

## **Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – issuer deemed to be no longer a reporting issuer under the Act;

## **Applicable Alberta Statutory Provisions**

Securities Act, R.S.A., 2000, c.S-4, section 153

IN THE MATTER OF  
THE SECURITIES LEGISLATION  
OF ALBERTA, SASKATCHEWAN, ONTARIO AND QUÉBEC

AND

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

AND

IN THE MATTER OF PROVIDENT ENERGY LTD.

## **MRRS DECISION DOCUMENT**

1. WHEREAS the local securities regulatory authority or regulator (the “Decision Maker”) in each of Alberta, Saskatchewan, Ontario and Québec has received an application from Provident Energy Ltd. (“Provident”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that it be declared to be no longer a reporting issuer.
2. AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the “System”) the Alberta Securities Commission is the principal regulator for this application;
3. AND WHEREAS Provident has represented to the Decision Makers that:
  - 3.1 Provident was formed by the amalgamation (the “Amalgamation”) of Provident Energy Ltd. and Richland Petroleum Corporation (“Richland”) under the Business Corporations Act (Alberta) (the “ABCA”) effective January 16, 2002;
  - 3.2 the head office of Provident is located in Calgary, Alberta;
  - 3.3 Provident is a reporting issuer in the Jurisdictions and became a reporting issuer in Alberta as a result of the Amalgamation;
  - 3.4 Provident is not in default of any of the requirements of the Legislation;

- 3.5 the authorized capital of Provident consists of an unlimited number of common shares of which there is currently one common share outstanding (the "Common Share");
- 3.6 effective January 16, 2002, Provident Energy Ltd., Richland, Terraquest Energy Corporation ("Terraquest") and Provident Energy Trust (the "Trust") were reorganized by a plan of arrangement (the "Arrangement") pursuant to section 186 of the ABCA;
- 3.7 under the terms of the Arrangement:
  - 3.7.1 all common shares of Richland owned by non-residents of Canada within the meaning of the Income Tax Act (Canada) were transferred to Provident (free of any claims) and such Richland shareholders received notes of Provident and shares of Terraquest;
  - 3.7.2 the articles of Richland were amended to change its authorized capital by the addition of an unlimited number of Class A shares and Class B shares;
  - 3.7.3 the articles of Richland were amended such that each of the issued and outstanding Richland Shares were changed into one Class A share and one Class B share;
  - 3.7.4 Richland sold certain oil and gas properties to Terraquest in accordance with a purchase and sale agreement, pursuant to which Terraquest issued to Richland, as consideration for the properties, shares of Terraquest;
  - 3.7.5 Richland redeemed all of the issued and outstanding Class B shares in consideration of the transfer to the holders thereof of one share of Terraquest for each Class B share redeemed;
  - 3.7.6 each issued and outstanding Class A share (other than those held by Provident), was exchanged with Provident for notes;
  - 3.7.7 the notes were exchanged with the Trust resulting in the acquisition by the Trust of all of the notes and the acquisition of trust units ("Trust Units") of the Trust by holders of notes; and
  - 3.7.8 Richland and Provident were amalgamated and continued as one corporation under the name of "Provident Energy Ltd.";
- 3.8 the Trust is a reporting issuer in the Jurisdictions and the Trust Units are listed on The Toronto Stock Exchange (the "TSE") and the American Stock Exchange (the "ASE");
- 3.9 the common shares of Richland were delisted from the TSE and the ASE at the close of trading on January 21, 2002, and no securities of Richland or Provident are listed or quoted on any exchange or market;

3.10 other than the Common Share, notes which were issued in connection with: a) a plan of arrangement involving the Trust, Provident and Founders Energy Ltd., b) a plan of arrangement involving the Trust, Provident and Maxx Petroleum Ltd.; and c) the plan of arrangement involving the Trust, Provident Richland Petroleum Corporation and Terraquest Energy Corporation and a \$125 million fixed and floating charge debenture which was granted as security to a Canadian chartered bank in connection with the Trust's current credit facility, Provident has no securities, including debt securities, outstanding;

3.11 Provident does not intend to seek public financing by way of an offering of securities.

4. AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");
5. 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;
6. AND WHEREAS the decision of the Decision Makers under the Legislation is that Provident Energy Ltd. is deemed to have ceased to be a reporting issuer under the Legislation.

DATED this 21<sup>st</sup> day of June, 2002

"original signed by"

Patricia M. Johnston

Director, Legal Services & Policy Development