



Crescent Point

Privileged and Confidential

May 24, 2022

Town of Fox Creek

102 Kaybob Drive, Box 149
Fox Creek, Alberta T0H 1P0

Attention: Kristen Milne – Chief Administrative Officer

RE: Town of Fox Creek Discussion – Follow-up Questions and Answers

We write to provide Crescent Point Energy Corp.'s ("Crescent Point") responses to questions it received by email dated April 1, 2022, from the Town of Fox Creek following the March 21, 2022, meeting between Crescent Point and the Town to review Crescent Point's proposed drilling operations on or near 09-01-063-19W5 (the "Well Pad"). Below, we have stated each question that the Town asked Crescent Point to respond to, followed by Crescent Point's response to each question.

Question 1

What emergency response measures does Crescent Point have in place and how will these measures be communicated to the Town of Fox Creek?

Response 1

- In the event an emergency occurs that affects the Town of Fox Creek, Crescent Point will promptly notify the Town and may seek the Town's cooperation in responding to the emergency situation.
- Crescent Point consulted with and sought the MD of Greenview's (the "Local Authority") input into the development of the Kaybob Emergency Response Plan.
- Where practical, the Local Authority may review and provide comment to the industrial operator's site-specific plan with a view to ensuring it is compatible with the municipal emergency plan.
- Crescent Point has an emergency response plan and a local incident command team in place to respond to emergency situations.
- The Town of Fox Creek falls well outside of the 0.12 km Emergency Planning Zone (the "EPZ") for the currently proposed Well Pad.
- We do not anticipate main roads to be impacted or closed due to an emergency at the Well Pad. The nearest main road to the Well Pad is the Losegun Lake Rd, which is located approximately 2.8 km from the Well Pad.

Question 2

How often does Crescent Point plan to communicate with the Town of Fox Creek throughout the drilling process?

Response 2

- Unless an emergency situation or a circumstance arises that will impact a town or community, typically, an operator has minimal communication with a town or community while conducting drilling and completion operations.
- If the Town of Fox Creek would like information and updates about the timing of drilling and completions operations, please let the undersigned know so that this information may be provided to a Town representative throughout the drilling and completion operations.

Question 3

The drill path takes a line that goes under the Town of Fox Creek boundaries. What information does Crescent Point have available to show that this is not a risk to the Town's infrastructure and is there an opportunity for Crescent Point to change the direction of the drill path?

Response 3

- The drill path is currently planned to run under the Town's expansion boundaries, which path falls outside the existing Town boundaries.
- Risks to the Town's infrastructure from drilling and completion operations remain relatively low. While hydraulic fracturing operations carry some risk of surface disturbance, Crescent Point proactively seeks to mitigate these risks by following the stoplight system, which has been updated and is further described below.
- Historically, the target area has been observed to be at lower risk for induced seismic activity.
- Our geological information suggests that the planned drill path permits access to the reservoir that is otherwise inaccessible.

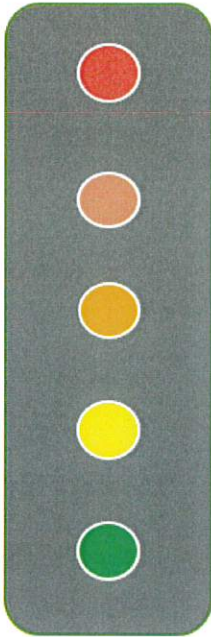
Question 4

The Town believes that there should be stricter "stop" points on the stop light system. Would Crescent Point be willing to increase the sensitivity? What measures does Crescent Point have in place should a seismic event occur?

Response 4

- In response to the Town's request, Crescent Point proposes the updated and enhanced stoplight system as described below. Among other things, mitigation measures would include adjustments being made by Crescent Point to the hydraulic fracturing design if a 1.5 magnitude event level is experienced, compared to the AER regulated 2.0. For events above a 3.0 magnitude event level, Crescent Point would respond with other mitigation measures, such as making design changes to avoid further surface disturbances.

CPG Traffic Light System –
Town of Fox Creek



$4.0 \leq M_L$

Operations stop

$3.0 \leq M_L < 4.0$

CPG pause operation & implement aggressive mitigation

$1.5 \leq M_L < 3.0$

Mitigation begins

$1.0 \leq M_L < 1.5$

Increased technical team awareness

$M_L \leq 1.0$

No action required

If the Town of Fox Creek has any follow-up questions, please contact the undersigned.

Yours truly,
Crescent Point Energy Corp.

Chris Sillito
csillito@crescentpointenergy.com
403-988-0127