

Headnote

Mutual Reliance Review System for Exemptive Relief Applications -- relief granted from the requirement to provide certain financial statements in an information circular for significant acquisitions involving oil and gas properties on the condition that acceptable alternative disclosure is provided.

Applicable National Instruments, Rule, and Notice

National Instrument 51-102, Continuous Disclosure Obligations.
Ontario Securities Commission Rule 41-501, General Prospectus Requirements.
National Instrument 44-101, Short Form Prospectus Distributions.
National Instrument 51-101, Standards of Disclosure for Oil and Gas Activities.
Canadian Securities Administrators Staff Notice 42-303, Prospectus Requirements.

Citation: Bulldog Energy Inc. et al, 2005 ABASC 892

October 28, 2005

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, BRITISH COLUMBIA, SASKATCHEWAN, MANITOBA, ONTARIO,
QUEBEC, NEW BRUNSWICK, NOVA SCOTIA, PRINCE EDWARD ISLAND AND
NEWFOUNDLAND AND LABRADOR**

AND

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

AND

**IN THE MATTER OF
BULLDOG ENERGY INC.
AND CRESCENT POINT ENERGY TRUST**

MRRS DECISION DOCUMENT

Background

1. The local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, British Columbia, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador (the "Jurisdictions") has received a joint application from Bulldog Energy Inc. ("Bulldog") and Crescent Point Energy Trust

("Crescent Point") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that:

1.1 Bulldog be exempt from the requirements contained in the Legislation which requires Bulldog to include three years of audited financial statements in an information circular in respect of a significant acquisition;

1.2 Bulldog be exempt from the requirement contained in the Legislation which requires Bulldog to include three years of audited financial statements in an information circular in respect of a business for which securities are being distributed in connection with a restructuring transaction;

1.3 Bulldog be exempt from the requirement contained in the Legislation which requires Bulldog to include reserves data and other oil and gas information in an information circular as at the date of the most recent audited balance sheet included in the information circular; and

1.4 Bulldog be exempt from the requirements contained in the Legislation which requires Bulldog to include annual, interim and pro-forma financial statements of Crescent Point in an information circular in respect of multiple acquisitions by Crescent Point that are not otherwise significant or related.

2. Under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"):

2.1 the Alberta Securities Commission is the principal regulator for this application; and

2.2 this MRRS decision document evidences the decision of each Decision Maker (collectively, the "Decision").

Interpretation

3. Unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 *Definitions*;

Representations

4. Bulldog has represented to the Decision Makers that:

4.1 Bulldog was incorporated under the laws of the Province of Alberta and Bulldog's head office is located in Calgary, Alberta;

4.2 The Class A and Class B shares of Bulldog are listed and posted for trading on the Toronto Stock Exchange under the trading symbols "BDE.A" and "BDE.B", respectively;

4.3 Bulldog is a reporting issuer in the provinces of Alberta, British Columbia and Ontario and has been a reporting issuer in at least one of these jurisdictions since December 13, 2001;

4.4 To its knowledge, Bulldog is not in default of any of the requirements of the applicable securities legislation in any of the provinces in which it is a reporting issuer;

4.5 Bulldog is entering into a plan of arrangement (the "Arrangement") whereby it will be entering into a business combination with Crescent Point Energy Trust ("Crescent Point") and transferring certain assets (the "ExploreCo Assets") into a new public company ("ExploreCo");

4.6 Following completion of the Arrangement, Crescent Point will own all of Bulldog's existing operating assets, except for those assets transferred to ExploreCo. No new or additional assets are being acquired by any of the parties to the Arrangement other than those currently owned by Bulldog;

4.7 As part of the Arrangement, common shares will be issued by ExploreCo to security holders of Bulldog and trust units will be issued by Crescent Point to security holders of Bulldog;

4.8 The acquisition of the ExploreCo Assets by ExploreCo (the "ExploreCo Acquisition") constitutes a "significant acquisition" under the Legislation for ExploreCo;

4.9 Bulldog is preparing an information circular (the "Information Circular") in connection with a meeting of its securityholders which is expected to be held on November 28, 2005. At the shareholders' meeting, Bulldog's securityholders will be given the opportunity to vote on the Arrangement which includes the ExploreCo Acquisition;

4.10 The Information Circular will contain, among other things, prospectus level disclosure of the business and affairs of Bulldog, Crescent Point and ExploreCo and the particulars of the Arrangement, as well as fairness opinions of independent financial advisors;

4.11 Pursuant to Section 14.2 of National Instrument 51-102F5, because the ExploreCo Acquisition is a "significant acquisition", Bulldog is required to include certain annual and interim financial statement disclosure in the Information Circular in respect of the Arrangement, including annual financial statements for each of the three most recently completed financial years of the ExploreCo Assets (the "Bulldog Disclosure Requirements");

4.12 Pursuant to Canadian Securities Administrators ("CSA") Staff Notice 42-303 (the "Staff Notice"), Bulldog may submit an application to the provincial and

territorial securities regulatory authorities requesting relief from certain requirements of the prospectus rules that are not consistent with National Instrument 51-102 ("NI 51-102").

4.13 Pursuant to the Staff Notice, the CSA have indicated that they are prepared to recommend that the relief be granted from the significance tests for determining if a business acquisition is significant and the financial statements required to be included in a prospectus on the condition that the issuer applies the significance tests set out in Item 8.5 of NI 51-102 and provides the financial statements specified in Item 8.5 of NI 51-102.

4.14 The financial statement requirements set forth in Item 8.5 of NI 51-102 reference the financial statements described in Item 8.4 of NI 51-102. Item 8.10 of NI 51-102 does, however, provide exemptions from certain of the financial statement disclosure requirements set forth in Item 8.4 where the acquisition is of an interest in an oil and gas property and the requirements of Item 8.10 are met. As a result, an issuer relying on exemptive relief under the Staff Notice may, if they are able to rely on the exemptions contained in Item 8.10, provide the alternative disclosure allowed under Item 8.10, where applicable, instead of the financial statements set forth in Item 8.4.

4.15 The ExploreCo Assets are interests in oil and gas properties, financial statements do not exist for the ExploreCo Assets, the ExploreCo Acquisition does not constitute a reverse take-over, the ExploreCo Assets did not constitute a "reportable segment" of the vendor immediately prior to the completion of the ExploreCo Acquisition and the disclosure required in a business acquisition report (as defined in NI 51-102) for the ExploreCo Assets will be included in the Information Circular containing the disclosure required therein.

4.16 Bulldog proposes to include in the Information Circular certain annual financial information, including audited operating statements for the two years ended December 31, 2004 and 2003, and unaudited operating statements for the six months ended June 30, 2005 and June 30, 2004 in accordance with Sections 8.5 and 8.10 of National Instrument 51-102 in respect of the ExploreCo Acquisition (the "Alternative Bulldog Financial Disclosure");

4.17 Pursuant to Section 14.2 of National Instrument 51-102F5, because the Arrangement is a restructuring transaction under which securities of ExploreCo are being distributed, Bulldog is required to include audited statements of income, retained earnings and cash flows for a three year period in respect of ExploreCo (the "ExploreCo Disclosure Requirements");

4.18 Bulldog proposes to include in the Information Circular on behalf of ExploreCo, the Alternative Bulldog Financial Disclosure in accordance with Section 8.10 of National Instrument 51-102 (the "Alternative ExploreCo Financial Disclosure");

4.19 Pursuant to Section 14.2 of National Instrument 51-102F5, because the ExploreCo Acquisition is a significant acquisition for ExploreCo, pursuant to Section 6.5.1(a)(ii) of Form 41-501F1 and Section 6.4.5 of Policy Statement Q-28 Schedule 1 in Quebec, Bulldog is required to provide reserves data and other oil and gas information prescribed by Form 51-101F1 and by National Policy Statement 2-B in Quebec for ExploreCo as at the most recent date for which an audited balance sheet is included in the Information Circular (the "Oil and Gas Disclosure Requirements");

4.20 As ExploreCo has not yet been incorporated, the date of the audited balance sheet is not a practical date for the preparation of the reserves data and other oil and gas information to be included in the Information Circular;

4.21 Bulldog proposes to include in the Information Circular the Oil and Gas Disclosure Requirements as at September 30, 2005, being the date when the report required under National Instrument 51-101 in Form 51-101F1 and National Policy Statement 2-B in Quebec was prepared (collectively, the "Alternative Oil and Gas Disclosure");

4.22 The Alternative Annual Financial Disclosure will comply with National Instrument 52-107 -- *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

4.23 The Alternative ExploreCo Financial Disclosure will comply with National Instrument 52-107 -- *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*; and

4.24 The Alternative Oil and Gas Disclosure will comply with National Instrument 51-101 -- *Standards of Disclosure for Oil and Gas Activities*.

5. Crescent Point has represented to the Decision Makers that:

5.1 Crescent Point is an unincorporated open-ended investment trust governed by the laws of the Province of Alberta and Crescent Point's head office is located in Calgary, Alberta;

5.2 The Trust Units of Crescent Point are listed and posted for trading on the Toronto Stock Exchange under the trading symbols "CPG.UN";

5.3 Crescent Point is a reporting issuer in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and has been a reporting issuer in at least one of these jurisdictions since September 5, 2003;

5.4 To its knowledge, Crescent Point is not in default of any of the requirements of the applicable securities legislation in any of the provinces in which it is a reporting issuer;

5.5 The acquisition or proposed acquisition by Crescent Point of certain oil and gas assets that are not otherwise significant or related (the "Crescent Point Assets") together constitute a "significant acquisition" under the Legislation for Crescent Point (the "Multiple Acquisitions");

5.6 Pursuant to Section 14.2 of National Instrument 51-102F5, because the Multiple Acquisitions together constitute a "significant acquisition" and because Bulldog is required to include prospectus level disclosure regarding Crescent Point in the Information Circular, the Information Circular will contain certain annual, interim and pro-forma financial statement disclosure in respect of a majority of the businesses comprising the Multiple Acquisitions (the "Crescent Point Disclosure Requirements");

5.7 The Crescent Point Assets are interests in oil and gas properties, financial statements do not exist for the Crescent Point Assets, the Multiple Acquisitions do not constitute a reverse take-over, the Crescent Point Assets do not and will not constitute a "reportable segment" of the vendors immediately prior to the completion of the Multiple Acquisitions and the disclosure required to comply with section 5.3(2) of the Companion Policy to NI 44-101 for the properties will be included in the Information Circular;

5.8 Bulldog proposes to include in the Information Circular certain annual financial information relating to Crescent Point, including: (i) audited operating statements for the two years ended December 31, 2004 and 2003 for a majority of the businesses comprising the Multiple Acquisitions; (ii) unaudited operating statements for the six months ended June 30, 2005 and 2004 in respect of two of the properties comprising the Multiple Acquisitions; and (iii) unaudited operating statements for the three months ended March 31, 2005 and 2004 for one of the properties comprising the Multiple Acquisitions in accordance with Section 5.3 of the Companion Policy to National Instrument 44-101 (the "Alternative Multiple Acquisitions Financial Disclosure"); and

5.9 The Alternative Multiple Acquisitions Financial Disclosure will comply with National Instrument 52-107 -- Acceptable Accounting Principles, Auditing Standards and Reporting Currency.

Decision

6. 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.

7. The Decision of the Decision Makers under the Legislation for the purposes of the Information Circular is that, provided that the representations in paragraphs 4.15 and 5.7 remain true at the time the Information Circular is filed:

7.1 the Bulldog Disclosure Requirements shall not apply to Bulldog, provided that Bulldog include the Alternative Bulldog Financial Disclosure in the Information Circular;

7.2 the ExploreCo Disclosure Requirements shall not apply to Bulldog, provided that Bulldog include the Alternative ExploreCo Financial Disclosure in the Information Circular;

7.3 with respect to ExploreCo, the Oil and Gas Disclosure Requirements shall not apply to Bulldog, provided that Bulldog includes the Alternative Oil and Gas Disclosure in the Information Circular; and

7.4 the Crescent Point Disclosure Requirements shall not apply to Crescent Point, provided that Crescent Point includes Alternative Multiple Acquisitions Financial Disclosure in the Information Circular.

"Agnes Lau", CA
Deputy Director, Capital Markets