

REVISED ROAD USE RATES

Notice Date: October 31, 2025

In accordance with the LEMAC (CAPLA) Master Road Use Agreement Clause 2.2, this letter serves as 60 days' written notice that **effective January 1, 2026**, Surge Energy Inc. is adjusting its road use rates as follows:

INITIAL CONSIDERATION (subject to GST and based on 1km minimum)

Rig Move – Single Well or First Well from Multi-Well Pad	\$1,100.00/km
Additional Wells (Same Rig, Drilled Back-to-Back)	\$ 600.00/km
Fracking Fee (Initial Well)	\$1,000.00/km
Construction of Access Road Only.....	\$ 500.00/km
Construction of Major Facility ¹	\$1,000.00/km
Construction of Minor Facility ²	\$ 600.00/km
Pipeline Construction	\$ 500.00/km
Power/Transmission Line or Cell Tower	\$ 500.00/km
Service Rig or Compressor Move.....	\$ 500.00/km
Pipeline Repair, Maintenance or Integrity Dig	\$ 500.00/km
Abandonment, Reclamation and/or Remediation (if an agreement is not already in place).....	\$ 700.00/km
Hauling – Water, Gravel, Sand, etc.	\$ 800.00/km
Bridge	\$1,000.00/bridge
Seismic Program	\$ 500.00/km
Temporary Above Ground Water Linie	Reciprocal
Forestry	Reciprocal

MAINTENANCE FEES (subject to GST and based on 1km minimum)

Producing Well - Pipelined	\$ 40.00/km/month
Producing Well - Trucked	\$ 60.00/km/month
Disposal / Injection Well	\$500.00/year
Non-Producing Well ³	\$500.00/year
Major Facility ¹	\$ 60.00/km/month
Minor Facility ²	\$ 40.00/km/month
Campsite Access	\$ 40.00/km/month
Bridge	\$500.00/bridge/year
Reclamation.....	Negotiable
Forestry	Reciprocal

NON-REFUNDABLE ADMINISTRATION FEES (subject to GST)

Agreement Issue, Revision, Replacement or Cancellation	\$ 250.00/agreement
RUSH Agreement (required within 7 business days of request).....	\$ 500.00/agreement
Trespass, Usage with Unexecuted Agreement or Road Ban Non-Compliance	\$5,000.00/instance
Permit for Road Use During Road Ban (in addition to regular fees)	Negotiable

¹ **Major Facilities** include Multi-Well Batteries/Satellites, Plant & Compressor Sites, Tank Farms.

² **Minor Facilities** include Riser & Valve Sites, Meter Stations, Borrow Pits, Remote Sumps and Water Sources.

³ **Non-Producing** includes Suspended, Abandoned, Shut-In and/or Standing wells.

Additional Information

- Fully executed agreements will not be issued until initial consideration and admin fees have been paid – no exceptions.
- Agreements for wellsites expire two years from issue date if the project has not started. Maintenance billing begins immediately after spud date.
- Agreements for facilities, pipelines, power/transmission lines, forestry management and seismic programs expire one year from issue date.
- Surge reserves the right to impose temporary road bans as conditions warrant (separate notice will be provided).
- Grantee is responsible for timely reporting of well status changes (via Petrinex and/or written notice to Surge at roaduse@surgeenergy.ca). Invoice credits will not be issued for failure to update at the time of status change.