

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name PROVIDENT ENERGY LTD.		2 Issuer's employer identification number (EIN) 98-0671655	
3 Name of contact for additional information GORDON FIKA	4 Telephone No. of contact 403-231-6347	5 Email address of contact gfika@pembina.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 3800, 525 - 8 AVENUE SW		7 City, town, or post office, state, and Zip code of contact CALGARY, AB, CANADA T2P1G1	
8 Date of action JANUARY THROUGH APRIL 2012		9 Classification and description COMMON SHARES	
10 CUSIP number 74386V100	11 Serial number(s)	12 Ticker symbol PVE (TSX); PVX (NYSE)	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ ISSUER PAID THE FOLLOWING DIVIDENDS ON ITS SHARES:
 A QUALIFIED DIVIDEND OF 3.3183 CENTS PER SHARE ON JANUARY 13, 2012
 A QUALIFIED DIVIDEND OF 3.3727 CENTS PER SHARE ON FEBRUARY 15, 2012
 A QUALIFIED DIVIDEND OF 3.4184 CENTS PER SHARE ON MARCH 15, 2012
 A QUALIFIED DIVIDEND OF 3.4547 CENTS PER SHARE ON APRIL 13, 2012

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ APPROXIMATELY 24.15% OF THAT DIVIDEND WAS A RETURN OF CAPITAL.
 THE RETURN OF CAPITAL FOR THE JANUARY DIVIDEND IS 1.0566 CENTS PER SHARE
 THE RETURN OF CAPITAL FOR THE FEBRUARY DIVIDEND IS 1.0739 CENTS PER SHARE
 THE RETURN OF CAPITAL FOR THE MARCH DIVIDEND IS 1.0884 CENTS PER SHARE
 THE RETURN OF CAPITAL FOR THE APRIL DIVIDEND IS 1.1000 CENTS PER SHARE

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ THE RETURN OF CAPITAL WAS BASED ON A YEAR END ESTIMATE OF EARNINGS & PROFIT.


Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►
 PER. IRC SEC.301 DIVIDENDS IN EXCESS OF EARNINGS & PROFIT ARE RETURNS OF CAPITAL. PROVIDENT ENERGY LTD. ("PROVIDENT") IS NOT SUBJECT TO INCOME TAXATION IN THE U.S. AND DOES NOT FILE U.S. FEDERAL OR STATE INCOME TAX RETURNS. PROVIDENT INCURRED INVESTMENT BANKING AND LEGAL FEES, SEVERANCE AND INCENTIVE COMPENSATION TERMINATION EXPENSES, AND OTHER COSTS AND EXPENSES IN CONNECTION WITH THE PLAN OF ARRANGEMENT UNDER ALBERTA PROVINCIAL LAW (THE "PLAN") BELIEVED BY PROVIDENT TO CONSTITUTE A TAX-DEFERRED EXCHANGE UNDER SECTION 368(a) OF THE U.S. INTERNAL REVENUE CODE. THIS STATEMENT GIVES NOTICE OF PROVIDENT'S ELECTION UNDER TREASURY REGULATION SECTION 1.263(a)-5(d)(4) TO CAPITALIZE ALL COSTS AND EXPENSES DESCRIBED IN TREASURY REGULATION SECTION 1.263(a)-5(d)(2)(i) AND (ii) RELATED TO THE PLAN.

18 Can any resulting loss be recognized? ► LOSSES CANNOT BE RECOGNIZED UNTIL THE RESPECTIVE SHARE IS DISPOSED OF.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► THE REDUCTION OF BASIS IS EFFECTIVE ON RECEIPT OF PAYMENT.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here Signature ►  Date ► Mar 8, 2013

Print your name ► PETER ROBERTSON Title ► CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►				Firm's EIN ►
	Firm's address ►				Phone no.