

May 28th, 2013

Tamarack Acquisition Corp. Response to NEB Information Request #1

Change of Ownership from Echoex Ltd. to Tamarack Acquisition Corporation on Pipeline 06-34-043-28W3M (Sask) to 06-01-044-01W4M (Alta)

NEB Reference Number: OF-Fac-Gas-T290-2013-01 01

Engineering Matters

1.0 Pipeline Records		
	Reference:	i) Bootis Hill Integrity Management Inc., Application of Echoex Ltd. (Echoex) Amalgamation with Tamarack Acquisition Corporation (Tamarack) [A3G7D2] ii) NEB Filing Manual, Guide R – Transfer of Ownership, Lease or Amalgamation (NEB Act Paragraph 74(1)(a), (b) and (c), PDF pages 187-190 of 268 [Filing Manual])
	Preamble:	Reference i) provides details regarding the change of ownership from Echoex Limited to Tamarack Acquisition Corporation. Reference (ii) requires confirmation that a copy of the pipeline records set out in section 10.4 of CSA Z662-11 and section 56(e) to 56(g) of OPR have been provided to the new owner of the facilities.
	Request:	Please provide confirmation that copies of all pipeline records are in possession of the new owner. If this is not the case, please provide a plan detailing how it will acquire the information/records necessary to maintain and operate the facility safely.
	Tamarack Response	As part of the Tamarack corporate acquisition of Echoex in April 2012, Tamarack also acquired all files, documents and other records in Echoex's possession (both in head office and field locations) relating to all infrastructure assets including the pipeline that is the topic of this application. Based on our review of these subject documents it is our belief that all required pipeline records are currently in Tamarack's possession.

Commercial Third Party Matters

1.2 Notification of Commercial Third Parties		
	Reference:	<p>i) Bootis Hill Integrity Management Inc., Application of Echoex Ltd. (Echoex) Amalgamation with Tamarack Acquisition Corporation (Tamarack), [A3G7D2]</p> <p>ii) National Energy Board, Change in Ownership Application Form, page 3 of 4, row 12 [Change in Ownership Form]</p> <p>iii) NEB Filing Manual, Chapter 3, 3.4 – Notification of Commercial Third Parties, PDF pages 37-38 of 268 [Filing Manual]</p>
	Preamble:	<p>In reference i), with respect to the row providing details on the notification and consultation of commercial third parties, Tamarack states that there are no third party shippers.</p> <p>Reference ii) is a form describing the information the Board requires for a Change in Ownership application. With respect to the notification of commercial third parties, the Board requires confirmation that all commercial third parties, including third party shippers, who could potentially be affected in any way by the outcome of the application have been notified and include the method used to notify those parties and any concerns raised, or an explanation in the event that notification of commercial third parties was considered unnecessary.</p> <p>Reference iii) provides additional information on commercial third parties. The reference explains that notification is required to allow all commercial third parties who could be affected by the decision to have had the opportunity to comment should they wish to do so. The reference also explains that commercial third parties include those who could be directly or indirectly commercially affected by the outcome of an application.</p>
	Request:	Please confirm that all commercial third parties who could potentially be affected in any way by the outcome of the amalgamation of Echoex with Tamarack have been notified and include the method used to notify those parties and any concerns raised. If relevant, provide an explanation in the event that notification of commercial third parties was considered unnecessary.
	Tamarack Response	Tamarack confirms that there are no commercial third parties with an interest of any kind in this pipeline. The pipeline was 100% wholly owned by Echoex Ltd. and is now owned 100% by Tamarack through its acquisition of Echoex in April 2012 and subsequent amalgamation on January 1 st , 2013. All gas volumes transported through this pipeline are owned on a 100% working interest basis by Tamarack. As such there are no third parties requiring notification,

Finance Matters

1.3 Financial Matters		
	Reference:	<p>i) Bootis Hill Integrity Management Inc., Application of Echoex Ltd. (Echoex) Amalgamation with Tamarack Acquisition Corporation (Tamarack), PDF page 3 of 20 [A3G7D2]</p> <p>ii) Board Order dated 23 February 2005 - Echoex Energy Inc. for Application dated 6 December 2004 for the Reflex Lake Interprovincial Pipeline from 06-34-43-28 W3M to 06-01-44-01 W4M dated, PDF page 4 of 6 [A0Q1W7]</p> <p>iii) National Energy Board, Change in Ownership Application Form, page 4 of 4, row 21 [Change in Ownership Form]</p>
	Preamble:	<p>In reference i) Tamarack states that the value of the pipeline is \$292,500. Tamarack does not state the accumulated depreciation and net book value of the pipeline.</p> <p>Reference ii) is the Board Order approving Echoex's 6 December 2004 Application for the Reflex Lake Interprovincial Pipeline (the Application). The Order states that the estimated cost of the Application is \$292,500.</p> <p>Reference iii) states: "Provide the original cost of the asset, accumulated depreciation, and the net book value."</p>
	Request:	Please provide the accumulated depreciation and net book value of the pipeline.
	Tamarack Response:	<p>As an Oil and Gas production company Tamarack does not account for depreciation on individual pipeline assets, but rather on the entire corporate asset base as a whole. As such we do not have an accumulated depreciation amount nor a net book value for this particular pipeline. The value of the pipeline as provided in the transfer documents is based on an estimated replacement cost as the original construction cost of this pipeline was not available to Tamarack at the time of the Echoex acquisition.</p> <p>Since, as indicated in answer to request 1.2 Commercial Third Party Matters of Information Request #1, there are no third party shippers or other commercial interests in this pipeline the lack of a net book value on this pipeline should not pose any problems in the on-going operation and management of the pipeline.</p>