



PENN WEST ENERGY TRUST 2007 CANADIAN INCOME TAX INFORMATION

Introduction

This letter is intended to assist individual unitholders of Penn West Energy Trust (“Penn West”) in the preparation of their 2007 T1 Income Tax Returns. It is not intended to constitute legal or tax advice to any holder or potential holder of Penn West units. Readers should consult with their legal or tax advisor as to their particular tax consequences.

Canadian unitholders

The following summary applies if you are a unitholder who:

- is a resident of Canada under the Income Tax Act (Canada), and
- holds your trust units as capital property.

If this is not the case, please consult with your tax adviser about your Penn West units.

Trust units held within an RRSP, RRIF or DPSP

If you hold your trust units within a Registered Retirement Savings Plan (RRSP), Registered Retirement Income Fund (RRIF), or a Deferred Profit Savings Plan (DPSP), **NO AMOUNTS** are to be reported in your 2007 Income Tax Return.

Trust units held outside of an RRSP, RRIF or DPSP

Follow this table if you hold your trust units outside an RRSP, RRIF or DPSP.

IF	Then
You hold trust units through a broker or other intermediary...	You will receive a T3 Supplementary slip directly from your broker or intermediary, not from the transfer agent or Penn West Energy Trust.
You are a registered unitholder...	You will receive T3 Supplementary slips directly from the transfer agent (CIBC Mellon).

The amount reported in Box (26) on the T3 supplementary slip, “Other income”, should be reported on your 2007 T1 Income Tax Return.

Cash distribution schedule

The following schedule outlines for income tax purposes the cash distributions paid in 2007 and the taxable portion of each distribution per trust unit:

2007 Cash Distribution Information for Canadian Penn West Unitholders (\$/unit)

Record Date	Payment Date	Cash Distribution	Taxable Amount	Return of Capital Amount
Jan 31 2007	Feb 15 2007	0.34	0.34	0.00
Feb 28 2007	Mar 15 2007	0.34	0.34	0.00
Mar 30 2007	Apr 13 2007	0.34	0.34	0.00
Apr 30 2007	May 15 2007	0.34	0.34	0.00
May 31 2007	Jun 15 2007	0.34	0.34	0.00
Jun 29 2007	Jul 13 2007	0.34	0.34	0.00
Jul 31 2007	Aug 15 2007	0.34	0.34	0.00
Aug 31 2007	Sept 14 2007	0.34	0.34	0.00
Sept 28 2007	Oct 15 2007	0.34	0.34	0.00
Oct 31 2007	Nov 15 2007	0.34	0.34	0.00
Nov 30 2007	Dec 14 2007	0.34	0.34	0.00
Dec 31 2007	Jan 15 2008	0.34	0.34	0.00
Total per unit		4.08	4.08	0.00

Note: The taxable portion of Penn West's 2007 distributions was 100% and the Return of Capital portion was 0%.

Adjusted cost base of units for capital gains purposes

The Adjusted Cost Base ("ACB") is used in calculating capital gains and losses on the disposition of trust units. Unitholders are required to reduce the ACB of their trust units by an amount equal to the cumulative cash received from distributions in 2007 minus the amount reported as "Other Income" on the T3 slip. Since the return of capital for 2007 is nil, there should be no effect on ACB.

Disclaimer

This information letter is a general guideline and not intended to be legal advice to any particular holder or potential holder of Penn West. This information is not exhaustive of all possible Canadian income tax considerations.

Penn West unitholders should consult their own legal and tax advisers as to their particular tax consequences.