

File: 92100-35-BED-2173268

October 18, 2011

Dr. Peter Hill
Triangle Petroleum Corporation
1660 Wynkoop Street, Unit 900
Denver, Colorado, USA
80202

mailed

Dear Dr. Hill:

Re: Approval 2008-064245-R01 and 2008-064246-R01 & Directive issued pursuant to Environment Act

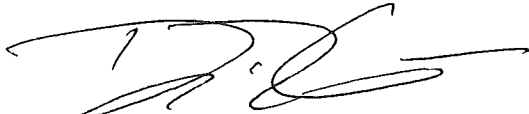
This letter is further to our meeting held at our office on October 6, 2011 and to summarize the following items discussed during this time:

- It continues to be the position of the Province of Nova Scotia that re-injection of this wastewater is currently not an acceptable method of disposal.
- You did advise that you have explored alternative methods of disposal including membrane filtration and evaporation, but these are too costly in your view.
- Trucking the wastewater is not Triangle's preferred method of disposal, but you are prepared to immediately engage Atlantic Industrial Services to begin this process
- NSE advised that we have not received any analytical data since 2008. Triangle agreed to send missing data immediately.

NSE and Triangle Petroleum both wish for this matter to move forward and achieve compliance with the terms and conditions of the Approvals and Directive. With this in mind, Triangle committed to send NSE a plan outlining the proposal to empty one brine pond before freezing conditions set in. This was to be brine pond no. 2 (KC 2), which is the one previously identified to be leaking. Triangle was also reminded that one of the terms and conditions of your approvals was to have a water level data logger installed, but this has not occurred which is a violation of your approval. Therefore, as part of the plan, Triangle is to also indicate how they intend on complying with these terms and conditions of approvals, including the reporting of this information to NSE. Finally, NSE reminds Triangle to submit all analytical data, **AND** to also begin sampling for the additional parameters outlined in the October 4th correspondence. It is suggested that you begin conducting this sampling immediately as it may further influence where this wastewater may be able to be disposed.

This Plan shall be submitted to NSE no later than October 25, 2011. Should you have any questions, please contact me at any time.

Yours truly,

A handwritten signature in black ink, appearing to read 'D. DeGrass', with a long horizontal flourish extending to the right.

Derek J. DeGrass
Compliance and Inspection Coordinator

cc: Steve Westhaver, District Manager
Melanie Haggart, Regional Hydrogeologist
Tad Czarnik, Regional Engineer