

Citation: C1 Energy Ltd., 2007 ABASC 788 Date: 20071120

In the Matter of
the Securities Legislation of
Alberta, British Columbia, Manitoba,
Saskatchewan, Ontario, Quebec, Newfoundland, New Brunswick
and Nova Scotia (the **Jurisdictions**)

and

In the Matter of the Mutual Reliance Review System for
Exemptive Relief Applications

and

In the Matter of
C1 Energy Ltd. (the **Filer**)

MRRS Decision Document

Background

1. The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application for the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that it be deemed to have ceased to be a reporting issuer or the equivalent thereof under the Legislation (the Requested Relief).
2. Under the Mutual Reliance Review System for Exemptive Relief Applications (MRRS):
 - (a) The Alberta Securities Commission is the principal regulator for this application; and
 - (b) This MRRS decision document evidences the decision of each Decision Maker.
3. Defined terms contained in National Instrument 14-101 Definitions have the same meanings in this decision unless they are defined in this decision.

Representations

4. This decision is based on the following facts represented by the Filer:
 - (a) The Filer was incorporated under the Business Corporations Act (Alberta) (the ABCA) by certificate of incorporation dated September 25, 2003 under the name 1068370 Alberta Ltd. On October 29, 2003, the Filer filed Articles of Amendment to change its name to "C1 Energy Ltd.". On December 16, 2004, as part of a plan of arrangement completed under the ABCA, the Filer amalgamated with Extreme Energy Corporation.

(b) The head office and registered office of the Filer is located in Calgary, Alberta.

(c) The authorized capital of the Filer currently consists of an unlimited number of common shares (the Common Shares) and 1,442,000 performance shares. As of the date hereof, there are 35,742,747 Common Shares issued and outstanding, all of which are held beneficially by 1329813 Alberta Ltd. (AcquisitionCo.), an indirect wholly owned subsidiary of Penn West Energy Trust.

(d) Pursuant to a take-over bid dated June 15, 2007 made by AcquisitionCo. and the compulsory acquisition on September 18, 2007 of all Common Shares not then owned by AcquisitionCo. pursuant to Part 16 of the ABCA, all of the issued and outstanding Common Shares of the Filer were acquired by AcquisitionCo.

(e) The Filer is a reporting issuer or the equivalent in the provinces of Alberta, British Columbia, Saskatchewan, Manitoba, Quebec, Ontario, New Brunswick, Newfoundland and Labrador and Nova Scotia.

(f) The Filer has no other securities outstanding other than the Common Shares owned by AcquisitionCo.

(g) The Filer has no current intention to seek public financing by way of an offering of securities.

(h) The Common Shares were de-listed from the Toronto Stock Exchange on September 25, 2007 and no securities of the Filer are listed or traded on a marketplace as defined in National Instrument 21-101 Marketplace Operation.

(i) The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly by fewer than 15 security holders in each of the Jurisdictions and fewer than 51 security holders in Canada.

(j) On September 27, 2007 the Filer filed a notice under BC Instrument 11-502 Voluntary Surrender of Reporting Issuer Status and received confirmation from the BCSC that the Filer ceased to be a reporting issuer in British Columbia effective October 7, 2007.

(k) The Filer is not in default of any of its obligations as a reporting issuer under the Legislation, other than its obligation to file its annual information form, annual financial statements, and related management's discussion and analysis under National Instrument 51-102 Continuous Disclosure Obligations and annual certificates under Multilateral Instrument 52-109 Certification of Disclosure in Filings, in each case, for the year ended July 31, 2007.

(l) Upon the grant of the relief requested herein, the Filer will not be a reporting issuer or the equivalent in any jurisdiction of Canada.

Decision

5. 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. The decision of the Decision Makers under the Legislation is that the Requested Relief is granted.

“original signed by”

Blaine Young

Associate Director, Corporate Finance

Alberta Securities Commission