

## Report of Organizational Actions Affecting Basis of Securities Pursuant to Internal Revenue Code Section 6045B and U.S. Treasury Regulation 1.6045B-1

In accordance with applicable regulations, unless expressly stated otherwise, any written advice contained in, forwarded with, or attached to this document is not intended or written to be used, and cannot be used, by any person for the purpose of avoiding any penalties that may be imposed under the Internal Revenue Code.

### Part I

1 Name of Issuer:	North Sea Energy Inc
2 EIN:	Applied for
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7 City, town, PO, Zip	Toronto, ON M5C 2C5
8 Date of action	October 13, 2011
9 Classification	Triangular consolidation under IRC 368(a)(2)(D)
10 CUSIP number	662300
11 Serial Numbers	N/A
12 Ticker Symbol	NUK
13 Account numbers	N/A

### Part II

14 Shareholders of North Sea Energy Inc (“NSE”), a non-publicly-traded corporation formed under the laws of the Province of Ontario, Canada, exchanged their NSE shares for shares in Ranger Energy Ltd (“Ranger”), a publicly traded corporation formed under the laws of the Province of Alberta, Canada that continued under the laws of the Province of Ontario, Canada. Subsequent to the transaction, Ranger changed its name to North Sea Energy Inc. (“New North Sea”).

The transaction was accomplished by means of a three-party amalgamation pursuant to which 2294409 Ontario Ltd (a wholly owned subsidiary of Ranger that was formed under the laws of the Province of Ontario for the purpose of the amalgamation) amalgamated with NSE under the laws of the Province of Ontario and NSE shareholders received 1.5000872143 Ranger shares for each NSE share held before the amalgamation. For further information regarding the details of the Transaction, please refer to the news releases dated July 18, 2011, August 11, 2011, September 27, 2011 and the joint management information circular of Ranger and Predecessor NSE dated August 26, 2011, all filed on SEDAR at [www.sedar.com](http://www.sedar.com).

15 Although no U.S. federal income tax ruling or U.S. federal income tax opinion has been obtained, management is of the view that U.S. shareholders who held NSE shares prior to the amalgamation and received less than 5% of the shares of New North Sea in the course of the amalgamation will have carryover basis in their New North Sea shares equal to their adjusted tax basis in the NSE shares held prior to the transaction.

It also appears that if there were US shareholders who held NSE shares prior to the amalgamation and received 5% or more of the shares of New North Sea recognized gain (but not loss) on the amalgamation unless they enter into a five-year gain recognition agreement on a timely basis in respect of the transaction.

U.S. shareholders should obtain advice from their tax advisors as to the U.S. tax treatment of these transactions. No assurance can be provided that the views expressed in this summary regarding the U.S. federal income tax ramifications of the transactions will not be challenged by tax authorities or sustained in the courts if challenged.

16 On the assumption that carryover basis is appropriate, each U.S. holder of NSE shares prior to the transaction who received less than 5% of the shares of New North Sea will add to the aggregate adjusted tax basis of New North Sea shares received in the transaction the aggregate adjusted tax basis of the holder's NSE shares prior to the transaction. As a result of the exchange ratio of approximately 1.5 New North Sea shares for each NSE share exchanged, a U.S. holder's adjusted basis per New North Sea share will be 2/3 of the U.S. holder's adjusted basis per NSE share before the transaction.

Example: A U.S. holder of 100 NSE shares had an adjusted tax basis in the NSE shares of \$50.00 or \$0.50 per share. In the transaction, each NSE share was exchanged for 150 New North Sea shares. Accordingly, after the transaction, the U.S. holder holds 150 New North Sea shares with an aggregate adjusted tax basis of \$50.00 or \$0.333 per share.

Each other U.S. holder of NSE shares prior to the amalgamation who enters into a gain recognition agreement with the IRS on a timely basis will make the same adjustment described above for those who received less than 5% of the shares of New North Sea on the amalgamation.

Each U.S. holder of NSE shares prior to the amalgamation who received 5% or more of the shares of New North Sea on the amalgamation but does not enter into a gain recognition agreement with the IRS on a timely basis will have a tax basis in the New North Sea shares equal to their fair market value on the date of the transaction.

17 Although no U.S. federal income tax ruling or U.S. federal income tax opinion has been obtained, management is of the view that the transaction constitutes a reorganization described in IRC 368(a)(1)(a) and 368(a)(2)(D) for US tax purposes. In this case, the transaction would be a tax-deferred transaction under the general reorganization provisions. As previously noted, alternative, potentially adverse, characterizations for US tax purposes are possible and there is no assurance that such alternative characterization would not be sustained if asserted by a tax authority.

Under IRC 367(a), the exchange of NSE shares for New North Sea shares would be an outbound transaction potentially rendered taxable, depending on the particular US shareholder's fact pattern. Under IRC 367(a) and the relevant regulations, the exchange of NSE shares for New North Sea shares is likely to be viewed as a transfer of stock of a foreign corporation to a foreign corporation (an indirect stock transfer). In such a case, a US shareholder is required to recognize any gain (but not loss) on the transaction for US tax purposes unless either: (i) the US shareholder received less than 5% of the stock of New North Sea in the transaction or (ii) the US shareholder enters into a five-year gain recognition agreement with the IRS.

18 Loss may not be recognized as a result of this transaction.

19 The adjustment should be made as of the transaction date.