SEP SEP's GCA credits.

Failure to Pay

24. Further, Razor represented to SEP that all amounts owing between the parties as a result of the transfer of amounts relating to the GCA credits would be accounted for through the 13th month adjustment process pursuant to the P&S Agreement and any amounts owing between the parties would be paid in a timely manner.

25. SEP requested payment, in writing pursuant to the P&S Agreement with reasonable detail, of the \$176,994.47 owing by Razor to SEP on April 26, 2023. Prior to such request and formal notice of adjustment ("Notice") to the Post Closing Statement (as defined within the P&S Agreement), SEP had corresponded by email with various employees of Razor and had requested the transfer of SEP's GCA credits or payment through joint interest billing software used for oil and gas property accounting. Such joint interest billing request occurred on September 22, 2022.

26. Further, Razor represented to SEP that all amounts owing between the parties as a result of the transfer of amounts relating to the GCA credits would be accounted for through the 13th month adjustment process pursuant to the P&S Agreement and any amounts owing between the parties would be paid in a timely manner.

27. Razor has failed to dispute the Notice or the \$176,994.47 owing by Razor to Sabre related to the adjustment to the Post Closing Statement within timeframe prescribed with the P&S Agreement, nor has acknowledged the Notice nor disputed that such amount is owing by Razor to SEP.

28. Razor has failed to respond to SEP's requests for payment both prior to the Notice and related to the Notice.

29. In breach of its contractual obligations and the specific terms of the P&S Agreement, Razor has failed to pay the \$176,994.47 owing to SEP.

30. Razor's actions are unlawful and have caused damage to SEP as follows:

- (a) **Breach of Trust:** Razor is knowingly or inadvertently in the unlawful possession of SEP's GCA credits which it holds in trust for SEP;
- (b) **Breach of Contract:** Razor breached the terms of the GCA Transfer Agreement and also the terms of the P&S Agreement, more specifically Section 4.2(f) thereof;
- (c) **Unjust Enrichment:** Razor has enriched itself in the amount of \$176,994.47 to the corresponding detriment of SEP, without juristic reason.

RELIEF SOUGHT:

31. The Plaintiffs seek the following relief:

- (a) a declaration that the GCA credits are held by Razor in trust for SEP and ordering Razor to transfer to SEP credits in the amount of \$176,994.47, or such other amount as the Court may determine;
- (b) in the alternative, damages for breach of contract in the amount of \$176,994.47 or such other amount to be proven at the trial of this Action;
- (c) in the alternative, damages for the unjust enrichment of Razor to the corresponding detriment of the Plaintiffs in the amount of \$176,994.47 or such other amount to be proven at the trial of this Action;
- (d) interest pursuant to the *Judgment Interest Act*, RSA 2000, c. J-1, or on such other scale deemed just by this Honourable Court;

- (e) costs on a solicitor-client basis or such other basis deemed just by this Honourable Court;
- (f) applicable GST; and
- (g) such further and other relief as counsel may request and this Honourable Court may deem just.

NOTICE TO THE DEFENDANT

You only have a short time to do something to defend yourself against this claim:

20 days if you are served in Alberta

1 month if you are served outside Alberta but in Canada

2 months if you are served outside Canada.

You can respond by filing a statement of defence or a demand for notice in the office of the clerk of the Court of Queen's Bench at Calgary, Alberta, AND serving your statement of defence or a demand for notice on the plaintiff's address for service.

WARNING

If you do not file and serve a statement of defence or a demand for notice within your time period, you risk losing the law suit automatically. If you do not file, or do not serve, or are late in doing either of these things, a court may give a judgment to the plaintiff against you.

This is **Appendix "B"** to the Affidavit of Sam Smith

Sworn before me this 30 day of May 2025.

PJ Wf1.

Notary Public/Commissioner for Oaths in and for Alberta

NOTICE OF REVISION OR DISALLOWANCE

**IN THE MATTER OF THE CCAA PROCEEDINGS OF 2669337 ALBERTA LTD.
(the "APPLICANT")**

**TO: Sabre Energy Partnership
800, 1122 4 St. SW
Calgary, AB
T2R 1M1
Canada**

Attn: Josh Molcak

PLEASE TAKE NOTICE that this Notice of Revision or Disallowance is being sent pursuant to an order of the Court of King's Bench of Alberta, Judicial Centre of Calgary, dated February 19, 2025 (the "**Claims Process Order**"). All capitalized terms not otherwise defined in this Notice of Revision or Disallowance shall bear the meaning given to them in the Claims Process Order, which is posted on the website of the Monitor, at <http://cfcanada.fticonsulting.com/Razor-Blade> (the "**Monitor's Website**").

The Monitor has reviewed your Proof of Claim dated March 19, 2025, and has revised or disallowed your Claim for the following reason(s):

Sabre has failed to provide documents to adequately support Sabre's position that Razor held gas cost allowances in trust on behalf of Sabre and/or that Sabre maintained a proprietary interest over the ResidualCo Funds or other Property of ResidualCo (as defined in the Claims Process Order).

Subject to further dispute by you in accordance with the provisions of the Claims Process Order, your Claim will be allowed as follows:

Applicant	Claim Per Proof of Claim	Amount Revised/ Disallowed	Claim Amount Allowed
2669337 Alberta Ltd.	Proprietary/Trust	\$176,994.44	Proprietary/Trust: \$ 0.00

If you intend to dispute this Notice of Revision or Disallowance, **no later than 5:00 p.m. MST on the day that is 15 calendar days after your deemed receipt of this Notice of Revision or Disallowance**, you must deliver a Notice of Dispute by registered mail, email (in PDF format), courier or facsimile transmission to the Monitor at the following address:

FTI Consulting Canada Inc.

in its capacity as Monitor of
2669337 Alberta Ltd.
Suite 1610, 520 – 5th Ave SW
Calgary, Alberta T2P 3R7

Fax: (403) 232-6116

Phone: (403) 454-6033

Email: razor@fticonsulting.com

No later than 5:00 p.m. MST on the day that is 15 calendar days after sending the Notice of Dispute to the Monitor, you must file with the Court and deliver to the Monitor and the Company an application together with supporting affidavit.

Any Claimant who fails to deliver a Notice of Dispute and file an application together with a supporting affidavit by the date and time set out above shall be deemed to accept the classification and the amount of its Claim as set out in this Notice of Revision or Disallowance and the Claimant will have those rights set out in the Claims Process Order with respect to such Claim.

Dated at Calgary, Alberta, this 21st day of April, 2025.

**NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE OF THE CLAIMANT
LISTED HEREIN**

**IN THE MATTER OF THE CCAA PROCEEDINGS OF 2669337 ALBERTA LTD. (the
"APPLICANT")**

By order of the Court of King's Bench of Alberta (the "**Court**") dated February 19, 2025 (as may be amended, restated or supplemented from time to time, the "**Claims Process Order**"), in the proceedings with respect to the Applicant under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), the Monitor has been authorized to conduct a claims process (the "**Claims Process**").

A copy of the Claims Process Order, with all schedules, may be found on the Monitor's website at: <http://cfcanada.fticonsulting.com/Razor-Blade> (the "**Monitor's Website**"). Capitalized terms used in this Notice of Dispute not otherwise defined shall have the meaning given to them in the Claims Process Order.

Name of Claimant: _____

Address: _____

Telephone Number: _____

Facsimile Number: _____

Email Address: _____



**Corporate Finance &
Restructuring**

1610, 520 – 5th Ave. SW
Calgary, Alberta, T2P 3R7

PLEASE TAKE NOTICE THAT, pursuant to the Claims Process Order, we hereby give you notice of our intention to dispute the Notice of Revision or Disallowance dated **April 21, 2025** issued by FTI Consulting Canada Inc., in its capacity as Court-appointed Monitor of the Applicant, in respect of our Claim. We accept/dispute the following portion(s) of our Claim as revised and/or disallowed in the said Notice of Revision or Disallowance:

Revised Claim as Accepted (\$CDN)	Revised Claim as Disputed (\$CDN)

Reason for the dispute (attach copies of any supporting documentation):

Address for Service of Notice of Dispute of Revision or Disallowance:

FTI Consulting Canada Inc.
in its capacity as Monitor of
2669337 Alberta Ltd.
Suite 1610, 520 – 5th Ave SW
Calgary, Alberta T2P 3R7

Phone: (403) 454-6033
Fax: (403) 232-6116
Email: razor@fticonsulting.com



**Corporate Finance &
Restructuring**

1610, 520 – 5th Ave. SW
Calgary, Alberta, T2P 3R7

THIS FORM AND ANY REQUIRED SUPPORTING DOCUMENTATION, TOGETHER WITH AN APPLICATION AND SUPPORTING AFFIDAVIT FILED WITH THE COURT, MUST BE RETURNED TO THE MONITOR BY PREPAID REGISTERED MAIL, EMAIL (IN PDF FORMAT), FACSIMILE OR COURIER TO THE ADDRESS INDICATED ABOVE AND MUST BE ACTUALLY RECEIVED BY THE MONITOR BY 5:00 P.M. MST ON THE DAY WHICH IS FIFTEEN DAYS AFTER THE DATE OF THE CLAIMANT'S DEEMED RECEIPT OF THE NOTICE OF REVISION OR DISALLOWANCE.

DATED this ____ day of _____, 2025.

Per:

Witness

Claimant Signature

Print name of Claimant:

If Claimant is other than an individual, print name and title of authorized signatory.

Signature:

Name:

Title

This is **Appendix "C"** to the Affidavit of Sam Smith

Sworn before me this 20 day of May 2025.

PJ WFL.

Notary Public/Commissioner for Oaths in and for Alberta



**Corporate Finance &
Restructuring**
1610, 520 – 5th Ave. SW
Calgary, Alberta, T2P 3R7

**NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE OF THE CLAIMANT
LISTED HEREIN**

**IN THE MATTER OF THE CCAA PROCEEDINGS OF 2669337 ALBERTA LTD. (the
"APPLICANT")**

By order of the Court of King's Bench of Alberta (the "Court") dated February 19, 2025 (as may be amended, restated or supplemented from time to time, the "Claims Process Order"), in the proceedings with respect to the Applicant under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), the Monitor has been authorized to conduct a claims process (the "Claims Process").

A copy of the Claims Process Order, with all schedules, may be found on the Monitor's website at: <http://cfcanada.fticonsulting.com/Razor-Blade> (the "Monitor's Website"). Capitalized terms used in this Notice of Dispute not otherwise defined shall have the meaning given to them in the Claims Process Order.

Name of Claimant: SABRE ENERGY LTD., SABRE ENERGY PARTNERSHIP,
SABRE OIL and GAS LTD.

Address: 800, 1122 - 4th Street SW, Calgary, AB, T2R 1M1

Telephone Number: 403-266-3626

Facsimile Number: 403-262-3867

Email Address: ssmith@sabre-energy.com



**Corporate Finance &
Restructuring**
1610, 520 – 5th Ave. SW
Calgary, Alberta, T2P 3R7

PLEASE TAKE NOTICE THAT, pursuant to the Claims Process Order, we hereby give you notice of our intention to dispute the Notice of Revision or Disallowance dated **April 21, 2025** issued by FTI Consulting Canada Inc., in its capacity as Court-appointed Monitor of the Applicant, in respect of our Claim. We accept/dispute the following portion(s) of our Claim as revised and/or disallowed in the said Notice of Revision or Disallowance:

Revised Claim as Accepted (\$CDN)	Revised Claim as Disputed (\$CDN)
NIL	\$176,994.44

Reason for the dispute (attach copies of any supporting documentation):

The Monitor failed to provide any rationale for disallowing the Claimant's proprietary/trust claim.

The Claimant will make an application to request that the Court determine its proprietary/trust claim, which is outlined in the attached Statement of Claim.

Address for Service of Notice of Dispute of Revision or Disallowance:

FTI Consulting Canada Inc.
in its capacity as Monitor of
2669337 Alberta Ltd.
Suite 1610, 520 – 5th Ave SW
Calgary, Alberta T2P 3R7

Phone: (403) 454-6033
Fax: (403) 232-6116
Email: razor@fticonsulting.com




**Corporate Finance &
Restructuring**

1610, 520 – 5th Ave. SW
Calgary, Alberta, T2P 3R7


THIS FORM AND ANY REQUIRED SUPPORTING DOCUMENTATION, TOGETHER WITH AN APPLICATION AND SUPPORTING AFFIDAVIT FILED WITH THE COURT, MUST BE RETURNED TO THE MONITOR BY PREPAID REGISTERED MAIL, EMAIL (IN PDF FORMAT), FACSIMILE OR COURIER TO THE ADDRESS INDICATED ABOVE AND MUST BE ACTUALLY RECEIVED BY THE MONITOR BY 5:00 P.M. MST ON THE DAY WHICH IS FIFTEEN DAYS AFTER THE DATE OF THE CLAIMANT'S DEEMED RECEIPT OF THE NOTICE OF REVISION OR DISALLOWANCE.

DATED this 5 day of May, 2025.

Per:



Thomas Smith
Witness



Claimant Signature

SABRE ENERGY LTD., SABRE ENERGY PARTNERSHIP,
SABRE OIL and GAS LTD.

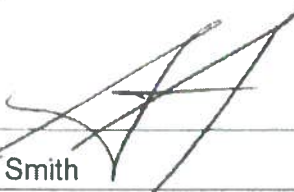
Print name of Claimant:

If Claimant is other than an individual, print name and title of authorized signatory.

Signature:

Name:

Title



Sam Smith

President

COURT FILE NUMBER

COURT

COURT OF KING'S BENCH OF
ALBERTA

JUDICIAL CENTRE

CALGARY

PLAINTIFFS

SABRE ENERGY LTD., SABRE ENERGY PARTNERSHIP,
SABRE OIL and GAS LTD.

DEFENDANT

RAZOR ENERGY CORP.

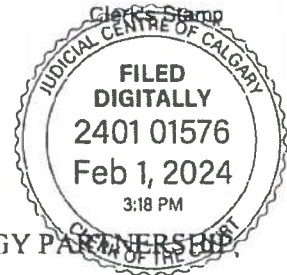
DOCUMENT

STATEMENT OF CLAIM

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

Sabre Energy Ltd.
800, 1122 – 4th Street SW
Calgary, AB T2R 1M1

Phillip LaFlair
Email: plaflair@sabre-energy.com



NOTICE TO DEFENDANT

You are being sued. You are a defendant.

Go to the end of this document to see what you can do and when you must do it.

STATEMENT OF FACTS RELIED ON:

The Parties

1. The Plaintiff, Sabre Energy Ltd., is a corporation registered in Alberta that carries on business in Alberta as an oil and gas company.
2. The Plaintiff, Sabre Oil and Gas Ltd., is a corporation registered in Alberta that carries on business in Alberta as an oil and gas company.
3. The Plaintiff, Sabre Energy Partnership ("SEP"), is a partnership registered in Alberta that carries on business in the oil and gas industry. The partners in SEP are Sabre Energy Ltd. and Sabre Oil and Gas Ltd.

4. The Defendant, Razor Energy Corp. ("**Razor**"), is a corporation registered in Alberta that carries on business as an oil and gas company.

Swan Hill Unit No. 1

5. Pursuant to a Purchase and Sale Agreement dated August 3, 2021 (the "**P&S Agreement**"), Razor purchased various assets from SEP including SEP's interests in the following: Swan Hills Unit No.1 (the "**Unit**"), the Judy Creek Gas Plant, the Swan Hills Gas Gathering System and the Freeman Lake Water Plant.

6. Oil is the primary product produced from the Unit, in conjunction with associated gas and natural gas liquids ("**NGLs**"). The associated gas and NGLs are transported to and processed at the Judy Creek Gas Plant.

Gas Cost Allowance and 13th Month Adjustment

7. Pursuant to the Government of Alberta's ("**the Crown**") taxation powers, the Crown charges royalties on the associated gas and NGLs produced by the Unit. The royalties to be paid to the Crown recognize the costs incurred by oil and gas producers ("**Producers**") relating to the transportation and processing of gas and NGLs. To account for such costs, the Crown credits, to the benefit of Producers, amounts related to the construction of gas and NGL infrastructure (Capital Cost Allowance), allowable operating expenses (Operating Cost Allowance), and the payment of 3rd party fees for gathering, compression and processing (Processing Cost Allowance). These three credits are collectively referred to as gas cost allowance ("**GCA**"). GCA is determined at the facility level, which for the purposes of this claim refer to the Judy Creek Gas Plant ("**Judy Creek**").

8. GCA is estimated by the Crown on the basis of costs from the previous year and is subject to an annual adjustment(s) (the "**13th Month Adjustment**") once current year costs have been submitted by Producers to the Crown. 13th Month Adjustments are typically performed by the Crown in the first half the year, with the Crown either allocating a credit or an amount payable to a Producer. Although 13th Month Adjustments are calculated and performed at the facility level, a credit or an amount payable to a Producer is allocated at the corporate level.

9. The Judy Creek GCA credits are not stand-alone credits. Judy Creek GCA has value to the extent that it is a credit against royalties owing by a Producer to the Crown. When costs relating to the handling of the Crown's royalty portion of Unit gas and NGLs production exceed the amount of royalties payable to the Crown, the ability for a Producer to take benefit of the Judy Creek GCA is said to be cost restricted - that is the Judy Creek credit is limited to the royalties payable to the Crown (meaning gross Crown royalties on gas and NGLs are equal to the GCA credits). The Unit is cost restricted.

10. Judy Creek GCA remained to the credit of SEP following the closing of the transaction governed by the P&S Agreement, as SEP remained the recognized owner of the SEP interest in the Unit and Judy Creek (collectively SEP's interest in the Unit and Judy Creek are the "**SEP Interests**"). Judy Creek GCA credits continued to be allocated to SEP monthly until the end of 2021. In the normal course, following the sale SEP Interests, Judy Creek GCA credits would not be allocated to Razor until the new year (2022)- once the Crown completed its 13th Month Adjustments.

11. In December 2021 (effective as of October 1, 2021), Razor was recognized as the owner of SEP's interest in the Unit by the Unit operator, Canadian Natural Resources. Following such recognition, in or around January 2022, Razor requested that SEP transfer SEP's Judy Creek GCA credits to Razor. Razor argued that, while SEP was not required to transfer the Judy Creek GCA credits to Razor, such transfer of Judy Creek GCA credits would be of great help to Razor, as Razor was paying royalties to the Crown but would not receive the benefit of the Judy Creek GCA credits until after the 13th month adjustment.

12. Contrary to any requirement for SEP to transfer Judy Creek GCA credits to Razor, and in specific reliance upon Razor's agreement, explicit or implied, to hold Judy Creek GCA credits in trust on behalf of SEP and return such credits to SEP, as required, following the 13th month adjustment, SEP agreed to transfer Judy Creek GCA credits to Razor for the months September through November 2021 (the "**GCA Transfer Agreement**").

13. In accordance with the GCA Transfer Agreement, SEP transferred the GCA credits to Razor (and a Crown royalty obligation for September 2021) as follows:

	2021-08	2021-09	2021-10	2021-11	2021-12	TOTAL
	Settled on		Billed directly	Billed directly	Billed directly	
	FSOA		to Razor by	to Razor by	to Razor by	
Crown Royalty		\$ 56,997.27	Crown	Crown	Crown	\$56,997.27
GCA Credits	(\$1,854.03)	(\$77,379.23)	(\$77,379.25)	(\$77,379.23)		(\$233,991.74)
TOTAL	(\$1,854.03)	(\$20,381.96)	(\$77,379.25)	(\$77,379.23)		(\$176,994.47)

14. In June 2022, the Crown completed the Judy Creek 13th Month Adjustment for the period ending December 31, 2021. The Crown determined that, given SEP was not the owner of the Judy Creek Plant for the months September through November 2021, SEP was not entitled to the Judy Creek GCA credits for the months September through November of 2021 (the “Credits”). The Crown then cancelled the Credits from SEP’s account; however, SEP had already provided the Credits to Razor in accordance with the GCA Transfer Agreement.

15. Following the cancellation of the Credits from SEP’s account, the Crown subsequently allocated the Judy Creek GCA credits to Razor for the months of September through November of 2021. In accordance with the GCA Transfer Agreement, Razor accepted such credits in trust and held the credits on behalf of SEP.

16. Razor had a duty to inform the Crown that Razor had already received the Judy Creek GCA credits pursuant to the GCA Transfer Agreement. Such credits were accepted by Razor without juristic reason, or fraudulently, as the credits were the property of SEP and Razor was not entitled to the GCA credits at law having previously received the credits through the GCA Transfer Agreement.

17. Razor explicitly stated or implied that it would hold any and all GCA credits in trust pending the 13th month adjustment. Regardless, Razor had a duty to SEP and the Crown to hold GCA credits in trust on behalf of SEP.

18. Further, Razor represented to SEP that all amounts owing between the parties as a result of the transfer of amounts relating to the GCA credits would be accounted for through the 13th

month adjustment process pursuant to the P&S Agreement and any amounts owing between the parties would be paid in a timely manner.

The P&S Agreement

19. Article 4 of the P&S Agreement governs post closing adjustments. Specifically, Section 4.2 (f) states:

No adjustments shall be made pursuant to this Article 4 after the Post-Closing Statement of Adjustments is finalized pursuant to Section 4.2(e) unless a specific request in writing is made by the Party requesting such adjustment to the other Party identifying in reasonable detail the adjustment required by this Agreement within: (i) twenty-four (24) months following the Closing Date for: (A) adjustments arising from joint venture audits initiated by a Third Party under a joint operating agreement relating to the Assets; (B) adjustments arising from royalty audits initiated by the royalty payee; and (C) Thirteenth Month Adjustments; or (ii) one (1) year following the Closing Date for any other adjustment. The Parties shall settle, by an appropriate payment by one to the other, any adjustment pursuant to this Section 4.2(f) not later than thirty (30) days after notice requesting the adjustment is given by the Party entitled to the adjustment payment to the other Party required to make the payment.

20. The P&S Agreement defines Thirteen Month Adjustment as:

a reconciliation payment made pursuant to an agreement which provides that, during a period of time (usually a calendar year), revenues and expenses (such as operating expenses, processing fee revenues, excess capacity utilization fees and recoveries, royalties, gas cost allowances or similar cost allowances) will be distributed to or paid on the basis of estimates thereof and, following the end of such period of time, the actual amount of such revenues and costs will be determined and adjustments made by the parties to the agreement to reconcile the estimated amounts and the actual amounts;

Failure to Transfer GCA Credits

21. Pursuant to the GCA Transfer Agreement, Razor explicitly stated or implied that it would hold any and all GCA credits in trust pending the 13th month adjustment. Regardless of the GCA Transfer Agreement, Razor had a duty to SEP and the Crown to hold GCA credits in trust on behalf of SEP.

22. SEP requested the transfer of its GCA credits.

23. Razor has failed to transfer to SEP SEP's GCA credits.

Failure to Pay

24. Further, Razor represented to SEP that all amounts owing between the parties as a result of the transfer of amounts relating to the GCA credits would be accounted for through the 13th month adjustment process pursuant to the P&S Agreement and any amounts owing between the parties would be paid in a timely manner.

25. SEP requested payment, in writing pursuant to the P&S Agreement with reasonable detail, of the \$176,994.47 owing by Razor to SEP on April 26, 2023. Prior to such request and formal notice of adjustment ("Notice") to the Post Closing Statement (as defined within the P&S Agreement), SEP had corresponded by email with various employees of Razor and had requested the transfer of SEP's GCA credits or payment through joint interest billing software used for oil and gas property accounting. Such joint interest billing request occurred on September 22, 2022.

26. Further, Razor represented to SEP that all amounts owing between the parties as a result of the transfer of amounts relating to the GCA credits would be accounted for through the 13th month adjustment process pursuant to the P&S Agreement and any amounts owing between the parties would be paid in a timely manner.

27. Razor has failed to dispute the Notice or the \$176,994.47 owing by Razor to Sabre related to the adjustment to the Post Closing Statement within timeframe prescribed with the P&S Agreement, nor has acknowledged the Notice nor disputed that such amount is owing by Razor to SEP.

28. Razor has failed to respond to SEP's requests for payment both prior to the Notice and related to the Notice.

29. In breach of its contractual obligations and the specific terms of the P&S Agreement, Razor has failed to pay the \$176,994.47 owing to SEP.

30. Razor's actions are unlawful and have caused damage to SEP as follows:

- (a) **Breach of Trust:** Razor is knowingly or inadvertently in the unlawful possession of SEP's GCA credits which it holds in trust for SEP;
- (b) **Breach of Contract:** Razor breached the terms of the GCA Transfer Agreement and also the terms of the P&S Agreement, more specifically Section 4.2(f) thereof;
- (c) **Unjust Enrichment:** Razor has enriched itself in the amount of \$176,994.47 to the corresponding detriment of SEP, without juristic reason.

RELIEF SOUGHT:

31. The Plaintiffs seek the following relief:

- (a) a declaration that the GCA credits are held by Razor in trust for SEP and ordering Razor to transfer to SEP credits in the amount of \$176,994.47, or such other amount as the Court may determine;
- (b) in the alternative, damages for breach of contract in the amount of \$176,994.47 or such other amount to be proven at the trial of this Action;
- (c) in the alternative, damages for the unjust enrichment of Razor to the corresponding detriment of the Plaintiffs in the amount of \$176,994.47 or such other amount to be proven at the trial of this Action;
- (d) interest pursuant to the *Judgment Interest Act*, RSA 2000, c. J-1, or on such other scale deemed just by this Honourable Court;

- (e) costs on a solicitor-client basis or such other basis deemed just by this Honourable Court;
- (f) applicable GST; and
- (g) such further and other relief as counsel may request and this Honourable Court may deem just.

NOTICE TO THE DEFENDANT

You only have a short time to do something to defend yourself against this claim:

20 days if you are served in Alberta

1 month if you are served outside Alberta but in Canada

2 months if you are served outside Canada.

You can respond by filing a statement of defence or a demand for notice in the office of the clerk of the Court of Queen's Bench at Calgary, Alberta, AND serving your statement of defence or a demand for notice on the plaintiff's address for service.

WARNING

If you do not file and serve a statement of defence or a demand for notice within your time period, you risk losing the law suit automatically. If you do not file, or do not serve, or are late in doing either of these things, a court may give a judgment to the plaintiff against you.

This is **Appendix "D"** to the Affidavit of Sam Smith

Sworn before me this 20 day of May 2025.

PJ Infil.

Notary Public/Commissioner for Oaths in and for Alberta

Operations Statement

Partner	Operator	Invoice
RAZOR ENERGY CORP. 800, 500 - 5 AVENUE SW CALGARY, AB T2P 3L5	SABRE ENERGY PARTNERSHIP 800, 1122 - 4 STREET S.W. CALGARY, AB T2R 1M1 (403) 266-3626	Invoice Number Op Accounting Month Invoiced Disputed Accepted
		JR202110A-021 October 2021 (1,575,673.61) (93.60) (1,575,580.01)

Operator		SWAN HILLS UNIT #1									
50049											
CC	OP Account	Minor Account Description	Partner Percent	Activity Month	Amounts			Volumes			
					Gross	Partner	GST	Disputed	Accepted	Gross	Partner
SALES - OIL	9610.010	OIL SALES	100.00000000	Sep 21	(1,893,779.52)	(1,893,779.52)		(1,893,779.52)		(3,612.20)	(3,612.20)
	9610.010	OIL SALES	100.00000000	Oct 21	(2,233,715.05)	(2,233,715.05)		(2,233,715.05)		(3,772.30)	(3,772.30)
			Total SALES - OIL		(4,127,494.57)	(4,127,494.57)		(4,127,494.57)		(7,384.50)	(7,384.50)
SALES - NGL MIX	9634.054	NGL MIX SALES	100.00000000	Sep 21	1,676.76	1,676.76		1,676.76		(4.60)	(4.60)
			Total SALES - NGL MIX		1,676.76	1,676.76		1,676.76		(4.60)	(4.60)
SALT WATER DISPOSAL FEE INCOME	9645.078	SALT WATER DISPOSAL FEE INCOME	100.00000000	Sep 21	(4.55)	(4.55)		(4.55)		(0.70)	(0.70)
	9645.078	SALT WATER DISPOSAL FEE INCOME	100.00000000	Oct 21	(489.53)	(489.53)		(489.53)		(70.00)	(70.00)
			Total SALT WATER DISPOSAL FEE INCOME		(494.08)	(494.08)		(494.08)		(70.70)	(70.70)
PROCESSING & COMPRESSION REVENUE	9650.080	GAS GATH, PROC & COMP INCOME	100.00000000	Sep 21	(143.21)	(143.21)		(143.21)		(26.90)	(26.90)
	9650.080	GAS GATH, PROC & COMP INCOME	100.00000000	Oct 21	(154.97)	(154.97)		(154.97)		(29.10)	(29.10)
			Total PROCESSING & COMPRESSION REVENUE		(298.18)	(298.18)		(298.18)		(56.00)	(56.00)
ROAD USE FEE INCOME	9665.076	ROAD USE FEE INCOME	100.00000000	Sep 21	(4,669.97)	(4,669.97)		(4,669.97)		0.00	0.00
			Total ROAD USE FEE INCOME		(4,669.97)	(4,669.97)		(4,669.97)		0.00	0.00
MISCELLANEOUS OTHER INCOME	9670.094	MISCELLANEOUS OTHER INCOME	100.00000000	Sep 21	(8.58)	(8.58)		(8.58)		(8.60)	(8.60)
	9670.094	MISCELLANEOUS OTHER INCOME	100.00000000	Oct 21	(22.04)	(22.04)		(22.04)		(22.00)	(22.00)
			Total MISCELLANEOUS OTHER INCOME		(30.62)	(30.62)		(30.62)		(30.60)	(30.60)
ALTA. ROYALTY RELIEF	9860.070	ALBERTA ROYALTY RELIEF-EOR	100.00000000	Sep 21	(45,328.55)	(45,328.55)		(45,328.55)		(86.40)	(86.40)
	9860.070	ALBERTA ROYALTY RELIEF-EOR	100.00000000	Oct 21	(52,226.22)	(52,226.22)		(52,226.22)		(88.20)	(88.20)
			Total ALTA. ROYALTY RELIEF		(97,554.77)	(97,554.77)		(97,554.77)		(174.60)	(174.60)
			Total Revenue		(4,228,865.43)	(4,228,865.43)		(4,228,865.43)		(7,721.00)	(7,721.00)
CROWN ROYALTIES	9810.015	CROWN ROYALTY - OIL	100.00000000	Sep 21	546,372.96	546,372.96		546,372.96		1,041.43	1,041.43

Operator

SWAN HILLS UNIT #1

50049

CC

OP Account	Minor Account Description	Partner Percent	Activity Month	Amounts			Volumes		
				Gross	Partner	GST	Accepted	Gross	Partner
9810.015	CROWN ROYALTY - OIL	100.00000000	Oct 21	615,937.76	615,937.76		615,937.76	1,040.20	1,040.20
9810.045	CROWN ROYALTY - GAS & NGL'S	100.00000000	Sep 21	56,997.27	56,997.27		56,997.27	0.00	0.00
9810.046	GAS CROWN ROYALTY-CAPITAL COST EST.	100.00000000	Sep 21	(21,864.93)	(21,864.93)		(21,864.93)	0.00	0.00
9810.046	GAS CROWN ROYALTY-CAPITAL COST EST.	100.00000000	Oct 21	(21,864.93)	(21,864.93)		(21,864.93)	0.00	0.00
9810.047	GAS CROWN ROYALTY-OPERATING COST EST.	100.00000000	Sep 21	(55,514.30)	(55,514.30)		(55,514.30)	0.00	0.00
9810.047	GAS CROWN ROYALTY-OPERATING COST EST.	100.00000000	Oct 21	(55,514.32)	(55,514.32)		(55,514.32)	0.00	0.00
		Total CROWN ROYALTIES		1,064,549.51	1,064,549.51		1,064,549.51	2,081.63	2,081.63
OPERATING EXPENSES									
9910.103	COMPANY LABOUR	100.00000000	Sep 21	1,934.99	1,934.99		1,934.99	0.00	0.00
9910.103	COMPANY LABOUR	100.00000000	Oct 21	101,051.50	101,051.50		101,051.50	1,752.27	1,752.27
9910.103	COMPANY LABOUR	100.00000000	Nov 21	70,457.74	70,457.74		70,457.74	1,198.00	1,198.00
9910.107	AUTOMOTIVE COSTS	100.00000000	Sep 21	3,555.78	3,555.78		3,555.78	0.00	0.00
9910.107	AUTOMOTIVE COSTS	100.00000000	Oct 21	8,405.61	8,405.61		8,405.61	0.00	0.00
9910.107	AUTOMOTIVE COSTS	100.00000000	Nov 21	4,202.41	4,202.41		4,202.41	0.00	0.00
9910.109	CHART READING & MEASUREMENT	100.00000000	Oct 21	3,838.13	3,838.13		3,838.13	0.00	0.00
9910.110	CHEMICAL & TREATING SUPPLIES & SERVICE	100.00000000	Sep 21	4,250.99	4,250.99		4,250.99	0.00	0.00
9910.110	CHEMICAL & TREATING SUPPLIES & SERVICE	100.00000000	Oct 21	712.60	712.60		712.60	0.00	0.00
9910.110	CHEMICAL & TREATING SUPPLIES & SERVICE	100.00000000	Nov 21	3,795.07	3,795.07		3,795.07	0.00	0.00
9910.114	EQUIPMENT MAINTENANCE & REPAIRS	100.00000000	Sep 21	47,828.21	47,828.21		47,828.21	0.00	0.00
9910.114	EQUIPMENT MAINTENANCE & REPAIRS	100.00000000	Oct 21	121,913.82	121,913.82		121,913.82	461.95	461.95
9910.114	EQUIPMENT MAINTENANCE & REPAIRS	100.00000000	Nov 21	49,651.85	49,651.85		49,651.85	308.84	308.84
9910.115	EQUIPMENT RENTALS	100.00000000	Sep 21	5,577.21	5,577.21		5,577.21	0.00	0.00
9910.115	EQUIPMENT RENTALS	100.00000000	Oct 21	4,737.03	4,737.03		4,737.03	0.00	0.00
9910.118	ROAD & LEASE MAINTENANCE	100.00000000	Sep 21	24,526.15	24,526.15		24,526.15	0.00	0.00
9910.118	ROAD & LEASE MAINTENANCE	100.00000000	Oct 21	20,470.78	20,470.78		20,470.78	0.00	0.00
9910.118	ROAD & LEASE MAINTENANCE	100.00000000	Nov 21	9,961.21	9,961.21		9,961.21	0.00	0.00
9910.119	FLUID ANALYSIS & PRESSURE SURVEY	100.00000000	Sep 21	4,862.37	4,862.37		4,862.37	0.00	0.00
9910.119	FLUID ANALYSIS & PRESSURE SURVEY	100.00000000	Oct 21	2,452.10	2,452.10		2,452.10	0.00	0.00
9910.119	FLUID ANALYSIS & PRESSURE SURVEY	100.00000000	Nov 21	643.71	643.71		643.71	0.00	0.00
9910.120	SALT WATER DISPOSAL FEES	100.00000000	Sep 21	104.30	104.30		104.30	0.00	0.00
9910.121	FUEL & POWER	100.00000000	Sep 21	400,020.74	400,020.74		400,020.74	0.00	0.00
9910.121	FUEL & POWER	100.00000000	Oct 21	423,207.63	423,207.63		423,207.63	0.00	0.00
9910.121	FUEL & POWER	100.00000000	Nov 21	2,599.65	2,599.65		2,599.65	0.00	0.00
9910.124	HAULING	100.00000000	Sep 21	1,028.73	1,028.73		1,028.73	0.00	0.00
9910.124	HAULING	100.00000000	Oct 21	951.46	951.46		951.46	0.00	0.00
9910.124	HAULING	100.00000000	Nov 21	149.65	149.65		149.65	0.00	0.00

Operator

SWAN HILLS UNIT #1

50049

CC

OP Account	Minor Account Description	Partner Percent	Activity Month	Amounts			Volumes		
				Gross	Partner	GST	Disputed	Accepted	Partner Gross
9910.125	HAULING - EMULSION	100.00000000	Sep 21	4,031.07	4,031.07			4,031.07	0.00
9910.125	HAULING - EMULSION	100.00000000	Oct 21	8,560.21	8,560.21			8,560.21	0.00
9910.125	HAULING - EMULSION	100.00000000	Nov 21	3,733.10	3,733.10			3,733.10	0.00
9910.126	HAULING - OIL	100.00000000	Sep 21	1,635.54	1,635.54			1,635.54	0.00
9910.126	HAULING - OIL	100.00000000	Oct 21	1,460.52	1,460.52			1,460.52	0.00
9910.127	HAULING - WATER	100.00000000	Sep 21	9,457.84	9,457.84			9,457.84	0.00
9910.127	HAULING - WATER	100.00000000	Oct 21	10,751.13	10,751.13			10,751.13	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	0.49000000	Dec 16	(1,934.42)	(9.48)			(9.48)	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	0.49000000	Feb 17	(2,143.42)	(10.50)			(10.50)	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	0.49000000	Mar 17	(4,635.37)	(22.71)			(22.71)	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	0.49000000	Apr 17	(1,612.35)	(7.90)			(7.90)	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	0.49000000	May 17	(1,595.07)	(7.82)			(7.82)	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	0.49000000	Jun 17	(1,556.69)	(7.63)			(7.63)	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	0.49000000	Jul 17	(1,749.42)	(8.57)			(8.57)	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	0.49000000	Aug 17	(1,008.33)	(4.94)			(4.94)	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	0.49000000	Sep 17	(2,236.65)	(10.96)			(10.96)	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	0.49000000	Oct 17	(1,112.38)	(5.45)			(5.45)	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	0.49000000	Nov 17	(1,542.05)	(7.56)			(7.56)	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	0.49000000	Dec 17	(1,106.01)	(5.42)			(5.42)	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	0.49000000	Jan 18	33.31	0.16			0.16	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	0.49000000	Feb 18	(1,203.46)	(5.90)			(5.90)	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	100.00000000	Sep 21	28,202.73	28,202.73			28,202.73	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	100.00000000	Oct 21	23,558.07	23,558.07			23,558.07	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	100.00000000	Nov 21	1,627.67	1,627.67			1,627.67	0.00
9910.130	MISC. EQUIPMENT & SUPPLIES	100.00000000	Oct 21	10,333.67	10,333.67			10,333.67	0.00
9910.131	PERMANENT DOWNHOLE EQUIPMENT	100.00000000	Nov 21	1,705.38	1,705.38			1,705.38	0.00
9910.131	PERMANENT DOWNHOLE EQUIPMENT	100.00000000	Sep 21	91.75	91.75			91.75	0.00
9910.141	CARBON TAX	100.00000000	Oct 21	148.03	148.03			148.03	0.00
9910.141	CARBON TAX	100.00000000	Sep 21	5,712.34	5,712.34			5,712.34	0.00
9910.144	COMMUNICATIONS	100.00000000	Oct 21	525.90	525.90			525.90	0.00
9910.144	COMMUNICATIONS	100.00000000	Sep 21	114.83	114.83			114.83	0.00
9910.145	TRAVEL & SUBSISTENCE	100.00000000	Oct 21	290.45	290.45			290.45	0.00
9910.145	TRAVEL & SUBSISTENCE	100.00000000	Oct 21	1,092.38	1,092.38			1,092.38	0.00
9910.150	ENGINEERING & SUPERVISION	100.00000000	Sep 21	25,164.24	25,164.24			25,164.24	0.00
9910.151	ENVIRONMENTAL HEALTH & SAFETY	100.00000000	Oct 21	29,280.32	29,280.32			29,280.32	0.00
9910.151	ENVIRONMENTAL HEALTH & SAFETY	100.00000000	Nov 21	1,516.69	1,516.69			1,516.69	0.00

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SWAN HILLS UNIT #1

Operator

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OP Account	Minor Account Description	Partner Percent	Activity Month	Amounts				Volumes	
				Gross	Partner	GST	Disputed	Accepted	Partner Gross
9910.152	LOAD OIL	100.00000000	Sep 21	6,820.26	6,820.26			6,820.26	13.00
9910.152	LOAD OIL	100.00000000	Oct 21	(0.85)	(0.85)			(0.85)	0.00
9910.156	JOINT ACCOUNT OVERHEAD FEES	100.00000000	Sep 21	6,339.42	6,339.42			6,339.42	0.00
9910.156	JOINT ACCOUNT OVERHEAD FEES	100.00000000	Oct 21	32,780.92	32,780.92			32,780.92	0.00
9910.156	JOINT ACCOUNT OVERHEAD FEES	100.00000000	Nov 21	16,432.59	16,432.59			16,432.59	0.00
9910.160	STEAMING, PRESSURE & VACUUM TRUCKS	100.00000000	Sep 21	494.17	494.17			494.17	0.00
9910.160	STEAMING, PRESSURE & VACUUM TRUCKS	100.00000000	Oct 21	2,987.79	2,987.79			2,987.79	0.00
9910.160	STEAMING, PRESSURE & VACUUM TRUCKS	100.00000000	Nov 21	1,905.82	1,905.82			1,905.82	0.00
9910.162	REGULATORY FEES	100.00000000	Sep 21	1,199.44	1,199.44			1,199.44	0.00
9910.162	REGULATORY FEES	100.00000000	Oct 21	2,314.31	2,314.31			2,314.31	0.00
9910.180	WASTE / EMULSION HANDLING & TREATING	100.00000000	Sep 21	147.70	147.70			147.70	0.00
9910.183	CONTRACT OPERATOR	100.00000000	Sep 21	2,348.23	2,348.23			2,348.23	0.00
9910.183	CONTRACT OPERATOR	100.00000000	Oct 21	6,043.29	6,043.29			6,043.29	0.00
9910.183	CONTRACT OPERATOR	100.00000000	Nov 21	4,196.07	4,196.07			4,196.07	0.00
9910.193	OIL TREATING INCOME	100.00000000	Sep 21	(293.58)	(293.58)			(293.58)	(42.10)
9910.193	OIL TREATING INCOME	100.00000000	Oct 21	(450.84)	(450.84)			(450.84)	(64.40)
Total OPERATING EXPENSES				1,551,747.71	1,575,035.34			1,575,035.34	3,627.56

OPERATING EXPENSES - LEASE RENTALS

9911.132	PNG RENTALS - CROWN	25.36263210	Oct 21	448.00	113.62			113.62	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.17990500	Apr 19	28.10	0.05		0.05	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.17990500	Sep 19	40.40	0.07		0.07	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.17990500	Oct 19	(129.14)	(0.23)		(0.23)	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.17990500	Nov 19	(2,057.98)	(3.70)		(3.70)	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.17990500	Dec 19	(1,210.00)	(2.18)		(2.18)	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.17990500	Jan 20	(3,324.36)	(5.98)		(5.98)	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.17990500	Feb 20	(1,156.85)	(2.08)		(2.08)	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.17990500	Mar 20	(1,329.83)	(2.39)		(2.39)	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.17990500	Apr 20	(1,021.15)	(1.84)		(1.84)	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.17990500	May 20	(1,234.29)	(2.22)		(2.22)	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.17990500	Jun 20	(654.36)	(1.18)		(1.18)	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.17990500	Jul 20	(663.44)	(1.19)		(1.19)	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.35981000	Aug 20	(2,223.89)	(8.00)		(8.00)	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.35981000	Sep 20	(852.76)	(3.07)		(3.07)	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.35981000	Oct 20	(938.51)	(3.38)		(3.38)	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.35981000	Nov 20	(1,669.78)	(6.01)		(6.01)	0.00	0.00
9911.142	SURFACE LEASE RENTALS - CROWN	0.35981000	Dec 20	(1,181.90)	(4.25)		(4.25)	0.00	0.00

This is **Appendix “E”** to the Affidavit of Sam Smith

Sworn before me this 30 day of May 2025.

PJ Wif.

Notary Public/Commissioner for Oaths in and for Alberta

Operations Statement

Partner	Operator	Invoice
RAZOR ENERGY CORP. 800, 500 - 5 AVENUE SW CALGARY, AB T2P 3L5	SABRE ENERGY PARTNERSHIP 800, 1122 - 4 STREET S.W. CALGARY, AB T2R 1M1 (403) 266-3626	Invoice Number Op Accounting Month Invoiced Disputed Accepted
		JR202112A-012 December 2021 (341,893.02) (341,893.02)

Operator		SWAN HILLS UNIT #1									
CC	50049										
		Minor Account Description				Amounts			Volumes		
OP Account		Partner Percent	Activity Month	Gross	Partner	GST	Disputed	Accepted	Gross	Partner	
SALES - OIL		100.00000000	Aug 21	(1,094,179.19)	(1,094,179.19)			(1,094,179.19)	2,209.70	2,209.70	
		Total SALES - OIL		(1,094,179.19)	(1,094,179.19)			(1,094,179.19)	2,209.70	2,209.70	
SALES - GAS		100.00000000	Aug 21	(15,479.59)	(15,479.59)			(15,479.59)	85.80	85.80	
		100.00000000	Aug 21	(16,928.22)	(16,928.22)			(16,928.22)	159.20	159.20	
		Total SALES - GAS		(32,407.81)	(32,407.81)			(32,407.81)	245.00	245.00	
SALES - PENTANES PLUS (C5+)		100.00000000	Aug 21	30.35	30.35			30.35	0.10	0.10	
		Total SALES - PENTANES PLUS (C5+)		30.35	30.35			30.35	0.10	0.10	
SALT WATER DISPOSAL FEE INCOME		100.00000000	Aug 21	(80.48)	(80.48)			(80.48)	0.00	0.00	
		Total SALT WATER DISPOSAL FEE INCOME		(80.48)	(80.48)			(80.48)	0.00	0.00	
PROCESSING & COMPRESSION REVENUE		100.00000000	Aug 21	(36,885.67)	(36,885.67)			(36,885.67)	0.00	0.00	
		Total PROCESSING & COMPRESSION REVENUE		(36,885.67)	(36,885.67)			(36,885.67)	0.00	0.00	
ROAD USE FEE INCOME		100.00000000	Aug 21	(2,862.24)	(2,862.24)			(2,862.24)	0.00	0.00	
		Total ROAD USE FEE INCOME		(2,862.24)	(2,862.24)			(2,862.24)	0.00	0.00	
MISCELLANEOUS OTHER INCOME		100.00000000	Aug 21	(3.01)	(3.01)			(3.01)	0.00	0.00	
		Total MISCELLANEOUS OTHER INCOME		(3.01)	(3.01)			(3.01)	0.00	0.00	
ALTA, ROYALTY RELIEF		100.00000000	Aug 21	(24,219.67)	(24,219.67)			(24,219.67)	0.00	0.00	
		Total ALTA, ROYALTY RELIEF		(24,219.67)	(24,219.67)			(24,219.67)	0.00	0.00	
		Total Revenue		(1,190,607.72)	(1,190,607.72)			(1,190,607.72)	2,454.80	2,454.80	
CROWN ROYALTIES		100.00000000	Aug 21	289,877.26	289,877.26			289,877.26	0.00	0.00	
		100.00000000	Nov 21	(21,864.93)	(21,864.93)			(21,864.93)	0.00	0.00	

Operator

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SWAN HILLS UNIT #1

OP Account	Minor Account Description	Partner Percent	Activity Month	Amounts			Volumes	
				Gross	Partner	GST	Disputed	Accepted
9910.047	GAS CROWN ROYALTY-OPERATING COST EST.	100.00000000	Nov 21	(55,514.30)	(55,514.30)			(55,514.30)
				212,498.03	212,498.03			212,498.03
OPERATING EXPENSES								
9910.100	MISC. OPERATING EXPENSES - NON-OP	100.00000000	Aug 21	4,892.35	4,892.35			4,892.35
9910.103	COMPANY LABOUR	0.49000000	Jan 18	(310.47)	(1.52)			(1.52)
9910.103	COMPANY LABOUR	0.49000000	Feb 18	(164.07)	(0.80)			(0.80)
9910.103	COMPANY LABOUR	100.00000000	Aug 21	59,855.68	59,855.68			59,855.68
9910.105	ABANDONMENT	100.00000000	Aug 21	16.50	16.50			16.50
9910.107	AUTOMOTIVE COSTS	100.00000000	Aug 21	8,109.89	8,109.89			8,109.89
9910.109	CHART READING & MEASUREMENT	100.00000000	Aug 21	713.78	713.78			713.78
9910.110	CHEMICAL & TREATING SUPPLIES & SERVICE	100.00000000	Aug 21	4,261.27	4,261.27			4,261.27
9910.114	EQUIPMENT MAINTENANCE & REPAIRS	100.00000000	Jun 21	1,165.33	1,165.33			1,165.33
9910.114	EQUIPMENT MAINTENANCE & REPAIRS	100.00000000	Aug 21	114,700.34	114,700.34			114,700.34
9910.115	EQUIPMENT RENTALS	100.00000000	Aug 21	1,490.24	1,490.24			1,490.24
9910.117	FIELD OFFICE EXPENSE	100.00000000	Aug 21	23.45	23.45			23.45
9910.118	ROAD & LEASE MAINTENANCE	100.00000000	Aug 21	59,709.68	59,709.68			59,709.68
9910.119	FLUID ANALYSIS & PRESSURE SURVEY	100.00000000	Aug 21	3,819.53	3,819.53			3,819.53
9910.120	SALT WATER DISPOSAL FEES	100.00000000	Aug 21	119.01	119.01			119.01
9910.121	FUEL & POWER	100.00000000	Aug 21	258,388.35	258,388.35			258,388.35
9910.124	HAULING	100.00000000	Aug 21	2,967.86	2,967.86			2,967.86
9910.125	HAULING - EMULSION	100.00000000	Aug 21	10,598.74	10,598.74			10,598.74
9910.126	HAULING - OIL	100.00000000	Aug 21	936.54	936.54			936.54
9910.127	HAULING - WATER	100.00000000	Aug 21	10,683.49	10,683.49			10,683.49
9910.129	LEASE RECLAMATION & SPILL CLEAN UP	100.00000000	Aug 21	52.46	52.46			52.46
9910.130	MISC. EQUIPMENT & SUPPLIES	100.00000000	Jul 21	(29.49)	(29.49)			(29.49)
9910.130	MISC. EQUIPMENT & SUPPLIES	100.00000000	Aug 21	26,852.67	26,852.67			26,852.67
9910.131	PERMANENT DOWNHOLE EQUIPMENT	100.00000000	Aug 21	2,304.94	2,304.94			2,304.94
9910.139	PIPELINE MAINTENANCE	100.00000000	Aug 21	80.45	80.45			80.45
9910.141	CARBON TAX	100.00000000	Aug 21	43.37	43.37			43.37
9910.144	COMMUNICATIONS	100.00000000	Aug 21	474.10	474.10			474.10
9910.145	TRAVEL & SUBSISTENCE	100.00000000	Aug 21	81.54	81.54			81.54
9910.147	ROAD USE FEES	100.00000000	Aug 21	42.94	42.94			42.94
9910.150	ENGINEERING & SUPERVISION	100.00000000	Aug 21	1,031.92	1,031.92			1,031.92
9910.151	ENVIRONMENTAL HEALTH & SAFETY	100.00000000	Jun 21	123.22	123.22			123.22
9910.151	ENVIRONMENTAL HEALTH & SAFETY	100.00000000	Aug 21	31,513.08	31,513.08			31,513.08
9910.152	LOAD OIL	100.00000000	Aug 21	(0.20)	(0.20)			(0.20)

Operator

SWAN HILLS UNIT #1

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CC

OP Account	Minor Account Description	Partner Percent	Activity Month	Amounts			Volumes		
				Gross	Partner	GST	Disputed	Accepted	Gross Partner
9910.155	JOINT ACCOUNT ADMIN. FEES	100.00000000	Aug 21	30.65	30.65			30.65	0.00 0.00
9910.156	JOINT ACCOUNT OVERHEAD FEES	100.00000000	Aug 21	19,791.48	19,791.48			19,791.48	0.00 0.00
9910.160	STEAMING, PRESSURE & VACUUM TRUCKS	100.00000000	Aug 21	1,814.38	1,814.38			1,814.38	0.00 0.00
9910.162	REGULATORY FEES	100.00000000	Jun 21	123.71	123.71			123.71	0.00 0.00
9910.162	REGULATORY FEES	100.00000000	Aug 21	398.96	398.96			398.96	0.00 0.00
9910.180	WASTE / EMULSION HANDLING & TREATING	100.00000000	Aug 21	1,597.26	1,597.26			1,597.26	0.00 0.00
9910.182	GAS TRANSPORTATION	100.00000000	Aug 21	2,145.28	2,145.28			2,145.28	0.00 0.00
9910.183	CONTRACT OPERATOR	100.00000000	Aug 21	5,461.89	5,461.89			5,461.89	0.00 0.00
9910.193	OIL TREATING INCOME	100.00000000	Aug 21	(167.65)	(167.65)			(167.65)	0.00 0.00
Total OPERATING EXPENSES				635,744.45	636,216.67			636,216.67	0.00 0.00
Total Expense				848,242.48	848,714.70			848,714.70	0.00 0.00
Total Statement				(342,365.24)	(341,893.02)			(341,893.02)	2,454.80 2,454.80