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VIA EMAIL

Dear Ms. Leeson, Ms. Franken and Ms. Beaudoin,

I am writing to provide my very brief, and unfortunately last minute, comments regarding the Proposed National Instrument 41-101 *General Prospectus Requirements* ("NI 41-101").

Given the commentaries I have seen on NI 41-101, I have serious concerns with respect to the potential impact this will have on my company specifically, but also on the Canadian oil and gas industry in general. I question, and would very much like to understand, the rationale for requiring a "significant beneficiary" to have to provide a certification with respect to a prospectus to be filed by an issuer within one year after the acquisition of a "significant business".

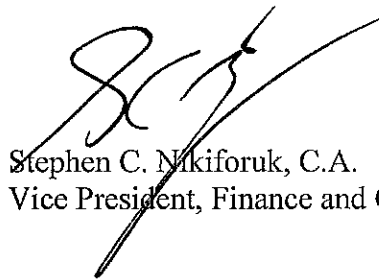
Although I do not profess to know whether it was desired, the result appears to try to shift the responsibility for success of not only an acquisition, but the success of the entire business of the purchaser subsequent to that acquisition back onto the vendor. In my opinion, I do not believe that will be a risk that any vendor can, or will be willing to, accept – even if that risk is only limited to the significant business itself.

The fallout would likely be an extreme reduction in asset acquisitions and dispositions or in takeovers of corporations with significant shareholders – which would further reduce the avenues on any companies our size or smaller which avenues they can grow from.

I understand that a key mandate of all of the Canadian Securities Regulatory bodies is the protection of investors in our capital markets. However, I trust that the mandate does not include protecting them from potential positive returns – which is what I believe these proposals, in their current form, have the possibility of impacting directly.

Sincerely,

KERECO ENERGY LTD.

A handwritten signature in black ink, appearing to read 'S. Nikiforuk', written over a horizontal line.

Stephen C. Nikiforuk, C.A.
Vice President, Finance and Chief Financial Officer