[REDACTED VERSION]

[EXECUTION VERSION]

SECOND AMENDING AGREEMENT

This Second Amending Agreement is entered into as of this 28th day of April, 2015

AMONG:

TORC OIL & GAS LTD., as borrower
(the "**Borrower**")

- and -

BANK OF MONTREAL, THE TORONTO-DOMINION BANK, ROYAL BANK OF CANADA, CANADIAN IMPERIAL BANK OF COMMERCE, **THE BANK OF NOVA SCOTIA** and **NATIONAL BANK OF CANADA**, as lenders
(collectively, the "**Lenders**")

- and -

BANK OF MONTREAL, as administrative agent
(the "**Agent**")

WHEREAS reference is made to that certain second amended and restated credit agreement dated April 23, 2014, as amended on October 30, 2014, made among the Borrower, the Lenders and the Agent (as so amended, the "**2014 Credit Agreement**");

AND WHEREAS the Borrower, the Lenders and the Agent wish to amend the 2014 Credit Agreement as provided for in this Second Amending Agreement;

NOW THEREFORE, in consideration of the premises and the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties hereto agree as follows:

1. Defined Terms

Terms defined in the 2014 Credit Agreement shall, when used herein and unless otherwise defined herein, have the same meanings as are ascribed thereto in the 2014 Credit Agreement, and:

"**Amending Agreement**" means this Second Amending Agreement.

2. Amendments to Credit Agreement

The 2014 Credit Agreement is hereby amended as follows:

(a) Section 1.1 is amended by inserting the following new definitions in alphabetical order:

“**Consolidated Debt to Consolidated EBITDA Ratio**” means, as at a certain date, the ratio of the Consolidated Debt of the Credit Parties on the last day of the most recently completed Fiscal Quarter to the Consolidated EBITDA of the Credit Parties for the most recently completed four Fiscal Quarters; provided however, if at any time during the relevant period of calculation, the Credit Parties have consummated a Material Acquisition or a Material Disposition, the Borrower shall submit to the Agent a *pro forma* Compliance Certificate, together with a management analysis (including supporting Financial Statements) respecting the *pro forma* Compliance Certificate, setting forth what would have been the Consolidated Debt to Consolidated EBITDA Ratio (determined in the manner described above) had the Material Acquisition or Material Disposition closed at the beginning of such period and if, in the opinion of the Agent, acting reasonably, the *pro forma* Compliance Certificate accurately represents what would have been the Consolidated Debt to Consolidated EBITDA Ratio for such period had the Material Acquisition or Material Disposition closed at the beginning of such period, the Consolidated Debt to Consolidated EBITDA Ratio shall be the ratio as disclosed in such *pro forma* Compliance Certificate.

"**Consolidated EBITDA**" means, for any period and without duplication, the sum of Consolidated Net Income for such period plus (or in the case of clauses (d) and (e) below, plus or minus as applicable) the following items to the extent included in computing Consolidated Net Income for such period:

(a) interest expense as shown on the Financial Statements of the Borrower for such period plus all interest on any Debt of any person guaranteed by a Credit Party, <u>plus</u>

(b) income tax expense of the Credit Parties for such period paid or accrued in accordance with GAAP for such period (other than income taxes attributable to extraordinary, unusual or nonrecurring gains or losses or taxes attributable to sales or dispositions outside the ordinary course of business), <u>plus</u>

(c) depletion, depreciation and amortization expense of the Credit Parties for such period, <u>plus</u> or <u>minus</u>

(d) site restoration costs, <u>plus</u> or <u>minus</u>

(e) any other non-cash charges for such period and <u>minus</u> non-cash credits for such period.

"**Consolidated Net Income**" means, for any period, the net income (or net loss) of the Credit Parties for such period as determined on a consolidated basis in accordance with GAAP, as shown on the Financial Statements of the Borrower for such period.

"**Material Acquisition**" means any one or more acquisitions by the Credit Parties of Securities or other Property which either individually or in the aggregate increases the consolidated Oil and Gas Properties of the Borrower by more than five percent (5%) of the then current Borrowing Base.

"**Material Disposition**" means any one or more Dispositions by the Credit Parties of Property which either individually or in the aggregate decreases the consolidated Oil and Gas Properties of the Borrower by more than five percent (5%) of the then current Borrowing Base.

(b) The definition of "**Applicable Margin**" in Section 1.1 is amended by: (i) deleting all references to "Consolidated Debt to Cash Flow Ratio" therein and substituting "Consolidated Debt to Consolidated EBITDA Ratio" in its place, and (ii) deleting the tables under paragraphs (a) and (b) thereof and substituting the following:

"(a) in respect of the Operating Facility (expressed in bps):

Type of Accommodation		**Consolidated Debt to Consolidated EBITDA Ratio**				
	≤ 1.0:1	**> 1.0:1 but ≤ 1.5:1**	**> 1.5:1 but ≤ 2.0:1**	**> 2.0:1 but ≤ 2.5:1**	**> 2.5:1 but ≤ 3.0:1**	**> 3.0:1**
Prime Rate	**[Amounts Redacted]**					
US Base Rate						
LIBOR Rate						
BA Rate						
LC Rate (financial)						
LC Rate (performance)						
Commitment Fee Rate						

(b) in respect of the Syndicated Facility (expressed in bps):

Type of Accommodation		**Consolidated Debt to Consolidated EBITDA Ratio**				
	≤ 1.0:1	**> 1.0:1 but ≤ 1.5:1**	**> 1.5:1 but ≤ 2.0:1**	**> 2.0:1 but ≤ 2.5:1**	**> 2.5:1 but ≤ 3.0:1**	**> 3.0:1**
Prime Rate	**[Amounts Redacted]**					
US Base Rate						
LIBOR Rate						
BA Rate						
Commitment Fee Rate						

(c) The definition of "**Applicable Margin**" in Section 1.1 is further amended by (i) deleting the reference in the first sentence following the table in paragraph (b) to "initially be set" and substituting "be set as of April 28, 2015" in its place; and (ii) inserting new proviso subparagraph (iv) below in sequence and renumbering current subparagraph (iv) as subparagraph (v):

"(iv) at any time that the total aggregate Advances under the Credit Facility exceed $**[Redacted]**, the Applicable Margin for that portion of aggregate Advances in excess of $**[Redacted]** shall be increased by an additional **[Redacted]** Basis Points;"

(d) The definition of "**Consolidated Debt to Cash Flow Ratio**" in Section 1.1 is deleted.

(e) The reference to “Consolidated Debt to Cash Flow Ratio” in the definitions of each of “**BA Rate**”, “**Commitment Fee Rate**” and “**LC Rate**” is deleted and “Consolidated Debt to Consolidated EBITDA Ratio” is substituted in its place.

(f) The definition of "**Term Out Date**" in Section 1.1 is amended by deleting the reference to "April 28, 2015" and substituting "April 27, 2016" in its place.

(g) Section 2.6 is amended by deleting the full text of paragraph (h) thereof and substituting the following in its place:

“**Borrowing Base**: As at April 28, 2015, the Borrowing Base shall be $425,000,000.”

(h) Schedule "B" is amended by deleting the original Schedule "B" attached to the 2014 Credit Agreement and substituting in its place the replacement Schedule "B" attached hereto as Exhibit "A".

3. Conditions Precedent

This Amending Agreement and the amendments contained in Section 2 hereof shall become effective at such time as the following conditions precedent have been met to the satisfaction of the Agent and the Lenders:

(a) since the date of delivery of the most recent Compliance Certificate, there shall have occurred no change in the business, financial condition, operations or property of the Borrower which could reasonably be expected to have a material adverse effect on the Borrower's ability to perform its obligations under the 2014 Credit Agreement;

(b) the Agent has received payment of fees on behalf of each Lender in the amount of **[Redacted]** bps of each such Lender's Proportionate Share of the Total Commitment, which fees shall in each case be deemed to be fully earned as of the date hereof; and

(c) the Agent has received this Amending Agreement duly executed by the Borrower.

The terms and conditions of this Section 3 are inserted for the sole benefit of the Agent and the Lenders and may be waived by the Agent and the Lenders in whole or in part without terms and conditions.

4. Certification

The Borrower hereby certifies to and in favour of the Agent and the Lenders that, as of the date hereof:

(a) unless expressly stated to be made as of a specific date, each of the representations and warranties made in the Credit Agreement and the other Credit Documents are complete, true and correct; and

(b) no Default or Event of Default has occurred which is continuing.

5. Ratification

Save and except as amended pursuant to the terms hereof, the Credit Agreement is hereby ratified and confirmed.

6. Enurement

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

7. Counterpart Execution

This Amending Agreement may be executed in any number of counterparts in the original or by facsimile and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amending Agreement as of the date first above written.

TORC OIL & GAS LTD.

By: **[Signed]** ________________________________
Name:
Title:

By: **[Signed]** ________________________________
Name:
Title:

BANK OF MONTREAL,
as a Lender

By: **[Signed]**____________________________________
Name:
Title:

By: **[Signed]**____________________________________
Name:
Title:

BANK OF MONTREAL,
as Agent

By: **[Signed]**____________________________________
Name:
Title:

By: **[Signed]**____________________________________
Name:
Title:

THE TORONTO-DOMINION BANK,
as a Lender

By: **[Signed]**____________________________________
Name:
Title:

By:**[Signed]**____________________________________
Name:
Title:

ROYAL BANK OF CANADA,
as a Lender

By: **[Signed]**____________________________________
Name:
Title:

CANADIAN IMPERIAL BANK OF COMMERCE,
as a Lender

By: **[Signed]**______________________________
Name:
Title:

By: **[Signed]**______________________________
Name:
Title:

BANK OF NOVA SCOTIA,
as a Lender

By: **[Signed]**___________________________________
Name:
Title:

By: **[Signed]**___________________________________
Name:
Title:

NATIONAL BANK OF CANADA,
as a Lender

By: **[Signed]**______________________________________
Name:
Title:

By: **[Signed]**______________________________________
Name:
Title:

EXHIBIT "A"

SCHEDULE "B"

<u>COMPLIANCE CERTIFICATE</u>

TO: BANK OF MONTREAL, as Agent (the "**Agent**")

Ladies and Gentlemen:

1. Reference is made to the Second Amended and Restated Credit Agreement dated as of April 23, 2014 made among the Borrower, Bank of Montreal and the other banks and financial institutions from time to time party thereto, as Lenders, and the Agent, as amended, supplemented, restated or replaced from time to time (the "**Credit Agreement**"). All terms and expressions used herein but not otherwise defined shall have the same meanings herein as are ascribed thereto in the Credit Agreement.

2. I, [name], in my capacity as [title] of the Borrower and not in any personal capacity, hereby certify that as of the date hereof:

   (a) the representations and warranties set forth in the Credit Agreement are in all material respects true and correct on the date hereof;

   (b) the Borrower has performed or observed or caused to be performed or observed the covenants set forth in the Credit Agreement to be performed or observed by it to the date hereof; and

   (c) there has not occurred any unremedied Default or Event of Default.

3. As at [March 31, June 30, September 30, or December 31, as applicable], 20____:

   (a) the Consolidated Debt to Consolidated EBITDA Ratio is •:•, and

   (b) the principal amount of all Advances, in aggregate, under the Operating Facility and Syndicated Facility does not exceed, and has not at any time exceeded, the Borrowing Base.

Particulars of the calculation of the Consolidated Debt to Consolidated EBITDA Ratio are as set out on Exhibit "A" attached hereto.

4. Attached hereto is a detailed list and description of all Swaps to which any Credit Party is a party.

DATED this ___________day of _____________________, 20__.

TORC OIL & GAS LTD.

Per: ____