



February 03, 2011

**INFORMATION RETURN UNDER TREASURY REGULATION § 1.6045B-1**

- (1) This Information Return is being reported to the Internal Revenue Service and to holders of record of Provident Energy Ltd. common shares pursuant to Treasury Regulation Sections 1.6045B-1(a)(1), (3) and 1.6045B-2(b)(1), (4).**
- (2) Reporting Issuer:**  
Provident Energy Ltd.  
Taxpayer Identification Number: 98-0671655
- (3) Security Identifiers:**

  - (a) Provident Energy Ltd.  
CUSIP: 74386V100  
Classification of the Security: common stock  
Ticker (TSX): PVE  
Ticker (NYSE): PVX
  - (b) Provident Energy Trust  
CUSIP: 74386K104  
Classification of the Security: trust units  
Ticker (TSX): PVE.UN  
Ticker (NYSE): PVX
- (4) Reporting Issuer Contact Information:**

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- (5) Information about the organizational action:** On January 1, 2011, Provident Energy Trust, an unincorporated open-ended trust established under the laws of the Province of Alberta (the “Trust”), converted into Provident Energy Ltd, a corporation subsisting under the laws of the Province of Alberta (“Provident”), pursuant to the Plan of Arrangement. Under the Plan of Arrangement, former holders of Trust units received one Provident common share in exchange for each Trust unit.
- (6) Effect of the organizational action:**

  - (a) No gain or loss was recognized by U.S. holders of Trust units on the exchange of Trust units for Provident common shares pursuant to the Plan of Arrangement.
  - (b) Pursuant to Section 358 of the Internal Revenue Code of 1986, a U.S. holder’s tax basis in each PEL common share received in exchange for one Trust unit pursuant to the Plan of Arrangement is equal to the U.S. holder’s tax basis in the Trust unit exchanged therefor. Accordingly, the organizational action did not change the amount of the U.S. holders’ tax bases.