THIS IS EXHIBIT "21" referred to in the Affidavit of Tim S. Graug. Sworn before me this 25th day of September 2013.

CHRIS SIMARD
Barrister and Solicitor
Dear Sir:

Engagement between Alvarez & Marsal Canada ULC and Norton Rose Fulbright Canada LLP

This letter confirms and sets forth the terms and conditions of the engagement between Alvarez & Marsal Canada ULC ("A&M") and Norton Rose Fulbright Canada LLP ("Norton") as counsel to JP Morgan Chase N.A., in its capacity as administrative agent (in such capacity, the "Agent") for and on behalf of the Lenders (collectively, the "Senior Lenders") from time to time party to and as defined in the Credit Agreement dated as of March 18, 2011 as amended from time to time (the "Senior Credit Agreement") among, inter alia, Lone Pine Resources Inc., the Senior Lenders party thereto and the Agent, including the scope of the services to be performed and the basis of compensation for those services.

It has been agreed with Lone Pine Resources Inc. and Lone Pine Resources Canada Ltd. (collectively "Lone Pine" or the "Company") that A&M shall be retained as a consultant to Norton on behalf of the Agent to review, report and make recommendations to the Agent in connection with the business, assets, affairs and operations of the Company. Upon execution of this letter by all of the parties below and receipt of the retainer described below, this letter will constitute an agreement between Norton, A&M and the Company, as consented and agreed to by the Agent for and on behalf of the Lenders (the "Agreement").

1. Description of Services

(a) Without limiting the generality of the previous paragraph, A&M's engagement hereunder shall include the following:

(i) a review of Lone Pine's business plan, and an assessment of the prospects and viability of the Company;

(ii) an assessment of the Company's cash flow forecasts and assumptions underlying same, and review of the short and longer term liquidity prospects of the Company and cash management protocols in place;

(iii) a review of the Company's current restructuring plans; and

(iv) any other matters that appear to A&M to be relevant to the engagement hereunder, or as directed by Norton and agreed by A&M.
(b) The Company acknowledges that it has consented to this engagement effective as of the date hereof upon the terms and conditions set out herein. In connection therewith, the Company agrees that:

(i) A&M and its employees and agents shall have access to certain books, records, information (however stored), facilities, assets and premises of the Company and A&M may copy any such documents or information, subject to A&M’s compliance with the Company’s existing security and safety protocols;

(ii) the Company and its officers, employees and agents shall answer all inquiries fairly, fully and to the best of their ability and they shall provide A&M with any information that it may reasonably request with respect to the affairs of the Company;

(iii) the Company, subject to providing its subsequent specific written consent, authorizes A&M to contact the Company’s external legal counsel, financial advisors, auditors and independent petroleum engineers;

(iv) A&M shall be entitled to provide Norton, the Agent and the Senior Lenders with copies of all documents, records, reports and information received or prepared by A&M in the course of this engagement and A&M may fully disclose to the Agent all matters arising out of A&M’s engagement hereunder;

(v) the Company authorizes Norton, the Agent and the Senior Lenders to disclose to A&M any information concerning the Company, its subsidiaries and affiliates (as defined below) and their respective businesses, assets and affairs;

(vi) throughout the course of this engagement, A&M will be reporting to Norton on a regular basis. A&M shall prepare a written report or reports pursuant to this engagement at such times as may be agreed between A&M and Norton. Prior to finalizing A&M’s written reports to Norton, A&M may review the facts set out therein, but not any conclusions or recommendations, with one or more representatives from the Company;

(vii) A&M, Norton and the Agent acknowledge and agree that nothing in this Agreement shall require, or be construed as, a waiver by the Company of attorney-client privilege, solicitor-client privilege or the attorney work product privilege.

(c) Tim Reid and Doug McIntosh, Managing Directors of A&M, will be responsible for the overall engagement. It is hereby agreed and acknowledged by all parties to this Agreement that A&M is authorized to use any of its personnel or agents, including appraisers, as A&M, in its sole discretion, considers necessary in the course of its engagement hereunder. In connection with the services to be provided hereunder, from time to time A&M may utilize the services of employees of its affiliates. Such affiliates are wholly owned by A&M’s parent company and A&M’s employees.

For the purposes of this Agreement, "affiliate" means, with respect to any specified person, any other person directly or indirectly controlling, controlled by or under common control with such specified person. For purposes of this definition, the terms "controlling", "controlled by" or "under common control with" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract or otherwise, or the power to elect at least 50% of the directors, managers, general partners, or person exercising similar authority with respect to such person.
2. Compensation

(a) The Company hereby agrees and acknowledges that all fees and expenses incurred during the course of this engagement, including any costs or legal fees associated with court approval or enforcement of this Agreement, shall be for the account of the Company and may be debited directly against the accounts of the Company with the Agent upon the earlier of (a) repayment by the Company of its indebtedness to the Agent, and (b) 6 days after the Agent shall have provided the Company with a copy of the relevant invoice. In no event shall Norton be liable for any amounts owed to A&M in connection with this engagement and this Agreement, including, without limitation, any of A&M’s invoices, expenses, costs, damages or other liabilities in connection with this engagement.

(b) The Agent unconditionally and irrevocably guarantees in favour of A&M the punctual payment when due of the existing and future fees and expenses of any kind of the Company to A&M. Any fees and expenses paid by the Agent pursuant to the foregoing guarantee will constitute further indebtedness under the Senior Credit Agreement.

(c) A&M will receive fees based on time spent by its employees and agents in connection with this engagement and its standard hourly rates, which may be adjusted from time to time. In addition, A&M will be reimbursed for its reasonable disbursements and expenses incurred in connection with this Agreement. All fees and expenses, including applicable sales or similar taxes, will be billed on a periodic basis, at A&M’s discretion, and payable upon receipt. All provisions in this Section 2 are in addition to any protections or remedies afforded to A&M at law or by statute.

(d) The Company shall promptly remit to A&M a retainer in the amount of $60,000, which shall be credited against any amounts due at the termination of this engagement and returned upon the satisfaction of all obligations hereunder.

3. Term

This engagement will commence as of the date hereof and may be terminated for any reason by either the Norton or A&M by giving 10 days’ written notice to the other party. In the event of termination, the Agent and the Company acknowledge and agree that any fees and expenses due to A&M shall be remitted promptly (including fees and expenses that accrued prior to but were invoiced subsequent to such termination). In any event, this engagement may be terminated immediately by A&M upon any invoice delivered by A&M remaining outstanding for seven days following delivery of the invoice by A&M.

4. Relationship of the Parties; Other Issues

The parties intend that an independent contractor relationship will be created by this engagement letter. Neither A&M nor any of its personnel or subcontractors is to be considered an employee or agent of Norton, the Agent or the Company. Norton, the Agent and the Company acknowledge that A&M’s engagement shall not constitute an audit, review or compilation, or any other type of financial statement reporting engagement that is subject to generally accepted accounting principles or the rules of any provincial, territorial or national professional or regulatory body. Accordingly, A&M’s work will not necessarily identify any errors or irregularities, if such exist, on the part of the Company or its officers or employees. Furthermore, A&M is entitled to rely on the accuracy and validity of the data disclosed to it or supplied to it by employees and representatives of the Company, Norton, the Agent and the Senior Lenders. A&M is under no obligation to update data submitted to it or review any other areas unless specifically requested by Norton to do so. Each of Norton, the Agent and the Company agrees and acknowledges that the services to be rendered by A&M may include the assistance in the preparation and review of projections, forecasts and other forward-looking statements, and numerous factors...
can affect the actual results of the Company's operations, which may materially and adversely differ from those projections, forecasts and other forward-looking statements. A&M makes no representation or guarantee that any business plan or restructuring alternative is the best course of action. A&M shall not be required to certify any financial statements or information or to provide representations with respect therewith in connection with any audit or securities law disclosure documents. For greater certainty, during the course of this engagement, A&M shall be acting as a consultant to Norton in this matter and A&M shall not be assuming any decision making or other management responsibilities in connection with the affairs of the Company and A&M shall have no responsibility for the affairs of the Company during this engagement. In addition, A&M shall not do anything or perform any act pursuant to which A&M assumes any possession or control of the property, assets, undertakings, premises or operations of the Company for any purpose whatsoever.

It is understood and agreed that notwithstanding this engagement, (a) the remedies available to the Agent under the terms of its agreements with the Company, including the security and guarantees held by the Agent, remain in full force and effect, and (b) none of the existing defaults of the Company are waived and all rights and remedies of the Agent are reserved and preserved. In particular, each of the undersigned acknowledges and agrees that notwithstanding the engagement of A&M hereunder, the Agent has not agreed to forbear or delay from enforcing any of its remedies as against the Company.

It is specifically acknowledged that the engagement of A&M hereunder by Norton is not an act of enforcement of security by the Agent or any of the Senior Lenders and that the Company remains solely responsible for the management and operations of its business during the course of this engagement. It is further acknowledged that the Company shall remain in sole and exclusive possession and control of its property, assets, undertakings and premises during the course of this engagement.

It is also understood and agreed that A&M will not be conflicted from accepting further engagements in respect of the Company should the Agent and the Senior Lenders, if they consider same necessary or appropriate, appoint A&M as trustee, receiver, receiver and manager, monitor, or agent for the purpose of realizing upon its security, under any statute or under any court order, and that A&M may (although it is not obligated), if necessary or desirable, accept any such appointment and that, notwithstanding anything in this Agreement to the contrary, including the provisions of Section 7, in the course of any such engagement, A&M may use the information acquired by it under this Agreement. For clarity, the Company is not at this time consenting to any of the appointments referenced in this paragraph.

5. No Third Party Beneficiary

Norton, the Agent and the Company acknowledge that all advice (written or oral) and any modeling, analysis or methodologies given or developed by A&M in connection with this engagement is intended solely for the benefit and use of Norton and the Agent on behalf of the Secured Lenders in considering the matters to which this engagement relates. Norton, the Agent and the Company agree that no such advice, modeling, analysis or methodologies shall be used for any other purpose or reproduced, disseminated, quoted or referred to at any time in any manner or for any purpose other than accomplishing the tasks referred to herein without A&M’s prior approval (which shall not be unreasonably withheld), except as required by law.

6. Conflicts

A&M is not currently aware of any relationship that would create a conflict of interest with the Company or those parties-in-interest of which either party has made A&M aware. We note that Wells Fargo Bank, N.A., JPMorgan Chase Bank, N.A., T.D. Bank, N.A., and Wells Fargo Securities, LLC (an affiliate of Wells Fargo Bank) and J.P. Morgan Securities LLC (an affiliate of J.P.Morgan Chase Bank) are senior lenders that have positions and, with respect to Wells Fargo and JPMorgan, serve as agents and managers, in connection with Alvarez & Marsal Holdings, LLC’s credit facility which is a party related to A&M.
Because A&M and its affiliates comprise a consulting firm (the "Firm") that serves clients on an international basis in numerous cases, both in and out of court, it is possible that A&M may have rendered or will render services to or have business associations with other entities or people which had or have or may have relationships with the Company, including other creditors of the Company. The Firm will not be prevented or restricted by virtue of providing the services under this Agreement from providing services to other entities or individuals, including entities or individuals whose interests may be in competition or conflict with the Company's, provided the Firm makes appropriate arrangements to ensure that the confidentiality of information is maintained.

7. Confidentiality

A&M shall keep as confidential all non-public information received from Norton, the Agent, the Senior Lenders or the Company in conjunction with this engagement, except: (i) confidential information obtained by A&M and delivered to Norton, the Agent or the Senior Lenders or their respective advisors in connection with this engagement; (ii) as required by legal proceedings; or (iii) as reasonably required in the performance of this engagement. A&M, Norton and the Agent acknowledge that Canadian and United States securities laws prohibit any person who has received from an issuer any material, non-public information from purchasing or selling securities of such issuer or from communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities. The Company specifically authorizes the Agent and A&M to divulge such information pursuant to any court proceeding commenced by or to which the Agent, Senior Lenders and/or A&M is a party or in connection with the exercise of any of the Agent's or Senior Lenders' remedies against the Company including, without limitation, enforcing the security held by the Agent and the Senior Lenders from the Company or to any potential assignee of the Agent's and/or any Senior Lender's debt and security.

8. Non-Solicitation

The Company, on behalf of itself, its affiliates and any person (as such term is defined under the Canada Business Corporations Act) which may acquire all or substantially all of its assets, agrees that, until two years subsequent to the termination of this Agreement, it will not solicit, recruit, hire or otherwise engage any then-current employee of A&M or its affiliates who worked on this engagement while employed by A&M or its affiliates ("Solicited Person"). Should the Company, including any of its affiliates or any person who acquires all or substantially all of its assets, extend an offer of employment to or otherwise engage any Solicited Person and should such offer be accepted, A&M shall be entitled to a fee from the party extending such offer equal to the Solicited Person's hourly client billing rate at the time of the offer multiplied by 4,000 hours for a Managing Director, 3,000 hours for a Senior Director and 2,000 hours for any other A&M employee. The fee shall be payable at the time of the Solicited Person's acceptance of employment or engagement.

9. Defence Costs

In the event any judicial or non-judicial action or proceeding is commenced against A&M or its affiliates and their respective personnel (the "A&M Group") by any person or entity (other than the Agent) with respect to advice given or services provided by A&M in the course of this engagement, the Agent agrees to provide the A&M Group with legal counsel selected and to be paid by the Agent, which may be Norton or other legal counsel who may also represent the Agent in such judicial or non-judicial action or proceeding; provided, however, that if A&M shall reasonably determine that due to the existence of an actual or potential conflict of interest between A&M and the Agent such counsel is unable to represent both A&M and the Agent, A&M shall be entitled to retain special counsel selected by A&M and reasonably acceptable to the Agent, and the Agent agrees to pay the reasonable fees and expenses of such counsel promptly upon request. If, as a result of a final order in a judicial or non-judicial action or proceeding, it is conclusively determined that the related action or proceeding arose from the A&M Group's gross negligence or willful misconduct, upon request by the Agent, A&M agrees to repay to the Agent all related fees and expenses paid by them in connection with the legal representation of the A&M Group.
10. Indemnification

The indemnification provisions, attached hereto as Exhibit A, are incorporated herein by reference and the termination of this Agreement or this engagement shall not affect those provisions, which shall survive termination. Furthermore, all those provisions contained in Exhibit A are in addition to any protections or remedies afforded to A&M at law or by statute.

As to the services Norton has requested and A&M has agreed to provide as set forth in this Agreement, the total aggregate liability of A&M under this Agreement to Norton, the Agent and the Senior Lenders and their respective successors and assigns, shall be limited to the actual damages incurred by Norton, the Agent, the Senior Lenders or their successors or assigns, respectively. In no event will A&M or any of its affiliates be liable to Norton, the Agent, the Senior Lenders or their respective successors or assigns for consequential, special or punitive damages, including loss of profit, data, business or goodwill. In no event shall A&M incur any liability to the Company (including its estates), its successors and assigns. Further, in no event shall the total aggregate liability of A&M under this Agreement to Norton, the Agent, the Senior Lenders and their respective successors and assigns, exceed the total amount of fees received and retained by A&M hereunder. Notwithstanding the foregoing, the Company acknowledges that A&M, as advisor to Norton is not providing any services to the Company and accordingly owes no duty to the Company. In no event shall A&M’s affiliates and A&M’s and its affiliates’ respective shareholders, members, managers, employees, agents, representatives and subcontractors have any liability to the Norton, the Agent, the Lenders or the Company for any matters arising under this Agreement or relating to the services provided by A&M hereunder.

Pursuant to the Senior Credit Agreement, the Company has agreed to indemnify certain parties, including the Agent and certain related parties. A&M will be deemed an agent of the Agent solely for the purposes of any liability limiting and indemnification provisions of the Senior Credit Agreement. As an agent of the Agent, A&M shall not be liable to the Agent or the Senior Lenders for any action taken or omitted to be taken in connection with this engagement, except for its own finally determined willful misconduct or gross negligence.

11. Miscellaneous

This Agreement (together with the attached indemnity provisions): (a) shall be governed and construed in accordance with the laws of the Province of Alberta applicable therein without giving effect to such province’s rules concerning conflicts of laws that might provide for any other choice of law; (b) incorporates the entire understanding of the parties with respect to the subject matter hereof; (c) may not be amended or modified except in writing executed by all parties hereto; (d) may be executed by facsimile and in counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same agreement; and (e) notwithstanding anything herein to the contrary, after A&M’s engagement under this Agreement has otherwise become publicly known, A&M may reference or list the Agent’s and/or the Company’s name and/or a general description of the services in A&M’s marketing materials, including, without limitation, on A&M’s website.

If the foregoing is acceptable to you, kindly sign the enclosed copy to acknowledge your agreement with its terms.

Yours truly,

Norton Rose Fulbright Canada LLP

Howard A. Gorman
Title: Senior Partner
ACCEPTED AND AGREED

JPMorgan Chase Bank, N.A.,
in its capacity as administrative agent
under the Credit Agreement

By: Gerri A. King
Title: Special Credit Senior Asset Manager,
Vice President

Alvarez & Marsal Canada ULC

By: Tim Reid
Title: Managing Director

Lone Pine Resources Inc.

By: [INSERT NAME]
Title: [PRESIDENT]

Lone Pine Resources Canada Ltd.

By: [INSERT NAME]
Title: [PRESIDENT]
Exhibit A

Indemnity Provisions

A. The Company agrees to jointly and severally indemnify and hold harmless each of A&M, its affiliates and their respective shareholders, managers, members, employees, agents, representatives and subcontractors (each, an "Indemnified Party" and collectively, the "Indemnified Parties") against any and all losses, claims, damages, liabilities, penalties, obligations, disbursements and expenses, including the costs (fees and disbursements) for counsel or others (including employees of A&M, based on their then current hourly billing rates) in investigating, preparing or defending any action or claim, whether or not in connection with litigation in which any Indemnified Party is a party, or enforcing the Agreement (including these indemnity provisions), as and when incurred, caused by, relating to, based upon or arising out of (directly or indirectly) the Indemnified Parties' acceptance of or the performance or non-performance of their obligations under the Agreement; provided, however, such indemnity shall not apply to any such loss, claim, damage, liability or expense to the extent it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted primarily and directly from such Indemnified Party's gross negligence or willful misconduct. The Company further agrees that it will not, without the prior consent of an Indemnified Party, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which such Indemnified Party seeks indemnification hereunder (whether or not such Indemnified Party is an actual party to such claim, action, suit or proceeding) unless such settlement, compromise or consent includes an unconditional release of such Indemnified Party from all liabilities arising out of such claim, action, suit or proceeding.

B. These Indemnification provisions shall be in addition to any liability which the Company may otherwise have to the Indemnified Parties, in the event that, at any time whether before or after termination of the engagement or the Agreement, as a result of or in connection with the Agreement or A&M's and its personnel's role under the Agreement, A&M or any Indemnified Party is required to produce any of its personnel (including former employees) or for examination, discovery, deposition or other written, recorded or oral presentation, or A&M or any of its personnel (including former employees) or any other Indemnified Party is required to produce or otherwise review, compile, submit, duplicate, search for, organize or report on any material within such Indemnified Party's possession or control pursuant to a subpoena or other legal (including administrative) process, the Company will reimburse the indemnified Party for its out of pocket expenses, including the reasonable fees and expenses of its counsel, and will compensate the indemnified Party for the time expended by its personnel based on such personnel's then current hourly rate.

C. If any action, proceeding or investigation is commenced to which any Indemnified Party proposes to demand indemnification hereunder, such Indemnified Party will notify the Company with reasonable promptness; provided, however, that any failure by such Indemnified Party to notify the Company will not relieve the Company from its obligations hereunder, except to the extent that such failure shall have actually prejudiced the defence of such action. The Company shall promptly pay expenses reasonably incurred by any Indemnified Party in defending, participating in, or settling any action, proceeding or investigation in which such Indemnified Party is a party or is threatened to be made a party or otherwise is participating in by reason of the engagement under the Agreement, upon submission of invoices therefore, whether in advance of the final disposition of such action, proceeding, or investigation or otherwise. Each Indemnified Party hereby undertakes, and each of the Company hereby accepts its undertaking, to repay any and all such amounts so advanced if it shall ultimately be determined that such Indemnified Party is not entitled to be indemnified therefore. If any such action, proceeding or investigation in which an Indemnified Party is a party is also against the Company, the
Company may, in lieu of advancing the expenses of separate counsel for such Indemnified Party, provide such Indemnified Party with legal representation by the same counsel who represents the Company, provided such counsel is reasonably satisfactory to such Indemnified Party, at no cost to such Indemnified Party; provided, however, that if such counsel or counsel to the Indemnified Party shall determine that due to the existence of actual or potential conflicts of interest between such Indemnified Party and the Company such counsel is unable to represent both the Indemnified Party and the Company, then the Indemnified Party shall be entitled to use separate counsel of its own choice, and the Company shall promptly advance its reasonable expenses of such separate counsel upon submission of invoices therefor. Nothing herein shall prevent an Indemnified Party from using separate counsel of its own choice at its own expense. The Company will be liable for any settlement of any claim against an Indemnified Party made with the Company's written consent, which consent shall not be unreasonably withheld.

D. In order to provide for just and equitable contribution if a claim for indemnification pursuant to these indemnification provisions is made but it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) that such indemnification may not be enforced in such case, even though the express provisions hereof provide for indemnification, than the relative fault of the Company, on the one hand, and the Indemnified Parties, on the other hand, in connection with the statements, acts or omissions which resulted in the losses, claims, damages, liabilities and costs giving rise to the indemnification claim and other relevant equitable considerations shall be considered; and further provided that in no event will the indemnified Parties' aggregate contribution for all losses, claims, damages, liabilities and expenses with respect to which contribution is available hereunder exceed the amount of fees actually received by the Indemnified Parties pursuant to the Agreement. No person found liable for a fraudulent misrepresentation shall be entitled to contribution hereunder from any person who is not also found liable for such fraudulent misrepresentation.

E. In the event the Company and A&M seek judicial approval for the assumption of the Agreement or authorization to enter into a new engagement agreement pursuant to either of which A&M would continue to be engaged by the Agent or its counsel, the Company shall promptly pay expenses reasonably incurred by the Indemnified Parties, including attorneys' fees and expenses, in connection with any motion, action or claim made in support of or in opposition to any such retention or authorization, whether in advance of or following any judicial disposition of such motion, action or claim, promptly upon submission of invoices therefor and regardless of whether such retention or authorization is approved by any court. The Company will also promptly pay the Indemnified Parties for any expenses reasonably incurred by them, including attorneys' fees and expenses, in seeking payment of all amounts owed to it under the Agreement (or any new engagement agreement) whether through submission of a fee application or in any other manner, without offset, recoupment or counterclaim, whether as a secured claim, an administrative expense claim, an unsecured claim, a prepetition claim or a post-petition claim.

F. Neither termination of the Agreement nor termination of A&M's engagement nor the filing of a petition or application under the Companies' Creditors Arrangement Act or the Bankruptcy and Insolvency Act (Canada) (nor the conversion of an existing case to a different form of proceeding, including a receivership) shall affect these indemnification provisions, which shall hereafter remain operative and in full force and effect.

G. The rights provided herein shall not be deemed exclusive of any other rights to which the Indemnified Parties may be entitled under the certificate of incorporation or by-laws of the Company, any policy of insurance, any other agreements, any vote of shareholders or disinterested directors of the Company, any applicable law or otherwise.
ACCEPTED AND AGREED

JPMorgan Chase Bank, N.A.,
in its capacity as administrative agent
under the Credit Agreement

By: Gerri A. King
Title: Special Credits Senior Asset Manager,
Vice President

Alvarez & Marsal Canada ULC

By: Tim Reid
Title: Managing Director

Lone Pine Resources Inc.

By: [INSERT NAME]
Title: [PRESIDENT]

Lone Pine Resources Canada Ltd.

By: [INSERT NAME]
Title: [PRESIDENT]