

IN THE MATTER OF
THE SECURITIES LEGISLATION
OF SASKATCHEWAN, NOVA SCOTIA AND NEWFOUNDLAND AND LABRADOR

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF
APPLICATIONS

AND

IN THE MATTER OF GREY WOLF EXPLORATION INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the “Decision Maker”) in each of Saskatchewan, Nova Scotia and Newfoundland and Labrador (the “Jurisdictions”) has received an application from Grey Wolf Exploration Inc. (the “Applicant”) for a decision pursuant to the securities legislation of the Jurisdictions (the “Legislation”) that the Applicant cease to be a reporting issuer or equivalent thereof under the Legislation;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the “System”), the Saskatchewan Securities Commission is the principal regulator for this application;

AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 Definitions or in Québec Commission Notice 14-101;

AND WHEREAS the Applicant has represented to the Decision Makers that:

1. On December 31, 1993, Cascade Oil & Gas Ltd. amalgamated with Index Petroleum Ltd. under the laws of Alberta to form Cascade Oil & Gas Ltd. On June 11, 1998, Cascade Oil & Gas Ltd. changed its name to Grey Wolf Exploration Inc.;
2. Abraxas Acquisition Corporation (“AcquisitionCo”) was a corporation incorporated on May 31, 2001 under the laws of Alberta for the sole purpose of acquiring the common shares (the “Grey Wolf Shares”) of the Applicant not held by Abraxas Petroleum Corporation (“Abraxas”) or Canadian Abraxas Petroleum Limited (“Canadian Abraxas”);
3. On August 1, 2001 a take-over bid circular (the “Circular”) was mailed to all the Applicant’s shareholders (the “Grey Wolf Shareholders”);

4. As a result of filing the Circular, AcquisitionCo became a reporting issuer in the Jurisdictions. AcquisitionCo is not a reporting issuer or the equivalent in any other province or territory in Canada;
5. On December 31, 2001 AcquisitionCo amalgamated with the Applicant (the “Amalgamation”) to form the Applicant;
6. As a result of the Amalgamation, the Applicant became a reporting issuer in the Jurisdictions. The Applicant is not a reporting issuer or the equivalent in any other province or territory in Canada;
7. The authorized share capital of the Applicant consists of an unlimited number of common shares of which 12,459,349 common shares are held by Abraxas and 345,279 common shares are held by Canadian Abraxas;
8. The Applicant has not filed any continuous disclosure materials since the date of the Amalgamation and is currently in default of its obligations as a reporting issuer under the Legislation;
9. No securities of the Applicant are traded on any stock exchange or other organized market in Canada;
10. No securities are outstanding in the capital of the Applicant, including debt securities, other than the common shares held by Abraxas and Canadian Abraxas; and
11. The Applicant does not intend to seek public financing by way of an offering of its securities;

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the “Decision”);

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

The Decision of the Decision Makers under the Legislation is that the Applicant is deemed to have ceased to be a reporting issuer under the Legislation as of the date of this Decision.

DATED October 4, 2002.

“Barbara Shourounis”

David Wild
Chairperson