

## Confidential Wells Are Not Included In The TourXchange (...and here's how we make sure of it)

### Tight-hole status within Pason

The access we will be given on Pason's system does not permit us to see tight holes (wells deemed confidential by the operator). This is the most reliable way to ensure that XI does not incorporate confidential wells into TourXchange.

As wells come off confidential status, the operator is expected/required to release the well so XI can access the data.

On a regular basis, XI will audit the wells that we receive from Pason against the list of publically available wells. If any should be available for download but are not, we will contact you requesting release of the well from tight hole status.

### Other confidential wells

Other wells within the Pason system may be confidential, but are not flagged in your account as tight hole. XI cannot control which wells are downloaded (confidential or not), so an audit system will scan the downloaded files against a database of wells that are considered confidential according to ERCB/OGC/SIR publications. Any wells deemed confidential are deleted from our system immediately.

This audit system employs the protocols set by the various regulatory bodies throughout Western Canada:

<u>Saskatchewan</u>	<u>British Columbia</u>	<u>Alberta</u>
Inside approval of pool boundary = 30 day confidentiality status  Outside approval of pool boundary = 1 year confidentiality status	Confidential if the rig release date is less than _____ on a _____ type well:  3 years                      Test Hole (TH) 3 years                      Experimental 1 year                        Wildcat 6 months                    Outpost 2-3 months                 Development	While the regulations to determine confidentiality status are far more complicated, the ERCB publishes a list (updated daily) of all wells that are listed as confidential.  <a href="#">Click here</a> to see an example of their daily list.

The TourXchange concept is quite revolutionary, especially considering the simplicity of the concept. Of the primary functions, one major component was to give comfort to our participants that confidential is NOT part of the program. It is imperative that we respect this element of the program. As detailed in the TourXchange contract, we guarantee that the secrets held within your confidential wells are safe from public eyes.

If you have any further questions or concerns, we invite you to please contact us.