SIXTH AMENDING AGREEMENT

THIS SIXTH AMENDING AGREEMENT is made effective as of July 3, 2013

AMONG:

SURGE ENERGY INC.
(as "**Borrower**")

- and -

NATIONAL BANK OF CANADA
(as "**Sole Lead Arranger**" and "**Sole Book Runner**")

- and -

NATIONAL BANK OF CANADA
(as "**Operating Lender**", "**Lender**" and "**Administrative Agent**")

- and -

THOSE OTHER FINANCIAL INSTITUTIONS WHICH HEREAFTER BECOME LENDERS UNDER THE CREDIT AGREEMENT, AS FURTHER AMENDED HEREBY

PREAMBLE:

A. Pursuant to an amended and restated credit agreement dated May 5, 2011 among the Borrower, the Agent, the Operating Lender and the other Lenders, as amended by a First Amending Agreement made effective as of September 12, 2011, a Second Amending Agreement made effective as of January 6, 2012, a Third Amending Agreement made effective as of April 30, 2012, a Fourth Amending Agreement made effective as of December 17, 2012 and a Fifth Amending Agreement made effective as of May 31, 2013 (collectively the "**Credit Agreement**"), the Operating Lender and the other Lenders agreed to provide to the Borrower, *inter alia*, the Credit Facilities.

B. The parties hereto wish to further amend the Credit Agreement on the terms and conditions herein provided.

AGREEMENT:

NOW THEREFORE in consideration of the premises, the covenants and the agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged between the parties, the parties hereto agree as follows:

1. Interpretation

1.1 Capitalized terms used in this Sixth Amending Agreement will, unless otherwise defined herein, have the meanings attributed to such terms in the Credit Agreement.

1.2 The division of this Sixth Amending Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Sixth Amending Agreement. The terms "this Sixth Amending Agreement", "hereof", "hereunder" and similar expressions refer to this Sixth Amending Agreement and not to any particular section or other portion thereof and include any agreements supplemental hereto.

1.3 This Sixth Amending Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada as applicable therein.

2. Amendment Date

The amendments contained herein shall, subject to Section 5.1 below, be effective as of July 3, 2013 (the "**Sixth Amendment Date**").

3. Amendments and Supplements

3.1 Effective as of the Sixth Amendment Date, the Credit Agreement is amended as follows:

(a) The Toronto Dominion Bank is added as a Lender and shall provide its Committed Revolving Term Facility Commitment in the amount set forth in subparagraph 3.1 (h) below.

(b) Recital B of the Credit Agreement is amended by deleting the reference to $277,000,000 and replacing it with $350,000,000.

(c) Section 3.11(a) of the Credit Agreement is amended by deleting the reference to $277,000,000 and replacing it with $350,000,000.

(d) The definition of "**Permitted Distribution**" found in Schedule A to the Credit Agreement is deleted in its entirety and replaced with the following:

""**Permitted Distribution**" means any Distribution: (i) to repay Permitted Indebtedness; (ii) by a Material Subsidiary to the Borrower; (iii) by the Borrower to a Material Subsidiary; (iv) by a Material Subsidiary to another Material Subsidiary; (v) by the Borrower or a Material Subsidiary to its shareholders by way of the payment of a dividend in the ordinary course of business; or (vi) consented to by all the Lenders in writing."

(e) The definition of "**Revolving Term Commitment Amount**" found in Schedule A to the Credit Agreement is deleted in its entirety and replaced with the following:

""**Revolving Term Commitment Amount**" means $325,000,000 as such amount may be reduced in accordance with this Agreement or as otherwise increased with the unanimous consent of the Committed Lenders."

(f) The definition of "**Total Commitment**" found in Schedule A to the Credit Agreement is deleted in its entirety and replaced with the following:

““**Total Commitment**” means, $350,000,000, being the aggregate of the Revolving Term Commitment Amount and the Operating Loan Commitment Amount, as such amounts may be reduced in accordance with this Agreement or as otherwise increased with the unanimous consent of the Lenders.”

(g) The Negative Covenants found in Section 15.2 of the Credit Agreement are amended as follows:

(i) Section 15.2(a) of the Credit Agreement is deleted in its entirety and replaced with the following:

“**Limitation on Borrowings, Liens and Distributions**. The Borrower will not, and will not permit the Material Subsidiaries to:

(i) incur Indebtedness, except for Permitted Indebtedness;

(ii) provide or permit a Lien over any of its property, except for Permitted Encumbrances; or

(iii) make any Permitted Distribution when: (a) there is a Borrowing Base Shortfall; (b) there is an Event of Default; or (c) immediately after making a Permitted Distribution an Event of Default is caused.”

(ii) Section 15.2(d) of the Credit Agreement is deleted in its entirety and replaced with the following:

“**Limitation on Commodity Swap Contracts**. The Borrower will not and will not permit any Material Subsidiary to enter into fixed price Commodity Swap Contracts if:

(a) the term of any such fixed price Commodity Swap Contract exceeds **[REDACTED]**;

(b) the aggregate amounts hedged under all such fixed price Commodity Swap Contracts for petroleum, natural gas liquids and natural gas with a twelve (12) month or less term exceeds **[REDACTED]** of the Average Daily Production taken as a whole;

(c) the aggregate amounts hedged under all such fixed price Commodity Swap Contracts for petroleum, natural gas liquids and natural gas with a greater than twelve (12) month term but less than or equal to a to twenty-four (24) month term exceeds **[REDACTED]** of the Average Daily Production taken as a whole; or

(d) the aggregate amounts hedged under all such fixed price Commodity Swap Contracts for petroleum, natural gas liquids and natural gas with a greater than twenty-four (24) month term but less than or equal to a forty-eight (48) month term exceeds **[REDACTED]** of the Average Daily Production taken as a whole.

(h) Schedule B of the Credit Agreement is deleted in its entirety and replaced with Exhibit I attached hereto.

3.2 **Outstanding Bankers' Acceptances**

(a) The parties hereby acknowledge that, on the date hereof, Bankers' Acceptances having terms to maturity ending after the date hereof are outstanding (the "**Outstanding BA's**"). Notwithstanding any provision of the Credit Agreement or this Sixth Amending Agreement to the contrary, each of the Lenders shall not, with respect to the increased amounts of their respective Committed Revolving Term Facility Commitment, have any right, title, benefit or interest in or to any Outstanding BA's nor any obligation or liability to the other Lenders in respect thereof, it being acknowledged and agreed by the Lenders hereto that any obligation of the Borrower to pay or reimburse the Lenders in respect of the Outstanding BA's is solely a risk and for the account of applicable Lenders based upon their respective Rateable Portions as in effect prior to and without regard to the provisions of this Sixth Amending Agreement, provided that the Agent in its sole discretion shall grant increased or decreased participation amounts in the Outstanding BA's to such Lenders whose Rateable Portions have increased or decreased when applicable (the "**Re-apportionment**"). When such Re-apportionment cannot be evenly made, the Agent shall round allocations among such applicable Lenders consistent with the Agent's normal money market practices. The Lenders agree that the Agent shall be entitled to the benefit of any indemnification granted under the Credit Agreement, including Section 20.9 thereof, with respect to any such Re-apportionment.

(b) Notwithstanding the foregoing, from time to time, as the Outstanding BA's mature and Rollovers and Conversions are made by the Borrower in respect thereof, each of the Lenders on or after the Sixth Amendment Date shall participate in the Advances effecting such Rollovers and Conversions to the full extent of its Committed Revolving Term Facility Commitment and Rateable Portion therein after giving effect to the provisions of the Sixth Amending Agreement.

4. <u>Fees</u>

4.1 The Borrower agrees to pay to the Agent, for the account of the Lenders, an amendment fee in the amount of **[REDACTED].**

5. <u>Conditions Precedent</u>

5.1 The effectiveness of the amendments to the Credit Agreement contained herein shall be subject to the satisfaction of all of the following conditions precedent:

(a) The Borrower shall have paid to the Agent the fee in Section 4 above.

(b) The applicable conditions precedent set forth in Section 6.1 of the Credit Agreement shall have been satisfied.

(c) The Borrower shall deliver, or cause to be delivered to the Agent, the following items:

(i) a fully executed copy of this Sixth Amending Agreement and a certificate of status in respect of the Borrower and each Guarantor;

(ii) a fully executed updated Closing Officer's Certificate from the Borrower and each Guarantor, including a certified copy of the directors resolution approving this Agreement or the Acknowledgment, and Confirmation of the Guarantors attached hereto, as applicable, in a form satisfactory to the Agent, acting reasonably;

(iii) a fully executed updated Oil and Gas Ownership Certificate from the Borrower and each Guarantor, or on a consolidated basis, in a form satisfactory to the Agent, acting reasonably;

(iv) copies of the purchase and sale agreements and related conveyance documents with respect to the new oil and gas assets being acquired by the Borrower and/or the Guarantors on or about the Sixth Amendment Date confirming that the oil and gas assets acquired thereunder have been acquired free and clear of all encumbrances except for Permitted Encumbrances;

(v) an opinion of counsel to the Borrower and Guarantors, which opinion shall be in a form satisfactory to the Agent, acting reasonably; and

(vi) such other documents, consents, acknowledgements and agreements as may be reasonable required by the Agent or its counsel.

6. <u>Representations And Warranties</u>

6.1 The Borrower represents and warrants to the Agent, the Operating Lender and the other Lenders as of the Sixth Amendment Date that:

(a) The Borrower and the Guarantors are each validly existing and in good standing under the laws of their governing jurisdiction; the Borrower and the Guarantors are each duly registered in all other jurisdictions where the nature of their properties or characters of their business requires registrations, except for such jurisdictions where the failure to be so registered or qualified would not reasonably be expected to have a Material Adverse Effect, and each have all necessary power and authority to own their property and carry on their business as presently carried on or as contemplated by this Sixth Amending Agreement.

(b) The Borrower has the full power, legal right and authority to enter into this Sixth Amending Agreement and to do all such acts and things that are required by this Sixth Amending Agreement to be done, observed or performed in accordance with the terms hereof.

(c) The Borrower has taken all necessary corporate action to authorize the execution, delivery and performance of this Sixth Amending Agreement and to observe and perform the provisions hereof in accordance with the terms and conditions herein contained.

(d) None of the authorization, execution or delivery of this Sixth Amending Agreement by the Borrower or its performance of any obligations hereunder will require, pursuant to applicable Laws now in effect, any authorization from a Governmental Authority (except such as has already been obtained and are in full force and effect) nor is such authorization, execution, delivery or performance in conflict or contravention of the Borrower's articles, by-laws or resolutions as applicable, or the provisions of any other indenture, instrument, undertaking or other agreement to which it is a party or by which it or its property or assets are bound, the contravention of which would reasonably be expected to have a Material Adverse Effect. This Sixth Amending Agreement constitutes validly and legally binding obligations of the Borrower, enforceable against the Borrower in accordance with its terms subject to applicable bankruptcy, reorganization, winding up, insolvency, moratorium and other laws of general application affecting the enforcement of creditor's rights generally.

(e) The Borrower agrees with and confirms to the Agent, the Operating Lender and the other Lenders that as of the Sixth Amendment Date each of the representations and warranties listed in Section 14.1 of the Credit Agreement are true and accurate in all material respects.

6.2 The representations and warranties set out in this Sixth Amending Agreement shall survive the execution and delivery of this Sixth Amending Agreement and the making of each Advance, notwithstanding any investigation or examination which may be made by or on behalf of the Agent, the Operating Lender, the other Lenders or the Lenders' counsel. Such representations and warranties in connection with the Credit Agreement shall survive until the Credit Agreement has been terminated in accordance with its terms.

7. Confirmation of Documents

The Credit Agreement, the other Documents and all covenants, terms and provisions thereof, are hereby ratified and confirmed and shall from and after the date hereof continue in full force and effect as herein amended and supplemented, with such amendments and supplements being affected from and as of the date hereof upon satisfaction of the conditions precedent set forth in Section 5.1 hereof. In particular, the Borrower acknowledges that the Security previously granted to the Agent by it under or in connection with the Credit Agreement continues in full force and effect without in any way impairing or derogating from any of the mortgages, pledges, charges, assignments, security interests and covenants therein contained or thereby constituted, as continuing security for the payment of Indebtedness in connection with the Credit Agreement, as amended herein, or otherwise.

8. Further Assurances

The Borrower will from time to time forthwith at the Agent's reasonable request and at the Borrower's own cost and expense make, execute and deliver, or cause to be done, made, executed and delivered, all such further documents, financing statements, assignments, acts, matters and things which may be reasonably required by the Agent and as are consistent with the intention of the parties as evidenced herein, with respect to all matters arising under this Sixth Amending Agreement.

9. Expenses

The Borrower will pay for all reasonable expenses of the Agent, the Operating Lender and the Lenders, including, without limitation, reasonable legal fees (on a solicitor and his own client full indemnity basis) and other out-of-pocket expenses in connection with the negotiation, preparation, establishment, operation or enforcement of the additional Documents referenced herein, including this Sixth Amending Agreement (whether or not consummated by the Agent, the Operating Lender and the Lenders).

10. Enurement

This Sixth Amending Agreement shall enure to the benefit of, and shall be binding upon, the parties hereto and their respective successors and permitted assigns.

12. Counterparts

This Sixth Amending Agreement may be executed in any number of counterparts (including by facsimile or electronic PDF transmission), each of which when executed and delivered will be deemed to be an original, but all of which when taken together shall constitute one and the same instrument.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Sixth Amending Agreement to be duly executed by their respective authorized officers as of the date first above written.

SURGE ENERGY INC.,
as Borrower

By: *"signed"*
Name: **[REDACTED]**
Title:

By: *"signed"*
Name: **[REDACTED]**
Title:

NATIONAL BANK OF CANADA,
as the Agent

By: *“signed”*
Name: **[REDACTED]**
Title:

By: *“signed”*
Name: **[REDACTED]**
Title:

NATIONAL BANK OF CANADA,
as Lender

By: *“signed”*
Name: **[REDACTED]**
Title:

By: *“signed”*
Name: **[REDACTED]**
Title:

NATIONAL BANK OF CANADA,
as Operating Lender

By: *“signed”*
Name: **[REDACTED]**
Title:

By: *“signed”*
Name: **[REDACTED]**
Title:

ALBERTA TREASURY BRANCHES,
as Lender

By: *“signed”*
Name: **[REDACTED]**
Title:

By: *“signed”*
Name: **[REDACTED]**
Title:

CANADIAN IMPERIAL BANK OF COMMERCE, as Lender

By: *“signed”*
Name: **[REDACTED]**
Title:

By: *“signed”*
Name: **[REDACTED]**
Title:

THE BANK OF NOVA SCOTIA,
as Lender

By: *“signed”*
Name: **[REDACTED]**

Title:

By: *“signed”*
Name: **[REDACTED]**
Title:

JPMORGAN CHASE BANK, N.A.,
TORONTO BRANCH
as Lender

By: *“signed”*
Name: **[REDACTED]**
Title:

By: *“signed”*
Name: **[REDACTED]**
Title:

THE TORONTO DOMINION BANK,
as Lender

By: *“signed”*
Name: **[REDACTED]**
Title:

By: *“signed”*
Name: **[REDACTED]**
Title:

EXHIBIT I

TO THE SIXTH AMENDING AGREEMENT MADE AMONG SURGE ENERGY INC. AS BORROWER, NATIONAL BANK OF CANADA AS SOLE LEAD ARRANGER, SOLE BOOK RUNNER, OPERATING LENDER, LENDER AND ADMINISTRATIVE AGENT, AND THOSE OTHER FINANCIAL INSTITUTIONS WHICH THEREAFTER BECOME LENDERS UNDER THE CREDIT AGREEMENT EFFECTIVE AS OF JULY 3, 2013

SCHEDULE B
SURGE ENERGY INC. AMENDED AND RESTATED
CREDIT AGREEMENT DATED MAY 5, 2011, AS AMENDED

COMMITMENTS

Lender	**Operating Loan**	**Committed Revolving**	**Total**

	Facility	Term Facility	
National Bank of Canada	[REDACTED]	[REDACTED]	[REDACTED]
Canadian Imperial Bank of Commerce	[REDACTED]	[REDACTED]	[REDACTED]
The Bank of Nova Scotia	[REDACTED]	[REDACTED]	[REDACTED]
Alberta Treasury Branches	[REDACTED]	[REDACTED]	[REDACTED]
JPMorgan Chase Bank, N.A., Toronto Branch	[REDACTED]	[REDACTED]	[REDACTED]
The Toronto Dominion Bank	[REDACTED]	[REDACTED]	[REDACTED]
Total Commitment:	**$25,000,000**	**$325,000,000**	**$350,000,000**

Address of Lenders:
Canadian Imperial Bank of Commerce
Oil and Gas Group
9th Floor, Bankers Hall East Tower
855 - 2nd Street SW
Calgary, Alberta T2P 2P2
Facsimile: **[REDACTED]**
Attention: **[REDACTED]**

Alberta Treasury Branches
600, 444 - 7th Avenue SW
Calgary, Alberta T2P 0X8
Facsimile: **[REDACTED]**
Attention: **[REDACTED]**

The Bank of Nova Scotia
2000, 700 - 2nd Street SW
Calgary, Alberta T2P 2W1
Facsimile: **[REDACTED]**
Attention: **[REDACTED]**

National Bank of Canada
1800, 311 – 6th Avenue SW
Calgary, Alberta T2P 3H2
Facsimile: **[REDACTED]**
Attention: **[REDACTED]**

JPMorgan Chase Bank, N.A.,
Toronto Branch
200 Bay Street, Floor 18
Toronto, Ontario M5J 2J2
Facsimile: **[REDACTED]**
Attention: **[REDACTED]**

The Toronto Dominion Bank
Calgary Branch

800 Home Oil Tower
324 – 6th Avenue SW
Calgary, Albert*a* *T2P 2Z2*
Attention: **[REDACTED]**

[**END OF SCHEDULE**]

ACKNOWLEDGMENT AND CONFIRMATION OF GUARANTORS

Each of the undersigned Guarantors hereby acknowledges and confirms that the Credit Agreement, the other Documents, and all covenants, terms and provisions thereof, are hereby ratified and confirmed and shall from and after the date hereof continue in full force and effect as amended and supplemented by the Sixth Amending Agreement to which this Acknowledgment and Confirmation is attached, with such amendments and supplements being effective from and as of the Sixth Amendment Date. In particular, each of the undersigned Guarantors acknowledges that the Security previously granted to the Agent by it under or in connection with the Credit Agreement continues in full force and effect without in any way impairing or derogating from any of the mortgages, pledges, charges, assignments, security interest and covenants therein contained or thereby constituted, as continuing security for the payment of indebtedness in connection with the Credit Agreement, as amended by the Sixth Amending Agreement, or otherwise.

Each of the undersigned Guarantors agrees that it will from time to time forthwith at the Agent's reasonable request and at its own cost and expense make, execute and deliver, or cause to be done, made, executed and delivered, all such further documents, financing statements, assignments, acts, matters and things which may reasonably be required by the Agent and are consistent with the intention of the parties as evidenced herein, with respect to all matters arising under the Sixth Amending Agreement.

Each of the undersigned Guarantors confirms that it has been provided with a true, correct and complete copy of the Sixth Amending Agreement.

All defined terms used above have the meanings attributed to such terms in the Credit Agreement as amended by the Sixth Amending Agreement.

Dated this 3rd day of July, 2013.

1413942 ALBERTA LTD.,
as Guarantor

By: *“signed”*
Name: **[REDACTED]**
Title:

By: ______________________________
Name:
Title:

SURGE GENERAL PARTNERSHIP,
by its Managing Partner, Surge Energy Inc.,
as Guarantor

By: *“signed”*
Name: **[REDACTED]**
Title:

By: ______________________________
Name:
Title