

BAYTEX ENERGY CORP.
Form 40-F
March 09, 2015

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 40-F

- o **Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934**
- ý **Annual Report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934**
For the fiscal year ended: December 31, 2014
Commission File Number: 001-32754

BAYTEX ENERGY CORP.

(Exact name of Registrant as specified in its charter)

Alberta
(Province or other jurisdiction of
incorporation or organization)

1381
(Primary standard industrial
classification code number, if applicable)
2800, 520 - 3rd Avenue S.W.
Calgary, Alberta
T2P 0R3
(587) 952-3000

Not Applicable
(I.R.S. employer identification
number, if applicable)

(Address and telephone number of registrant's principle executive offices)

Baytex Energy USA, Inc.
2300, 1200 Smith Street
Houston, Texas 77002
(713) 402-1920

(Name, address (including zip code) and telephone number
(including area code) of agent for service in the United States)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:
COMMON SHARES

Name of each exchange on which registered:
New York Stock Exchange
Toronto Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

NONE

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

NONE

For annual reports, indicate by check mark the information filed with this form:

ý Annual Information Form

ý Audited Annual Financial Statements

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Indicate the number of outstanding shares of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 168,107,249

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (s.232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files).

Yes No

The Annual Report on Form 40-F shall be incorporated by reference into or as an exhibit to, as applicable, the Registrant's Registration Statements under the Securities Act of 1933 on Form S-8 (File Nos. 333-163289 and 333-171568) and Form F-3 (File No. 333-171866) and the Registration Statement on Form F-10 and Form F-3 of the Registrant and Baytex Energy USA Ltd. (File Nos. 333-191762 and 333-191764).

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Annual Report on Form 40-F are forward-looking statements within the meaning of Section 21E of the Securities and Exchange Act of 1934, as amended (the "Exchange Act") and Section 27A of the Securities Act of 1933, as amended. Please see "Special Note Regarding Forward-Looking Statements" on page 4 of the Annual Information Form, which is Exhibit 99.1 of this Annual Report on Form 40-F.

Principal Documents

The following documents are filed as part of this Annual Report on Form 40-F:

A. Annual Information Form

For the Registrant's Annual Information Form for the year ended December 31, 2014, see Exhibit 99.1 of this Annual Report on Form 40-F.

B. Audited Annual Financial Statements

For the Registrant's Audited Consolidated Financial Statements for the year ended December 31, 2014, including the report of its Independent Registered Public Accounting Firm with respect thereto, see Exhibit 99.2 of this Annual Report on Form 40-F.

C. Management's Discussion and Analysis

For the Registrant's Management's Discussion and Analysis of the operating and financial results for the year ended December 31, 2014, see Exhibit 99.3 of this Annual Report on Form 40-F.

Controls and Procedures

A. Certifications

The required disclosure is included in Exhibits 99.4, 99.5, 99.6 and 99.7 of this Annual Report on Form 40-F.

B. Disclosure Controls and Procedures

As of the year ended December 31, 2014, an internal evaluation was conducted under the supervision of and with the participation of the Registrant's management, including the President and Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of the Registrant's "disclosure controls and procedures" (as defined in Rule 13a-15(e) under Exchange Act). Based on that evaluation, the President and Chief Executive Officer and the Chief Financial Officer concluded that the design and operation of the Registrant's disclosure controls and procedures were effective to ensure that the information required to be disclosed in the reports that the Registrant files or submits to the Securities and Exchange Commission is (i) recorded, processed, summarized and reported, within the required time periods; and (ii) accumulated and communicated to the Registrant's management, including the President and Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding the required disclosure.

It should be noted that while the President and Chief Executive Officer and the Chief Financial Officer believe that the Registrant's disclosure controls and procedures provide a reasonable level of assurance that they are effective, they do not expect that the Registrant's disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

The Registrant acquired 100% of the ordinary shares of Aurora Oil & Gas Limited ("Aurora") on June 11, 2014. The Registrant has not had sufficient time to appropriately assess the disclosure controls used by Aurora and integrate them with those of the Registrant.

C. Management's Annual Report on Internal Control Over Financial Reporting

Management's Annual Report on Internal Control Over Financial Reporting is included in the Management's Report that accompanies the Registrant's Audited Consolidated Financial Statements for the

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year ended December 31, 2014, filed as Exhibit 99.2 to this Annual Report on Form 40-F, and is incorporated herein by reference. As a result, as permitted by the Sarbanes-Oxley Act and applicable rules related to business acquisitions, the previous Aurora operations have been excluded from the Registrant's annual assessment of internal controls over financial reporting. Aurora's financial statements constitute 67 percent and 58 percent of net and total assets, respectively, 23 percent of net revenues and 304 percent of net loss as reported in the Registrant's Audited Consolidated Financial Statements as of and for the year ended December 31, 2014. The Registrant is in the process of integrating operations and will be expanding its internal control over financial reporting compliance regime to include the acquired Aurora assets over the next year.

D. Attestation Report of Independent Registered Public Accounting Firm

The Attestation Report of the Registrant's Auditor is included in the Report of Independent Registered Public Accounting Firm that accompanies the Registrant's Audited Consolidated Financial Statements for the year ended December 31, 2014, filed as Exhibit 99.2 of this Annual Report of Form 40-F, and is incorporated herein by reference.

E. Changes in Internal Control Over Financial Reporting

During the year ended December 31, 2014, there were no changes in the Registrant's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Registrant's internal control over financial reporting.

Audit Committee Financial Expert

The Registrant's Board of Directors has determined that Mr. Naveen Dargan is an "audit committee financial expert" (as that term is defined in paragraph 8(b) of General Instruction B to Form 40-F) serving on its audit committee and is "independent" (as defined by the New York Stock Exchange corporate governance rules applicable to foreign private issuers). For a description of Mr. Dargan's relevant experience in financial matters, see the biographical description for Mr. Dargan under "Directors and Officers" in the Registrant's Annual Information Form for the year ended December 31, 2014, which is filed as Exhibit 99.1 to this Annual Report on Form 40-F.

Code of Ethics

The Registrant has adopted a "code of ethics" (as that term is defined in paragraph 9(b) of General Instruction B to Form 40-F) ("Code of Ethics"), which is applicable to the directors, officers, employees and consultants of the Registrant and its affiliates (including, its principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions). The Code of Ethics is available on the Registrant's website at www.baytexenergy.com.

In the past fiscal year, the Registrant has not amended any provision of its Code of Ethics that relates to any element of the code of ethics definition enumerated in paragraph (9)(b) of General Instruction B to Form 40-F, or granted any waiver, including an implicit waiver, from any provision of its Code of Ethics.

Principal Accountant Fees and Services

The required disclosure is included under the heading "Audit Committee Information - External Auditor Service Fees" in the Registrant's Annual Information Form for the year ended December 31, 2014, filed as Exhibit 99.1 to this Annual Report on Form 40-F, and is incorporated herein by reference.

Off-Balance Sheet Arrangements

The Registrant does not have any "off-balance sheet arrangements" (as that term is defined in paragraph 11(ii) of General Instruction B to Form 40-F) that have or are reasonably likely to have a current or future effect on its financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Tabular Disclosure of Contractual Obligations

The required disclosure is included under the heading "Liquidity and Capital Resources Contractual Obligations" in the Registrant's Management's Discussion and Analysis of the operating and financial results for the year ended December 31, 2014, filed as Exhibit 99.3 to this Annual Report on Form 40-F, and is incorporated herein by reference.

Identification of the Audit Committee

The Registrant has a separately designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Exchange Act. The Registrant's Audit Committee members consist of Mr. N. Dargan, Mr. G. Melchin and Ms. M. Peters.

UNDERTAKING

The Registrant undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

CONSENT TO SERVICE OF PROCESS

- (1) The Registrant has previously filed a Form F-X in connection with the class of securities in relation to which the obligation to file this report arises.
- (2) Any change to the name or address of the Registrant's agent for service shall be communicated promptly to the Commission by amendment to Form F-X referencing the file number of the Registrant.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this report to be signed on its behalf by the undersigned, thereto duly authorized on March 9, 2015.

BAYTEX ENERGY CORP.
By: /s/ RODNEY D. GRAY

Name: Rodney D. Gray
Title: Chief Financial Officer

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Exhibit No.	Document
99.1	Annual Information Form of the Registrant for the fiscal year ended December 31, 2014.
99.2	Audited Consolidated Financial Statements of the Registrant for the year ended December 31, 2014 together with the Auditors' Report thereon. ⁽¹⁾
99.3	Management's Discussion and Analysis of the operating and financial results of the Registrant for the year ended December 31, 2014. ⁽¹⁾
99.4	Certification of Chief Executive Officer under Section 302 of the <i>Sarbanes-Oxley Act of 2002</i> .
99.5	Certification of Chief Financial Officer under Section 302 of the <i>Sarbanes-Oxley Act of 2002</i> .
99.6	Certification of Chief Executive Officer under Section 906 of the <i>Sarbanes-Oxley Act of 2002</i> .
99.7	Certification of Chief Financial Officer under Section 906 of the <i>Sarbanes-Oxley Act of 2002</i> .
99.8	Consent of Deloitte LLP, Independent Registered Public Accounting Firm.
99.9	Consent of Sproule Unconventional Limited, independent engineers
99.10	Consent of Ryder Scott Company, L.P., independent engineers
99.11	Consent of McDaniel & Associates Consultants Ltd., independent engineers
99.12	Supplemental Disclosures about Extractive Activities Oil and Gas (unaudited)

(1)
Incorporated by reference from Form 6-K filed on March 5, 2015

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