

FIAT

Let this Affidavit be filed this 1st day of
October, 2009.

J./M.C.Q.B.A.

Action No.: 0901-13483
Deponent: Reema Kapoor
Date Sworn: October 1, 2009

**IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE OF CALGARY**

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
TRIDENT EXPLORATION CORP. ULC, FORT ENERGY CORP. ULC, FENERGY
CORP. ULC, 981384 ALBERTA LTD., 981405 ALBERTA LTD., 981422 ALBERTA
LTD., TRIDENT RESOURCES CORP., TRIDENT CBM CORP., AURORA ENERGY
LLC., NEXGEN ENERGY CANADA, INC. AND TRIDENT USA CORP.**

AFFIDAVIT

I, Reema Kapoor, of the Town of Caledon, in the Province of Ontario, **MAKE OATH**

AND SAY THAT:

1. I am a lawyer at McMillan LLP, counsel to Farallon Capital Management, L.L.C. ("Farallon"), Special Situations Investing Group, Inc. ("Goldman Sachs") and Mount Kellett Capital Management LP ("Mount Kellett" and collectively, the "Required Lenders"). As such, I have knowledge of the matters to which I hereinafter depose and, unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained information from other sources, I verily believe those facts to be true.
2. I have reviewed the affidavit of Richard Voon sworn October 1, 2009 (the "Voon Affidavit") and I swear this affidavit as a supplement thereto. Any capitalized terms not otherwise defined have the meaning ascribed to them in the Voon Affidavit.

3. Goldman Sachs, Mount Kellett and certain funds and managed accounts advised by Farallon are lenders under the amended and restated credit agreement dated April 25, 2006 between, *inter alia*, Trident Exploration Corporation ("**Trident Canada**"), as borrower, the lenders thereunder (the "**Canadian Secured Term Lenders**") and Credit Suisse, as administrative agent (the "**Administrative Agent**") (as amended, the "**Canadian Secured Term Loan Agreement**").

4. Prior to the 2007 out of Court restructuring (described in the Voon Affidavit), the Trident Group financed its operations through the three primary debt arrangements described below:
 - (a) A revolving credit facility from the Toronto Dominion Bank (the "**Trident Canada TD Credit Agreement**") with a current maximum availability of CDN\$10,000,000. The borrower under this facility is Trident Canada and this indebtedness is guaranteed by certain of the Canadian Subsidiaries¹ (the "**Canadian Guarantors**") and is secured by a first charge over all of the present and future assets and undertaking of Trident Canada and the Canadian Guarantors (the "**Canadian Assets**").
 - (b) A term loan facility in an aggregate principal amount of US\$500,000,000 advanced under the Canadian Secured Term Loan Agreement. The borrower under this facility is Trident Canada and the indebtedness under the Canadian Secured Term Loan Agreement is guaranteed by the Canadian Guarantors and secured by a second charge over the Canadian Assets. A copy of the Canadian Secured Term Loan Agreement (including amendments thereto, but without Exhibits and Schedules) is attached hereto as Exhibit "A"
 - (c) A term loan facility in an original aggregate principal amount of US\$270,000,000 (the "**Trident US 2006 Credit Agreement**") advanced by a syndicate of US lenders (the "**Trident US 2006 Unsecured Lenders**"). The borrower under this facility is Trident US. Neither Trident Canada nor any of the Canadian Guarantors provided any security for the indebtedness under the Trident US 2006 Credit Agreement, save and except for an unsecured guarantee of such indebtedness limited to the aggregate amount of US\$150,000,000.

¹ All of the Canadian Subsidiaries except 981443 Alberta Limited have provided unlimited guarantees.

5. In connection with the Trident Group's financing arrangements, the parties entered into the following intercreditor arrangements:

- (a) An intercreditor agreement dated April 26, 2005 between the Toronto Dominion Bank and the Administrative Agent (the "**First/Second Lien Intercreditor**") pursuant to which the Canadian Secured Term Lenders subordinated their interest in the Canadian Assets to the interest of the Toronto Dominion Bank. A copy of the First/Second Lien Intercreditor (including amendments thereto) is attached hereto as Exhibit "B".
- (b) An amended and restated subordination agreement between Trident US, Trident Canada and the Administrative Agent dated April 26, 2005 (the "**2005 Intercompany Subordination**") pursuant to which Trident US postponed and subordinated its right to payment from Trident Canada (for any intercompany indebtedness) to the rights of the Second Lien Lenders to receive payment in full of all indebtedness owed by Trident Canada under the Canadian Secured Term Loan Agreement. A copy of the 2005 Intercompany Subordination (including an amendment thereto) is attached hereto as Exhibit "C".

6. In August 2007, as part of the 2007 out of Court restructuring, the Trident Group secured additional financing pursuant to the new credit agreement (the "Trident US 2007 Subordinated Credit Agreement" and the lenders thereunder being the "Trident US 2007 Subordinated Lenders"). In light of this fact, the Canadian Secured Term Lenders waived financial covenants for certain periods and amended certain financial covenants. Amendment No. 3 to the Canadian Secured Term Loan Agreement dated August 20, 2007 is attached hereto as part of Exhibit "A".

7. Concurrently with the closing of the Trident US 2007 Subordinated Credit Agreement in August 2007, each of the Trident Canada TD Credit Agreement, the Canadian Secured Term Loan Agreement and the Trident US 2006 Credit Agreement and the intercreditor agreements between the lender groups were amended to reflect the incurrence of the new liabilities, along with other insolvency related changes. Specifically:

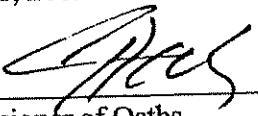
- (a) the First/Second Lien Intercreditor was amended to provide the Canadian Secured Term Lenders with the right to purchase from the Toronto Dominion Bank all of the loans and security under the Trident Canada TD Credit Agreement (the "**TD Buyout Provision**"). A copy of the Fourth Amendment to Intercreditor Agreement dated August 20, 2007 is attached hereto as part of Exhibit "B";
 - (b) a new intercreditor agreement was entered into between the Canadian Secured Term Lenders and the Trident US 2007 Subordinated Lenders (the "**Second Lien/Subordinated Intercreditor**"), pursuant to which the Trident US 2007 Subordinated Lenders agreed to a deep subordination and postponement of their interests in Trident Canada to those of the Canadian Secured Term Lenders. A copy of this agreement is attached hereto as Exhibit "D";
 - (c) a new intercreditor agreement was entered into between the Trident US 2006 Unsecured Lenders and the Trident US 2007 Subordinated Lenders, on terms substantially similar to those set out in the Second Lien/Subordinated Intercreditor, pursuant to which the Trident US 2007 Subordinated Lenders agreed to a deep subordination and postponement of their interest in Trident US to those of the Trident US 2006 Unsecured Lenders; and
 - (d) the 2005 Intercompany Subordination was amended and restated to add the Trident US 2007 Subordinated Lenders as a party to the agreement. A copy of this agreement is attached as Exhibit "E".
8. In addition, Trident US, Trident Canada, their respective shareholders and the Trident US 2007 Subordinated Lenders entered into a Fourth Amended and Restated Stockholder Agreement dated August 20th, 2007 (the "**2007 Stockholder Agreement Amendment**") pursuant to which the parties agreed that certain Trident US shareholders and Trident US 2007 Subordinated Lenders would have the right to appoint directors to the board of directors of the Trident Group. The 2007 Stockholder Agreement Amendment provides that:
- (a) The Trident US 2007 Subordinated Lenders would have the right to appoint three directors;
 - (b) The preferred shareholders of Trident US would have the right to appoint two directors;
 - (c) Three of the common shareholders of Trident US would each have the right to appoint one director; and

- (d) The Trident US 2007 Subordinated Lenders, the preferred shareholders and certain of the common shareholders would have the right to collectively appoint one director.

Therefore nine of the directors of Trident US and Trident Canada are appointed by the Trident US 2007 Subordinated Lenders and certain Trident US shareholders.

9. This affidavit is sworn in support of motion to vary the terms of the Initial Order and for no improper purpose.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario on October 1, 2009.



Commissioner of Oaths



REEMA KAPOOR

Action No.: 0901-13483
Deponent: Reema Kapoor
Date Sworn: October 1, 2009

**IN THE COURT OF QUEEN'S BENCH OF
ALBERTA
JUDICIAL DISTRICT OF CALGARY**

**IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS
AMENDED**

**AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF
TRIDENT EXPLORATION CORP. ULC, FORT
ENERGY CORP. ULC, FENERGY CORP. ULC,
981384 ALBERTA LTD., 981405 ALBERTA LTD.,
981422 ALBERTA LTD., TRIDENT RESOURCES
CORP., TRIDENT CBM CORP., AURORA ENERGY
LLC., NEXGEN ENERGY CANADA, INC. AND
TRIDENT USA CORP.**

AFFIDAVIT

MCMILLAN LLP
Barristers & Solicitors

Brookfield Place
181 Bay Street, Suite 4400
Toronto, ON M5J 2T3

Solicitors: Dan MacDonald, Brett Harrison and Lisa Brost
Telephone: 416-865-7186
Facsimile: 416-865-7048

This is Exhibit "A" referred to in the
Affidavit of Reema Kapoor
Sworn before me, this 1st day of
October, 2009.



Commissioner of Oaths

\$450,000,000
AMENDED AND RESTATED CREDIT AGREEMENT
Dated as of April 25, 2006
Among
TRIDENT EXPLORATION CORP.
as Borrower
and
THE SUBSIDIARIES NAMED HEREIN
as Subsidiary Guarantors
and
THE LENDERS NAMED HEREIN
as Existing Lenders and as Term Lenders
and
CREDIT SUISSE, TORONTO BRANCH
as Collateral Agent and as Administrative Agent
and
CREDIT SUISSE SECURITIES (USA) LLC
as Sole Bookrunner and Sole Lead Arranger

\$450,000,000

AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of April 25, 2006

Among

TRIDENT EXPLORATION CORP.

as Borrower

and

THE SUBSIDIARIES NAMED HEREIN

as Subsidiary Guarantors

and

THE LENDERS NAMED HEREIN

as Existing Lenders and as Term Lenders

and

CREDIT SUISSE, TORONTO BRANCH

as Collateral Agent and as Administrative Agent

and

CREDIT SUISSE SECURITIES (USA) LLC

as Sole Bookrunner and Sole Lead Arranger

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Exhibit K	-	Intercreditor Agreement
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Exhibit M	-	Form of Guaranty Supplement

AMENDED AND RESTATED CREDIT AGREEMENT

AMENDED AND RESTATED CREDIT AGREEMENT dated as of April 25, 2006 among Trident Exploration Corp., a Nova Scotia unlimited liability company (the "*Borrower*"), the Subsidiary Guarantors (as hereinafter defined), Lenders (as hereinafter defined), Credit Suisse, Toronto Branch (formerly, Credit Suisse First Boston Toronto Branch) ("*CS*"), as collateral agent (together with any successor collateral agent appointed pursuant to Article VIII, the "*Collateral Agent*") for the Secured Parties (as hereinafter defined), and CS, as administrative agent (together with any successor administrative agent appointed pursuant to Article VIII, the "*Administrative Agent*" and, together with the Collateral Agent, the "*Agents*") for the Lenders.

PRELIMINARY STATEMENTS:

(1) The Borrower entered into a Credit Agreement dated as of July 8, 2004 with The Toronto-Dominion Bank as agent of the lenders, the lenders party thereto and TD Securities as lead arranger and book manager, as amended and restated by that Credit Agreement dated as of December 16, 2005, as amended by the Amending Agreement dated as of April 13, 2006; and as amended by the Second Amending Agreement dated as of the date hereof (as so amended and as further amended, modified, supplemented, amended, restated, refinanced, restructured or replaced, including a replacement with a new agent and new lenders (in each case in accordance with the provisions of the Intercreditor Agreement referred to herein), from time to time, the "*First Lien Credit Agreement*").

(2) The Borrower, the Subsidiary Guarantors, and certain financial institutions party thereto (collectively, the "*Existing Lenders*"), the Agents, TD Securities (USA) LLC ("*TD Securities*"), as syndication agent, CS and TD Securities, as joint lead arrangers and joint bookrunners, have entered into that certain Credit Agreement dated as of April 26, 2005 (as amended by Amendment and Waiver No. 1 to the Credit Agreement dated as of December 16, 2005, the "*Existing Credit Agreement*"), pursuant to which the Existing Lenders have made advances (the "*Existing Term Advances*") in an aggregate principal amount of US\$325,000,000 to the Borrower.

(3) The Borrower has requested that the Lenders lend the Borrower an additional amount of up to US\$125,000,000 to pay transaction fees and expenses and for general corporate purposes of the Borrower and its Subsidiaries. The Lenders have indicated their willingness to agree to lend such amounts on the terms and conditions of this Agreement.

(4) Concurrently herewith, the Parent is entering into a Credit Agreement dated as of the date hereof with CS, as agent of the lenders party thereto, the lenders party thereto and Credit Suisse Securities (USA) LLC, as lead arranger and book manager (as amended, modified, supplemented, amended, restated, refinanced, restructured or replaced from time to time, the "*Unsecured Credit Agreement*").

(5) The Borrower, the Subsidiary Guarantors, the Agents and the Existing Lenders have agreed to amend and restate in full the Existing Credit Agreement to read as this Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements contained herein, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

SECTION 1.01. Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"*Administrative Agent*" has the meaning specified in the recital of parties to this Agreement.

"*Administrative Agent's Account*" means the account of the Administrative Agent specified by the Administrative Agent in writing to the Lenders from time to time.

"*Administrative Questionnaire*" shall mean an administrative questionnaire in the form of Exhibit D, or such other form as may be supplied from time to time by the Administrative Agent.

"*Advances*" means the Existing Term Advances and the Term Advances.

"*Affiliate*" means any Person which, directly or indirectly, controls, is controlled by or is under common control with another Person; and, for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" or "under common control with") means the power to direct or cause the direction of the management and policies of any Person, whether through the ownership of shares or other economic interests, the holding of voting rights or contractual rights or otherwise.

"*Agents*" has the meaning specified in the recital of parties to this Agreement.

"*Allowable Excess*" means: (a) on the first anniversary of the Original Closing Date Cdn \$25,000,000, (b) on the second anniversary of the Original Closing Date Cdn \$50,000,000, (c) on the third anniversary of the Original Closing Date Cdn \$75,000,000 and (d) on the fourth anniversary of the Original Closing Date and at subsequent anniversary dates thereafter Cdn \$100,000,000.

"*Amendment No. 1 Effective Date*" means December 16, 2005.

"*Applicable Laws*" or "*applicable law*" means, in relation to any Person, transaction or event:

(a) all applicable provisions of laws, statutes, rules and regulations from time to time in effect of any Governmental Authority; and

(b) all Governmental Authorizations to which the Person is a party or by which it or its property is bound or having application to the transaction or event.

"*Applicable Lending Office*" means, with respect to each Lender, such Lender's Domestic Lending Office in the case of a Base Rate Advance and such Lender's Eurodollar Lending Office in the case of a Eurodollar Rate Advance.

"*Applicable Margin*" means, with respect to Base Rate Advances, 6.50% per annum, and with respect to Eurodollar Rate Advances, 7.50% per annum.

"*Approved Fund*" means any Fund that is administered or managed by (i) a Lender, (ii) an Affiliate of a Lender or (iii) an entity or an Affiliate of an entity that administers or manages a Lender.

"*Assignment and Acceptance*" means an assignment and acceptance entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 10.07), and accepted by the Administrative Agent, in accordance with Section 10.07 and in substantially the form of Exhibit C hereto or any other form approved by the Administrative Agent acting reasonably.

"*Attributable Debt*" means, in respect of any lease (whether characterized as an operating lease under GAAP or not) entered into by a Person or a Subsidiary thereof as lessee, the present value (discounted at the rate of interest implicit in such transaction, determined in accordance with GAAP) of the lease payments of the lessee, including all rent and payments to be made by the lessee in connection with the return of the leased property, during the remaining term of the lease (including any period for which such lease has been extended or may, at the option of the lessor, be extended) but excluding for certainty, (i) amounts required to be paid on account of insurance, taxes, assessments, utility, operating and labor costs and similar charges and (ii) amounts payable by lessee in connection with the exercise of any end-of-term purchase option, early buyout option, voluntary termination option or any similar amounts payable at the election of the lessee.

"*Average 2007 NYMEX Price*" means (i) the sum of each calendar year 2007 monthly NYMEX gas price, measured by the closing forward price for each such month on September 29, 2006, divided by (ii) 12.

"*Bankruptcy Law*" means Title 11, U.S. Code, the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any similar foreign, federal or state law for the relief of debtors.

"*Base Rate*" means a fluctuating interest rate per annum in effect from time to time, which rate per annum shall at all times be equal to the higher of:

(a) the rate of interest per annum determined by CS as its prime rate in effect at its principal office in New York, New York, and notified to the Borrower; and

(b) $\frac{1}{4}$ of 1% per annum above the Federal Funds Rate.

"*Base Rate Advance*" means an Advance that bears interest as provided in Section 2.05(a)(1).

"*Borrower*" has the meaning specified in the recital of parties to this agreement.

"*Borrower's Account*" means the account of the Borrower specified by the Borrower in writing to the Administrative Agent from time to time.

"*Borrowing*" means the simultaneous making of Advances of the same Type by the Lenders.

"*Business Day*" means a day of the year on which banks are not required or authorized by law to close in New York City, New York, Calgary, Alberta and Toronto, Ontario, and, if the applicable Business Day relates to any Eurodollar Rate Advances, on which dealings are carried on in the London interbank market.

"*Canadian Dollars*" or "*Cdn*" means the lawful currency of Canada.

"*Canadian Taxes*" shall have the meaning specified in Section 2.10(a).

"*Cash Equivalents*" means:

(a) direct obligations of, or obligations the principal and interest on which are unconditionally guaranteed or insured by, the United States of America or Canada or obligations of any agency of the United States of America or Canada, in each case maturing within one year from the date of acquisition thereof;

(b) time deposits, certificates of deposit or bankers' acceptances, in each case maturing within one year from the date of acquisition thereof and issued by a commercial bank or trust company organized under the laws of the United States of America or Canada or a state, commonwealth province thereof or that is a Lender, provided that (i) such deposits are denominated in Dollars or Canadian Dollars and (ii) such bank or trust company has capital, surplus and undivided profits of not less than \$500,000,000 or the Equivalent Amount thereof in Canadian Dollars at the time of acquisition thereof;

(c) open market commercial paper maturing within 270 days from the date of acquisition thereof issued by a corporation organized under the laws of the United States of America or Canada or a state, commonwealth or province thereof provided such commercial paper is rated at least A-1 (or its equivalent) by Standard and Poor's Ratings Group or P-1 (or its equivalent) by Moody's Investors Service, Inc. at the time of acquisition thereof;

(d) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (a) above entered into with any bank meeting the qualifications specified in clause (b) above at the time of acquisition thereof;

(e) securities with a maturities of one year or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or province of the United States of America or Canada, or by any political subdivision or taxing authority thereof and rated at least Aa or its equivalent) by Moody's Investor Service, Inc. or AA (or its equivalent) by Standard and Poor's Ratings Group; and

(f) Investments in money market or mutual funds that invest exclusively in the foregoing items.

"*Change of Control*" means the occurrence of any of the following:

(a) any Person or two or more Persons (other than the Existing Shareholders) acting in concert shall have acquired beneficial ownership (within the meaning of Rule 13d 3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934), directly or indirectly, of Voting Interests of the Parent (or other securities convertible into such Voting Interests) representing a percentage of the combined voting power of all Voting Interests of the

Parent that is greater than the percentage of the combined voting power of all Voting Interests of the Parent beneficially owned, directly or indirectly, by the Existing Shareholders; or

(b) the Existing Shareholders shall cease to have beneficial ownership (within the meaning of Rule 13d 3 of the Securities and Exchange Commission under the Securities Exchange Act of 1934), directly or indirectly, of Voting Interests of the Parent representing 35% or more of the combined voting power of all Voting Interests of the Parent; or

(c) during any period of up to 12 consecutive months, commencing after the date of this Agreement, Continuing Directors shall cease for any reason to constitute a majority of the board of directors of the Parent; or

(d) the Parent shall cease to have beneficial ownership of Voting Interests of the Borrower representing 75% or more of the combined voting power of all Voting Interests of the Borrower.

"*CHC Significant Sale*" has the meaning specified in Section 5.01(c).

"*Collateral*" means all "Collateral" and "Charged Premises" referred to in the Collateral Documents and all other property that is or is intended to be subject to any Security Interest in favor of the Collateral Agent for the benefit of the Secured Parties.

"*Collateral Agent*" has the meaning specified in the recital of parties to this Agreement.

"*Collateral Documents*" means, collectively, the debentures, debenture pledge agreements, general security agreements and other security agreements executed and delivered, or required to be executed and delivered, by the Borrower and its Subsidiaries under and pursuant to this Agreement and shall include, in respect of the Borrower, the floating charge demand debenture, the debenture pledge agreement and the general security agreement substantially in the forms of Exhibits J-1, J-2 and J-3, respectively, annexed hereto with such modifications and insertions as may be required by the Collateral Agent, acting reasonably, and, in respect of each Material Subsidiary, a floating charge demand debenture, a debenture pledge agreement and a general security agreement substantially in the forms of Exhibits J-4, J-5 and J-6, respectively, annexed hereto with such modifications and insertions as may be required by the Collateral Agent, acting reasonably.

"*Commitment*" means the Existing Lender Commitments and the Term Commitments.

"*Commodity Agreement*" means any agreement for the making or taking of delivery of any commodity (including, without limitation, Petroleum Substances), any commodity swap agreement, floor, cap or collar agreement or commodity future or option or other similar agreements or arrangements, or any combination thereof, entered into by the Borrower or a Subsidiary where the subject matter of the same is any commodity or the price, value or amount payable thereunder is dependent or based upon the price of any commodity or fluctuations in the price of any commodity, but shall not include any agreement for the physical sale of Petroleum Substances by the Borrower or a Subsidiary entered into in the ordinary course of business unless either (i) such agreement is with a bank, investment bank, securities dealer, insurance company, trust company, pension fund, institutional investor or any other financial institution or any Affiliates of any of the foregoing, or (ii) such agreement is entered into for hedging purposes or otherwise for the purpose of eliminating or reducing the financial risk or exposure of the Borrower or a Subsidiary to fluctuations in the prices of Petroleum Substances (and, for certainty,

any such agreement referred to in (i) or (ii) of this definition shall constitute a "Commodity Agreement" for all purposes hereof).

"Confidential Information" means information that any Loan Party furnishes to any Agent or any Lender, but does not include any such information that is or becomes generally available to the public other than as a result of disclosure by such receiving Lender or Agent in violation of this Agreement or any other confidentiality obligation of the Borrower or that is or becomes available on a non-confidential basis to such Agent or such Lender from a source other than the Loan Parties that was not known to the Lender to be bound by a confidentiality obligation to a Loan Party.

"Consolidated" refers to the consolidation of accounts in accordance with GAAP.

"Continuing Directors" means the directors of the Parent on the Effective Date and each other director if, in each case, such other director's nomination for election to the board of directors of the Parent is recommended by at least a majority of the then Continuing Directors.

"Conversion," "Convert" and "Converted" each refer to a conversion of Advances of one Type into Advances of the other Type pursuant to Section 2.07.

"Core Horseshoe Canyon Properties" means the P&NG Rights and P&NG Leases of the Borrower and its Subsidiaries as of the Original Closing Date located in the geographic area set forth on Schedule III and related tangibles.

"CS" has the meaning specified in the recital of parties to this Agreement.

"Currency Hedging Agreement" means any currency swap agreement, cross currency agreement, forward agreement, floor, cap or collar agreement, futures or options, insurance or other similar agreement or arrangement, or any combination thereof, entered into by the Borrower or a Subsidiary where the subject matter of the same is currency exchange rates or the price, value or amount payable thereunder is dependent or based upon currency exchange rates or fluctuations in currency exchange rates as in effect from time to time.

"Debt" means, with respect to any Person, all obligations, liabilities and indebtedness of such Person and its Subsidiaries which would, in accordance with GAAP, be classified upon a Consolidated balance sheet of such Person as liabilities of such Person and its Subsidiaries and, whether or not so classified, shall include (without duplication):

- (a) indebtedness of such Person and its Subsidiaries for borrowed money;
- (b) obligations of such Person and its Subsidiaries arising pursuant or in relation to:
 - (i) bankers' acceptances (including payment and reimbursement obligations in respect thereof), or
 - (ii) letters of credit and letters of guarantee supporting obligations which would otherwise constitute Debt within the meaning of this definition or indemnities issued in connection therewith;
- (c) obligations of such Person and its Subsidiaries with respect to drawings under all other letters of credit and letters of guarantee;
- (d) obligations of such Person and its Subsidiaries under Guarantees, indemnities, assurances, legally binding comfort letters or other contingent obligations relating to the

indebtedness or other obligations of any other Person which would otherwise constitute Debt within the meaning of this definition and all Financial Assistance including endorsements of bills of exchange (other than for collection or deposit in the ordinary course of business);

(e) (i) all indebtedness of such Person and its Subsidiaries representing the deferred purchase price of any property to the extent that such indebtedness is or remains unpaid after the expiry of the customary time period for payment, provided however that such time period shall in no event exceed 90 days, and (ii) all obligations of such Person and its Subsidiaries created or arising under any: (A) conditional sales agreement or other title retention agreement or (B) capital lease;

(f) all Attributable Debt of such Person and its Subsidiaries other than in respect of (i) leases of office space or (ii) operating leases, in each case entered into in the ordinary course of business;

(g) Prepaid Obligations of such Person and its Subsidiaries;

(h) all other long-term obligations (including the current portion thereof) upon which interest charges are customarily paid prior to default by such Person; and

(i) all indebtedness of other Persons secured by a Security Interest on any asset of such Person and its Subsidiaries, whether or not such indebtedness is assumed thereby; provided that the amount of such indebtedness shall be the lesser of (i) the fair market value of such asset at such date of determination, and (ii) the amount of such indebtedness shall only be Debt to the extent recorded as a liability in accordance with GAAP;

but shall exclude each of the following, determined (as required) in accordance with GAAP:

(a) accounts payable to trade creditors and accrued liabilities incurred in the ordinary course of business;

(b) taxes payable and future taxes;

(c) dividends or other equity distributions payable;

(d) accrued interest not yet due and payable;

(e) liabilities in respect of deferred reclamation costs, allowances for dismantlement and site restoration and other deferred credits and liabilities;

(f) TRC Subordinated Loans;

(g) preferred equity in the capital of the Borrower existing on the Effective Date (including accrued but unpaid dividends or other forms of return) which in accordance with GAAP would be classified as debt; and

(h) such other similar liabilities as may be agreed by the Required Lenders from time to time.

provided that, unless otherwise expressly provided or the context otherwise requires, references herein to "Debt" shall be and shall be deemed to be references to Debt of the Borrower and its Subsidiaries.

"Default" means any Event of Default or any event that would constitute an Event of Default but for the passage of time or the requirement that notice be given or both.

"Default Interest" has the meaning set forth in Section 2.05(b).

"Designated Material Subsidiary" means a Subsidiary which is designated as a Material Subsidiary pursuant to Section 6.01 and which would not otherwise fall within part (a), (b) or (c) of the definition of "Material Subsidiary".

"Distribution" means:

- (a) the declaration, payment or setting aside for payment of any dividend or other distribution on or in respect of any shares in the capital of the Borrower or any Subsidiary which is not a Wholly-Owned Subsidiary (including any return of capital); or
- (b) the redemption, retraction, purchase, retirement or other acquisition, in whole or in part, of any shares in the capital of the Borrower or any Subsidiary which is not a Wholly-Owned Subsidiary or any securities, instruments or contractual rights capable of being converted into, exchanged or exercised for shares in the capital thereof, including, without limitation, options, warrants, conversion or exchange privileges and similar rights; or
- (c) any payment to the Parent in respect of TRC Subordinated Loans;

and whether any of the foregoing is made, paid or satisfied in or for cash, property or any combination thereof. For the avoidance of doubt, any prepayment, redemption, purchase, defeasance or other satisfaction prior to the scheduled maturity thereof in any manner of any principal amount associated with any Debt under the Unsecured Credit Agreement by the Borrower and its Subsidiaries shall be deemed a Distribution by the Borrower and its Subsidiaries.

"Dollars" or "\$" means the lawful currency of the United States of America.

"Domestic Lending Office" means, with respect to any Lender, the office of such Lender specified as its "Domestic Lending Office" opposite its name on Schedule I hereto or in the Assignment and Acceptance pursuant to which it became a Lender, as the case may be, or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Administrative Agent.

"EBITDA" means, for any period, the sum, determined on a Consolidated basis, of net income for such period plus (a) without duplication and to the extent deducted in determining such net income, the sum of (i) interest payable on, and amortization of debt discount in respect of, all Debt for such period, (ii) Consolidated income tax expense for such period, (iii) all amounts attributable to depreciation, depletion and amortization for such period, (iv) all amounts attributable to impairment of oil and gas properties for such period, (v) any non-cash compensation charges, including any arising from employee stock options, taken during such period, (vi) any extraordinary losses for such period and (vii) any other non-cash charges (other than the write-down of current assets) for such period, and minus (b) without duplication (i) all

cash payments made during such period on account of non-cash charges added to net income pursuant to clauses (a)(v) or (vii) above in a previous period and (ii) to the extent included in determining such net income, any extraordinary gains and all non-cash items of income for such period, all determined in accordance with GAAP.

"Effective Date" has the meaning specified in Section 3.01.

"Engagement Letter" means the fee letter and associated documents dated March 31, 2006 between the Borrower and CS, as amended.

"Engineering Report" means a report (in form and scope satisfactory to the Lenders, acting reasonably, it being agreed that the report prepared by Sproule Associates Limited for the Fiscal Year ended December 31, 2004 is in form and scope satisfactory to the Lenders) respecting the reserves of Petroleum Substances attributable to the assets and undertakings of the Borrower and its Material Subsidiaries, which report shall, as of the date of such report, set forth, inter alia, the proved reserves of Petroleum Substances attributable to the assets and undertakings of the Borrower and its Material Subsidiaries and, for each 12-month period ending on the date of such report: anticipated rates of production and reinjection of Petroleum Substances; Crown, freehold and overriding royalties and freehold mineral taxes with respect to Petroleum Substances produced from or attributable to such assets and undertakings; production, revenue, value-added, wellhead or severance Imposed Taxes with respect to Petroleum Substances produced from or attributable to such assets and undertakings; operating costs; gathering, transporting, processing, marketing and storage fees payable with respect to Petroleum Substances produced from or attributable to such assets and undertakings; capital expenditures expected to be necessary to achieve anticipated rates of production; net cash flow with respect to such assets and undertakings, including all revenues, expenses and expenditures described above; PDP PV-10 Value; and PV-10 Value; but not, for greater certainty, any overhead recoveries or operators' fees or charges from third parties.

"Environmental Claims" means any and all administrative, regulatory or judicial actions, suits, demands, claims, liens, notices of non-compliance or violation, investigations, inspections, inquiries or proceedings relating in any way to any Environmental Laws or to any permit issued under any such Environmental Laws including, without limitation:

(a) any claim by a Governmental Authority for enforcement, clean up, removal, response, remedial or other actions or damages pursuant to any Environmental Laws; and

(b) any claim by a Person seeking damages, contribution, indemnification, cost recovery, compensation or injunctive or other relief resulting from or relating to Hazardous Materials, including any Release thereof, or arising from alleged injury or threat of injury to human health or safety (arising from environmental matters) or the environment.

"Environmental Laws" means all Applicable Laws with respect to the environment or environmental or public health and safety matters contained in statutes, regulations, rules, ordinances, orders, judgments, approvals, notices, permits or policies, guidelines or directives having the force of law.

"Equivalent Amount" means, on any date, the equivalent amount in Canadian Dollars or United States Dollars, as the case may be, after giving effect to a conversion of a specified amount of United States Dollars, Canadian Dollars or any other foreign currency to Canadian Dollars or United States Dollars, as the case may be, at the noon rate of exchange for Canadian

interbank transactions established by the Bank of Canada for the day in question, or, if such rate is for any reason unavailable, at the spot rate quoted for wholesale transactions by the Administrative Agent at approximately noon (Toronto time) on that date in accordance with its normal practice.

"Equity Interests" means, with respect to any Person, shares of capital stock of (or other ownership or profit interests in) such Person, warrants, options or other rights for the purchase or other acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or other acquisition from such Person of such shares (or such other interests), and other ownership or profit interests in such Person (including, without limitation, partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are authorized or otherwise existing on any date of determination.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"ERISA Affiliate" means any Person that for purposes of Title IV of ERISA is a member of the controlled group of any Loan Party, or under common control with any Loan Party, within the meaning of Section 414 of the Internal Revenue Code.

"ERISA Event" means (a)(i) the occurrence of a reportable event, within the meaning of Section 4043 of ERISA, with respect to any Plan unless the 30-day notice requirement with respect to such event has been waived by the PBGC or (ii) the requirements of Section 4043(b) of ERISA apply with respect to a contributing sponsor, as defined in Section 4001(a)(13) of ERISA, of a Plan, and an event described in paragraph (9), (10), (11), (12) or (13) of Section 4043(c) of ERISA is reasonably expected to occur with respect to such Plan within the following 30 days; (b) the application for a minimum funding waiver with respect to a Plan; (c) the provision by the administrator of any Plan of a notice of intent to terminate such Plan, pursuant to Section 4041(a)(2) of ERISA (including any such notice with respect to a plan amendment referred to in Section 4041(e) of ERISA); (d) the cessation of operations at a facility of any Loan Party or any ERISA Affiliate in the circumstances described in Section 4062(e) of ERISA; (e) the withdrawal by any Loan Party or any ERISA Affiliate from a Multiple Employer Plan during a plan year for which it was a substantial employer, as defined in Section 4001(a)(2) of ERISA; (f) the conditions for imposition of a lien under Section 302(f) of ERISA shall have been met with respect to any Plan; (g) the adoption of an amendment to a Plan requiring the provision of security to such Plan pursuant to Section 307 of ERISA; or (h) the institution by the PBGC of proceedings to terminate a Plan pursuant to Section 4042 of ERISA, or the occurrence of any event or condition described in Section 4042 of ERISA that constitutes grounds for the termination of, or the appointment of a trustee to administer, such Plan.

"Eurocurrency Liabilities" has the meaning specified in Regulation D of the Board of Governors of the Federal Reserve System, as in effect from time to time.

"Eurodollar Lending Office" means, with respect to any Lender, the office of such Lender specified as its "Eurodollar Lending Office" opposite its name on Schedule I hereto or in the Assignment and Acceptance pursuant to which it became a Lender (or, if no such office is specified, its Domestic Lending Office), or such other office of such Lender as such Lender may from time to time specify to the Borrower and the Administrative Agent.

"Eurodollar Rate" means, for any Interest Period for all Eurodollar Rate Advances comprising part of the same Borrowing, an interest rate per annum equal to the rate per annum obtained by dividing (a) the rate per annum determined by the Administrative Agent at approximately 11:00 a.m. London time, on the date that is two Business Days prior to the commencement of such Interest Period by reference to the British Bankers' Association Interest Settlement Rates for deposits in dollars (as set forth by any service selected by the Administrative Agent that has been nominated by the British Bankers' Association as an authorized information vendor for the purpose of displaying such rates) for a period equal to such Interest Period or to the extent that an interest rate is not ascertainable pursuant to the foregoing provisions of this definition, the interest rate per annum determined by the Administrative Agent to be the average of the rates per annum at which deposits in dollars are offered for such relevant Interest Period to major banks in the London interbank market in London, England by the Administrative Agent at approximately 11:00 a.m., London time, on the date that is two Business Days prior to the beginning of such Interest Period, by (b) a percentage equal to 100% minus the Eurodollar Rate Reserve Percentage for such Interest Period.

"Eurodollar Rate Advance" means an Advance that bears interest as provided in Section 2.05(a)(ii).

"Eurodollar Rate Reserve Percentage" for any Interest Period for all Eurodollar Rate Advances comprising part of the same Borrowing means the reserve percentage applicable during such Interest Period under regulations issued from time to time by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including, without limitation, any emergency, supplemental or other marginal reserve requirement) for a member bank of the Federal Reserve System in New York City with respect to liabilities or assets consisting of or including Eurocurrency Liabilities (or with respect to any other category of liabilities that includes deposits by reference to which the interest rate on Eurodollar Rate Advances is determined) having a term equal to such Interest Period; provided that if there is more than one such reserve percentage applicable during such Interest Period, the daily average of the applicable reserve percentages during such period shall be used.

"Events of Default" has the meaning specified in Section 7.01.

"Existing Lender" has the meaning specified in the Preliminary Statements.

"Existing Lender Commitment" means, with respect to any Existing Lender at any time, the amount set forth for such Existing Lender in the Register maintained by the Administrative Agent pursuant to Section 10.07(e) as such Existing Lender's **"Original Commitment"**.

"Existing Term Advance" has the meaning specified in the Preliminary Statements.

"Existing Shareholders" means the shareholders of the Parent and the Borrower as of the Effective Date, and their respective Affiliates.

"Extension of Credit" means any Borrowing hereunder.

"Facility" means, at any time, the aggregate amount of the Existing Lenders' Existing Lender Commitments at such time plus the aggregate amount of the Term Lenders' Term Commitments at such time.

"Federal Funds Rate" means, for any period, a fluctuating interest rate per annum equal for each day during such period to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

"Financial Assistance" means, with respect to any Person and without duplication, any loan, guarantee, indemnity, assurance, acceptance, extension of credit, loan purchase, share purchase, equity or capital contribution, investment or other form of direct or indirect financial assistance or support of any other Person or any obligation (contingent or otherwise) intended to enable another Person to incur or pay any Debt or to comply with agreements relating thereto or otherwise to assure or protect creditors of the other Person against loss in respect of Debt of the other Person and includes any guarantee of or indemnity in respect of the Debt of the other Person and any absolute or contingent obligation to (directly or indirectly):

- (a) advance or supply funds for the payment or purchase of any Debt of any other Person;
- (b) guarantee, indemnify, hold harmless or otherwise become liable to any creditor of any other Person from or against any losses, liabilities or damages in respect of Debt; or
- (c) make an advance, loan or other extension of credit to or to make any subscription for equity, equity or capital contribution, or investment in for the purpose of maintaining the capital, working capital, solvency or general financial condition of another Person.

The amount of any Financial Assistance is the amount of any loan or direct or indirect financial assistance or support, without duplication, given, or all Debt of the obligor to which the Financial Assistance relates, unless the Financial Assistance is limited to a determinable amount, in which case the amount of the Financial Assistance is the determinable amount.

"Financial Instrument" means any Interest Hedging Agreement, Currency Hedging Agreement or Commodity Agreement.

"Financial Instrument Obligations" means obligations arising under Financial Instruments entered into by the Borrower or a Subsidiary to the extent of the net amount due or accruing due by the Borrower or Subsidiary thereunder (determined by marking to market the same in accordance with their terms).

"Financial Instrument Demand for Payment" means a demand made by a Hedge Bank pursuant to a Secured Hedge Agreement demanding payment of the Financial Instrument Obligations which are then due and payable relating thereto and shall include, without limitation, any notice under any agreement evidencing a Secured Hedge Agreement which, when delivered, would require an early termination thereof and a payment by the Borrower or a Subsidiary in settlement of obligations thereunder as a result of such early termination.

"First Lien Agent" means The Toronto-Dominion Bank, in its capacity as agent for the lenders under the First Lien Credit Agreement currently in effect, any successor agent thereto,

any other agent under the First Lien Credit Agreement and any administrative agent under a First Lien Facility.

"First Lien Cap Amount" means, (a) at any time from and including the date hereof to but excluding the first date on which the Leverage Ratio (as defined as of the date hereof) shall be equal to or less than 4:1, Cdn\$10 million and (b) at any time thereafter, the greater of US\$40 million and Cdn\$50 million.

"First Lien Credit Agreement" has the meaning specified in the Preliminary Statements.

"First Lien Documents" means the First Lien Credit Agreement and all security and collateral documents delivered pursuant thereto (including all guarantees, general security agreements, debentures, debenture pledge agreements and other security agreement) and all intercreditor agreements and subordination agreements delivered by the Loan Parties pursuant thereto, and all certificates, notices, instruments and other documents delivered by the Loan Parties or otherwise to any agent or lender pursuant thereto.

"First Lien Facility" means the senior secured first lien revolving credit facility incurred by the Borrower pursuant to the First Lien Credit Agreement (as amended, supplemented, modified or amended and restated from time to time) or any refinancing or replacement thereof established from time to time in accordance with the provisions of the Intercreditor Agreement, including a "Refinancing", as defined in the Intercreditor Agreement.

"First Lien Obligations" means, at any time and from time to time, all of the obligations, indebtedness and liabilities (present or future, absolute or contingent, matured or not) of the Borrower and its Subsidiaries to the lenders or the agents under, pursuant or relating to the First Lien Documents or any First Lien Facility and whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and including, without limitation, all principal, interest, fees, legal and other costs, charges and expenses, and other amounts payable by the Borrower under the First Lien Credit Agreement or in respect of the First Lien Facility.

"Fiscal Year" means a fiscal year of the Borrower and its Consolidated Subsidiaries ending on December 31 in any calendar year.

"Foreign Benefit Arrangement" has the meaning specified in Section 4.01(v)(iii).

"Foreign Lender" has the meaning specified in Section 2.10(a).

"Former Lender" has the meaning specified in Section 6.06.

"Fund" means any Person (other than an individual) that is or will be engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"GAAP" has the meaning specified in Section 1.03.

"Governmental Authority" means any federal, provincial, state, regional, municipal or local government or any department, agency, board, tribunal or authority thereof or other political subdivision thereof and any entity or Person exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government or the operation thereof.

"Governmental Authorization" means an authorization, order, permit, approval, grant, license, consent, right, franchise, privilege, certificate, judgment, writ, injunction, award, determination, direction, decree or demand or the like issued or granted by law or by rule or regulation of any Governmental Authority.

"Guarantee" means any guarantee, undertaking to assume, endorse, contingently agree to purchase or to provide funds for the payment of, or otherwise become liable in respect of, any obligation of any Person; provided that the amount of each Guarantee shall be equal to the maximum reasonably anticipated liability in respect thereof.

"Guaranteed Obligations" has the meaning specified in Section 9.01.

"Guarantors" means the Subsidiary Guarantors and, for the purposes of Article IX, the Borrower.

"Guaranty Supplement" has the meaning specified in Section 9.05.

"Hazardous Materials" means any substance or mixture of substances which, if released into the environment, would likely cause, immediately or at some future time, harm or degradation to the environment or to human health or safety and includes any substance defined as or determined to be a pollutant, contaminant, waste, hazardous waste, hazardous chemical, hazardous substance, toxic substance or dangerous good under any Environmental Law.

"Hedge Bank" means any Lender, Agent or an Affiliate of a Lender or Agent in its capacity as a party to a Secured Hedge Agreement.

"Imposed Taxes" means all taxes, levies, imposts, stamp taxes, duties, fees, deductions, withholdings, charges, compulsory loans or restrictions or conditions resulting in a charge which are imposed, levied, collected, withheld or assessed by any country or political subdivision or taxing authority thereof now or at any time in the future, together with interest thereon and penalties, charges or other amounts with respect thereto, if any, and "Imposed Tax" and "Imposed Taxation" shall be construed accordingly.

"Indemnified Party" has the meaning specified in Section 10.04(b).

"Independent Engineer" means Sproule Associates Limited and includes such other firm or firms of independent engineers as may be selected from time to time by the Borrower in replacement thereof and approved by the Majority of Lenders (as defined in the First Lien Credit Agreement) under the First Lien Credit Agreement in accordance with the provisions thereof or, if the First Lien Facility has expired or been terminated, the firm or firms of independent engineers in effect at such time of expiry or termination or such other firm or firms of independent engineers as may be selected from time to time by the Borrower and approved by the Administrative Agent acting reasonably.

"Intercreditor Agreement" means the Intercreditor Agreement dated as of the Original Closing Date, executed by the First Lien Agent, the Agent and the Borrower, as amended by First Amendment dated as of December 16, 2005 and Second Amendment dated as of April 25, 2006, each as attached hereto as Exhibit K, and as further amended, amended and restated, supplemented or otherwise modified from time to time in accordance with its terms.

"Interest Coverage Ratio" means, for any Measurement Period, the ratio of (a) Consolidated EBITDA to (b) interest payable on, and amortization of debt discount in respect of, all Debt other than Obligations of the Borrower and its Subsidiaries under their Guarantees of the Unsecured Credit Agreement, in each case, of or by the Borrower and its Subsidiaries for or during such Measurement Period; *provided* that, for purposes of determining the amounts in clauses (a) and (b) above in the calculation of the Interest Coverage Ratio (i) for the Measurement Period ending September 30, 2006, the amount in clause (a) shall equal Consolidated EBITDA, and the amount in clause (b) shall equal interest payable on, and amortization of debt discount in respect of, all Debt other than Obligations of the Borrower and its Subsidiaries under their Guarantees of the Unsecured Credit Agreement, in each case (i.e., in respect of both clauses (a) and (b)) of the Borrower and its Subsidiaries for or during the fiscal quarter ending September 30, 2006, multiplied by four, (ii) for the Measurement Period ending December 31, 2006, the amount in clause (a) shall equal Consolidated EBITDA, and the amount in clause (b) shall equal interest payable on, and amortization of debt discount in respect of, all Debt other than Obligations of the Borrower and its Subsidiaries under their Guarantees of the Unsecured Credit Agreement, in each case (i.e., in respect of both clauses (a) and (b)) of the Borrower and its Subsidiaries for or during the two fiscal quarters ending December 31, 2006, multiplied by two and (iii) for the Measurement Period ending March 31, 2007, the amount in clause (a) shall equal Consolidated EBITDA, and the amount in clause (b) shall equal interest payable on, and amortization of debt discount in respect of, all Debt other than Obligations of the Borrower and its Subsidiaries under their Guarantees of the Unsecured Credit Agreement, in each case (i.e., in respect of both clauses (a) and (b)) of the Borrower and its Subsidiaries for or during the three fiscal quarters ending March 31, 2007, multiplied by 4/3.

"Interest Hedging Agreement" means any interest swap agreement, forward rate agreement, floor, cap or collar agreement, futures or options, insurance or other similar agreement or arrangement, or any combination thereof, entered into by the Borrower or a Subsidiary where the subject matter of the same is interest rates or the price, value or amount payable thereunder is dependent or based upon the interest rates or fluctuations in interest rates in effect from time to time (but, for certainty, shall exclude conventional floating rate debt).

"Interest Period" means, for each Eurodollar Rate Advance, the period commencing on the date of such Eurodollar Rate Advance or the date of the Conversion of any Base Rate Advance into such Eurodollar Rate Advance, and ending on the last day of the period selected by the Borrower pursuant to the provisions below and, thereafter, each subsequent period commencing on the last day of the immediately preceding Interest Period and ending on the last day of the period selected by the Borrower pursuant to the provisions below. The duration of each such Interest Period shall be one, two, three or six months, as the Borrower may, upon notice received by the Administrative Agent not later than 11:00 A.M. (New York City time) on the third Business Day prior to the first day of such Interest Period, select; *provided, however*, that:

(a) the Borrower may not select any Interest Period with respect to any Eurodollar Rate Advance under the Facility that ends after any principal repayment date for the Facility unless, after giving effect to such selection, the aggregate principal amount of Base Rate Advances and of Eurodollar Rate Advances having Interest Periods that end on or prior to such principal repayment date for the Facility shall be at least equal to the aggregate principal amount of Advances under the Facility due and payable on or prior to such date;

(b) whenever the last day of any Interest Period would otherwise occur on a day other than a Business Day, the last day of such Interest Period shall be extended to occur on the

next succeeding Business Day, provided, however, that, if such extension would cause the last day of such Interest Period to occur in the next following calendar month, the last day of such Interest Period shall occur on the next preceding Business Day; and

(c) whenever the first day of any Interest Period occurs on a day of an initial calendar month for which there is no numerically corresponding day in the calendar month that succeeds such initial calendar month by the number of months equal to the number of months in such Interest Period, such Interest Period shall end on the last Business Day of such succeeding calendar month.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

"Investment" means (a) any purchase or other acquisition of shares or other securities of any Person, (b) any form of Financial Assistance to or for the benefit of any Person, (c) any capital contribution to any other Person and (d) any purchase or other acquisition of any assets, property or undertaking other than an acquisition in the ordinary course of business of the purchaser.

"Last CHC Sale Date" has the meaning specified in Section 5.01(c).

"Last WCSB Sale Date" has the meaning specified in Section 5.01(e).

"Lead Arranger" means Credit Suisse Securities (USA) LLC.

"Lenders" means the Existing Lenders, the Term Lenders and each Person that shall become a Lender hereunder pursuant to Section 10.07 for so long as such Existing Lender, Term Lender or Person, as the case may be, shall be a party to this Agreement.

"Leverage Ratio" means, at any date of determination, the ratio of (a) Consolidated Debt of the Borrower and its Subsidiaries at such date minus cash and Cash Equivalents of the Parent and the Borrower and its Subsidiaries at such date minus Obligations of the Borrower and its Subsidiaries under their Guarantees of the Unsecured Credit Agreement at such date to (b) Consolidated EBITDA of the Borrower and its Subsidiaries for the most recently completed Measurement Period; *provided that*, for purposes of determining the amount in clause (b) in the calculation of the Leverage Ratio (i) for the Measurement Period ending September 30, 2006, such amount for the Measurement Period then ending shall equal Consolidated EBITDA of the Borrower and its Subsidiaries for the fiscal quarter then ending multiplied by four, (ii) for the Measurement Period ending December 31, 2006, such amount for the Measurement Period then ending shall equal Consolidated EBITDA of the Borrower and its Subsidiaries for the two fiscal quarters then ending multiplied by two and (iii) for the Measurement Period ending March 31, 2007, such amount for the Measurement Period then ending shall equal Consolidated EBITDA of the Borrower and its Subsidiaries for the three fiscal quarters then ending multiplied by 4/3.

"Loan Documents" means (i) this Agreement, (ii) the Notes, (iii) the Subsidiary Guaranty, (iv) the Collateral Documents, (v) the Engagement Letter, (vi) each Secured Hedge Agreement, (vii) the Intercreditor Agreement and (viii) the TRC Subordination Agreement, in each case as amended.

"Loan Parties" means the Borrower and the Subsidiary Guarantors.

"Make Whole Premium" means, with respect to any optional prepayment, the present value, as determined by the Administrative Agent, at the date of such prepayment of (i) interest payable on the aggregate principal amount of such prepayment from the date of such prepayment (excluding accrued but unpaid interest) until the first anniversary of the Amendment No. 1 Effective Date, calculated using a rate equal to the Eurodollar Rate applicable to Advances having an Interest Period of three months in effect on the third Business Day prior to such prepayment (the **"Three Month Eurodollar Rate"**) plus the Applicable Margin for Eurodollar Rate Advances in effect as of such prepayment date plus (ii) the prepayment premium payable if such prepayment were to be made on the first Business Day following the first anniversary of the Amendment No. 1 Effective Date, in each case discounted to the date of prepayment on a quarterly basis (assuming a 360-day year and actual days elapsed) at a rate equal to the sum of the Three Month Eurodollar Rate plus 0.50%.

"Margin Stock" has the meaning specified in Regulation U.

"Material Adverse Change" means any material adverse change in the business, condition (financial or otherwise), operations, performance, properties or prospects of the Borrower and its Subsidiaries, taken as a whole.

"Material Adverse Effect" means a material adverse effect on:

- (a) the financial condition of the Borrower and its Subsidiaries, taken as a whole;
- (b) the ability of the Borrower or any of its Subsidiaries to observe or perform its obligations under the Loan Documents to which it is a party or the validity or enforceability of such Loan Documents or any material provision thereof; or
- (c) the property, business, operations, expected net cash flows of the Borrower, liabilities or capitalization of the Borrower and its Subsidiaries, taken as a whole.

"Material Subsidiary" means any Subsidiary of the Borrower which:

- (a) has Consolidated assets equal to or greater than 5.0% of the Consolidated assets of the Borrower;
- (b) has Consolidated net income equal to or greater than 5.0% of net income of the Borrower determined on a Consolidated basis;
- (c) owns or holds, directly or indirectly (whether through the ownership of or investments in other Subsidiaries or otherwise) any ownership interest in any proved reserves of Petroleum Substances which are included for purposes of the determination of the Borrowing Base (as defined in the First Lien Credit Agreement); or
- (d) is designated as a Designated Material Subsidiary pursuant to Section 6.01.

"Maturity Date" means April 26, 2011.

"Measurement Period" means each period of four consecutive fiscal quarters of the Borrower, except as otherwise set forth in the definitions of Interest Coverage Ratio, Total Interest Coverage Ratio, Leverage Ratio and Total Leverage Ratio.

"Multiemployer Plan" means a multiemployer plan, as defined in Section 4001(a)(3) of ERISA, to which any Loan Party or any ERISA Affiliate is making or accruing an obligation to make contributions, or has within any of the preceding five plan years made or accrued an obligation to make contributions.

"Multiple Employer Plan" means a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of any Loan Party or any ERISA Affiliate and at least one Person other than the Loan Parties and the ERISA Affiliates or (b) was so maintained and in respect of which any Loan Party or any ERISA Affiliate could have liability under Section 4064 or 4069 of ERISA in the event such plan has been or were to be terminated.

"Note" means a promissory note of the Borrower payable to the order of any Lender, in substantially the form of Exhibit A hereto, evidencing the indebtedness of the Borrower to such Lender resulting from the Advance made by such Lender, as amended.

"Notice of Borrowing" has the meaning specified in Section 2.02(a).

"Obligation" means, with respect to any Person, any payment, performance or other obligation of such Person of any kind, including, without limitation, any liability of such Person on any claim, whether or not the right of any creditor to payment in respect of such claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, disputed, undisputed, legal, equitable, secured or unsecured, and whether or not such claim is discharged, stayed or otherwise affected by any proceeding referred to in Section 7.01(f). Without limiting the generality of the foregoing, the Obligations of any Loan Party under the Loan Documents include (a) the obligation to pay principal, interest, charges, expenses, fees, attorneys' fees and disbursements, indemnities and other amounts payable by such Loan Party under any Loan Document and (b) the obligation of such Loan Party to reimburse any amount in respect of any of the foregoing that any Lender, in its sole discretion, may elect to pay or advance on behalf of such Loan Party.

"Officer's Certificate" means a certificate or notice (other than a Compliance Certificate) signed by any one of the president, chief financial officer, a vice president, treasurer, assistant treasurer, controller, corporate secretary or assistant secretary of the Borrower or Subsidiary, as the case may be, (including, in the case of a partnership a certificate or notice signed by such an officer of a general partner of such partnership); provided, however, that notices of Conversion or prepayment shall be executed on behalf of the Borrower by any one of the foregoing Persons or such other Persons as may from time to time be designated by written notice from the Borrower to the Administrative Agent.

"Oil and Gas Business" means

(a) the acquisition, exploration, exploitation, development, operation and disposition of interests in oil and gas properties and hydrocarbons including P&NG Rights and P&NG Leases,

(b) the gathering, marketing, treating, processing, storage, selling and transporting of any production from such interests or properties, including, without limitation, the marketing of hydrocarbons obtained from other Persons,

(c) any business relating to or arising from marketing of oil, gas and other minerals and products produced in association therewith, and

(d) any activity, business, product or service that is ancillary or necessary or desirable to facilitate the business and activities described in clauses (a) through (c) of this definition.

"*One-Year Strip Price*" means, for any 12 month period, the monthly futures contract prices for crude oil and natural gas for such 12 month period as quoted on the applicable commodities exchange or other price quotation source as contemplated in the definition of "PDP PV-10 Value".

"*Original Closing Date*" means April 26, 2005.

"*Other Advances*" has the meaning specified in Section 2.14.

"*Other Taxes*" has the meaning specified in Section 2.10(b).

"*P&NG Leases*" means, collectively, any and all documents of title including, without limitation, leases, reservations, permits, licenses, unit agreements, assignments, trust declarations, participation, exploration, farm-out, farm-in, royalty, purchase or other agreements by virtue of which the Borrower or any Subsidiary is entitled to explore for, drill for, recover, take or produce Petroleum Substances of any kind whatsoever from or with respect to P&NG Rights owned by the Borrower or any Subsidiary (as applicable), or to share in the production or proceeds of production or any part thereof or proceeds of royalty, production, profits or other interests out of, referable to or payable in respect of Petroleum Substances of any kind whatsoever from or with respect to P&NG Rights owned by the Borrower or such Subsidiary (as applicable), and the rights of the Borrower or any Subsidiary (as applicable) thereunder.

"*P&NG Rights*" means all of the right, title, estate and interest, whether contingent or absolute, legal or beneficial, present or future, vested or not, and whether or not an "interest in land", of the Borrower and its Subsidiaries in and to any of the following, by whatever name the same are known:

- (a) rights to explore for, drill for and produce, take, save or market Petroleum Substances;
- (b) rights to a share of the production of Petroleum Substances;
- (c) rights to a share of the proceeds of, or to receive payments calculated by reference to the quantity or value of, the production of Petroleum Substances;
- (d) rights to acquire any of the rights described in subparagraphs (a) through (c) of this definition;
- (e) interests in any rights described in subparagraphs (a) through (d) of this definition; and
- (f) all extensions, renewals, replacements or amendments of or to the foregoing items described in subparagraphs (a) through (e) of this definition;

and including, without limitation, interests and rights known as working interests, royalty interests, overriding royalty interests, gross overriding royalty interests, production payments, profits interests, net profits interests, revenue interests, net revenue interests, economic interests and other interests and fractional or undivided interests in any of the foregoing and freehold, leasehold or other interests.

"*Parent*" means Trident Resources Corp., a Delaware corporation.

"*Patriot Act*" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. 107-56, signed into law October 26, 2001.

"*PBGC*" means the Pension Benefit Guaranty Corporation (or any successor).

"*PDP PV-10 Value*" shall mean, as of any date of determination, the present value of future cash flows from Proved Developed Producing Reserves on the Borrower's and the Subsidiaries' Petroleum Substances and non-direct associated income as set forth in the most recent Engineering Report delivered pursuant to Sections 5.01(e)(vi) or 5.01(e)(vii)(A), utilizing the price assumptions for crude oil and natural gas equal to (a) sixty percent (60%) of the average of the One-Year Strip Price for crude oil (WTI Cushing) and natural gas (Henry Hub) for the first year following the date of determination, (b) sixty percent (60%) of the average of the One-Year Strip Price for crude oil (WTI Cushing) and natural gas (Henry Hub) for the second year following the date of determination and (c) sixty percent (60%) of the average of the One-Year Strip Price for crude oil (WTI Cushing) and natural gas (Henry Hub) for the third year following the date of determination and for each year thereafter, quoted on the New York Mercantile Exchange (or its successor) as of the date as of which the information set forth in such Engineering Report is provided (as adjusted for basis differentials) and utilizing a 10% discount rate. PDP PV-10 Value shall be adjusted to give effect to the Commodity Hedging Agreements of the Borrower and the Subsidiaries then in effect. For purposes of calculating PDP PV-10 Value, any future cash flow calculations set forth in any Engineering Report and made in any currency other than Canadian dollars shall be converted into Canadian dollars based on the Equivalent Amount on the date as of which the information set forth in such Engineering Report is provided.

"*Permitted Contest*" means action taken by or on behalf of the Borrower or a Subsidiary in good faith by appropriate proceedings diligently pursued to contest an Imposed Tax, claim or Security Interest, provided that:

- (a) the Person to which the Imposed Tax, claim or Security Interest being contested is relevant (and, in the case of a Subsidiary, the Borrower on a Consolidated basis) has established reasonable reserves therefor if and to the extent required by GAAP;
- (b) proceeding with such contest does not have, and would not reasonably be expected to have, a Material Adverse Effect; and
- (c) proceeding with such contest will not create a material risk of sale, forfeiture or loss of, or interference with the use or operation of, a material part of the proved reserves of Petroleum Substances of the Borrower and its Subsidiaries.

"*Permitted Debt*" means the following:

- (a) the Obligations of the Loan Parties under the Loan Documents;
- (b) First Lien Obligations the associated aggregate principal amounts of which shall not exceed the First Lien Cap Amount;
- (c) TRC Subordinated Loans, provided that such Debt remains subordinated to the Obligations pursuant to the TRC Subordination Agreement and remains subject to the TRC Subordination Agreement;
- (d) Financial Instrument Obligations under and pursuant to Permitted Hedging;
- (e) any Debt or Obligations associated therewith owing by a Subsidiary to the Borrower, by a Subsidiary to a Material Subsidiary which is a Wholly-Owned Subsidiary and by the Borrower to a Material Subsidiary which is a Wholly-Owned Subsidiary;
- (f) (i) Attributable Debt of the Borrower or any Subsidiary arising in connection with capital leases; provided that the aggregate outstanding principal amount of such Attributable Debt shall not exceed at any one time Cdn \$10,000,000; and (ii) Attributable Debt of the Borrower or any Subsidiary arising in connection with operating leases entered into in the ordinary course of business;
- (g) Purchase Money Obligations of the Borrower or any Subsidiary; provided that the aggregate outstanding principal amount of Purchase Money Obligations of the Borrower and its Subsidiaries shall not exceed at any one time Cdn \$5,000,000;
- (h) Debt incurred by any Loan Party arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, or from guaranties or letters of credit, surety bonds or performance bonds securing the performance of any Loan Party pursuant to such agreements, in connection with acquisitions, Investments or dispositions permitted hereunder;
- (i) Debt of the type described in clause (p) of the definition of "Permitted Encumbrances";
- (j) Debt consisting of Financial Assistance permitted under Section 5.02(h);
- (k) Obligations under the Guarantees by the Borrower and its Subsidiaries of the Unsecured Credit Agreement the associated aggregate principal amount of which shall not exceed the sum of US \$150,000,000 plus any interest that is capitalized as principal and not paid in cash under the terms of the Unsecured Credit Agreement; and
- (l) Debt which is not otherwise Permitted Debt; provided that the principal amount of such Obligations do not, in the aggregate at any time, exceed Cdn. \$10,000,000.

"Permitted Disposition" means, in respect of the Borrower or any of its Subsidiaries, any of the following:

- (a) a sale or disposition of P&NG Rights (and related tangibles) resulting from any pooling or unitization entered into in the ordinary course of business and in accordance with sound industry practice when, in the reasonable judgment of the Borrower, it is necessary to do so in order to facilitate the orderly exploration, development or operation of such P&NG Rights;

(b) a sale or disposition by the Borrower or such Subsidiary in the ordinary course of business and in accordance with sound industry practice of tangible personal property that is obsolete, no longer useful for its intended purpose or being replaced in the ordinary course of business;

(c) a sale or disposition of assets (including shares or ownership interests) by a Subsidiary to the Borrower, by a Subsidiary to a Material Subsidiary which is a Wholly-Owned Subsidiary and by the Borrower to a Material Subsidiary which is a Wholly-Owned Subsidiary;

(d) a sale or disposition by the Borrower or any Subsidiary of its interest in machinery, equipment or other tangible personal property for which Purchase Money Obligations were incurred and (i) such Purchase Money Obligations are fully repaid concurrently with such sale or disposition and (ii) such sale or disposition is made in the ordinary course of business at fair market value to a Person at arm's length from the Borrower and its Subsidiaries, unless otherwise permitted under Section 5.02(k);

(e) any other sale or disposition of assets of the Borrower or such Subsidiary, provided that such sale or disposition does not include any P&NG Leases or P&NG Rights owned by the Borrower and its Subsidiaries on the Effective Date (for certainty, such restriction does not and is not intended to apply to Petroleum Substances actually produced and taken pursuant to such P&NG Leases and P&NG Rights, as opposed to the P&NG Leases and P&NG Rights themselves) and is made for fair market value; and

(f) any transfer of assets upon a dissolution not prohibited by Section 5.02(c).

"Permitted Encumbrances" means as at any particular time any of the following encumbrances on the property or any part of the property of the Borrower or any Subsidiary:

(a) Security Interests for taxes, assessments or governmental charges (including for certainty Taxes, Canadian Taxes, Other Taxes and Imposed Taxes) not at the time due or delinquent or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;

(b) deemed Security Interests and trusts arising by operation of law in connection with workers' compensation, employment insurance and other social security legislation, in each case, which secure obligations not at the time due or delinquent or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;

(c) Security Interests under or pursuant to any judgment rendered, or claim filed, against the Borrower or Subsidiary, which the Borrower or Subsidiary (as applicable) shall be contesting at the time by a Permitted Contest;

(d) undetermined or inchoate Security Interests incidental to construction or current operations which have not at such time been filed pursuant to law against the Borrower or Subsidiary or which relate to obligations not due or delinquent or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;

(e) Security Interests incurred or created in the ordinary course of business and in accordance with sound industry practice in respect of the exploration, development or operation of P&NG Rights, related production or processing facilities in which such Person has an interest or the transmission of Petroleum Substances as security in favor of any other Person conducting

the exploration, development, operation or transmission of the property to which such liens relate, for the Borrower's or any Subsidiary's portion of the costs and expenses of such exploration, development, operation or transmission, provided that such costs or expenses are not due or delinquent or, if due or delinquent, the validity of which is being contested at the time by a Permitted Contest;

(f) Security Interests for penalties arising under non-participation or independent operations provisions of operating or similar agreements in respect of the Borrower's or any Subsidiary's P&NG Rights, provided that such Security Interests do not materially detract from the value of any material part of the property of the Borrower and its Subsidiaries, taken as a whole;

(g) any right of first refusal in favor of any Person granted in the ordinary course of business with respect to all or any of the P&NG Rights of the Borrower or any Subsidiary;

(h) easements, rights of way, servitudes or other similar rights in land (including, without in any way limiting the generality of the foregoing, rights of way and servitudes for railways, sewers, drains, gas and oil and other pipelines, gas and water mains, electric light and power and telecommunication, telephone or telegraph or cable television conduits, poles, wires and cables) granted to or reserved or taken by other Persons which individually or in the aggregate do not materially detract from the value of the land concerned or materially impair its use in the operation of the business of the Borrower and its Subsidiaries, taken as a whole;

(i) Security Interests granted by the Borrower or Subsidiary to a public utility or any municipality or governmental or other public authority when required by such utility or municipality or other authority in connection with the operations of the Borrower or Subsidiary (as applicable), all in the ordinary course of its business which individually or in the aggregate do not materially detract from the value of the asset concerned or materially impair its use in the operation of the business of the Borrower and its Subsidiaries, taken as a whole;

(j) the reservation in any original grants from the Crown of any land or interests therein and statutory exceptions and reservations to title;

(k) any encumbrance or agreement relating to pooling or a plan of unitization affecting the property of the Borrower or Subsidiary, or any part thereof;

(l) royalties, net profits and other interests and obligations arising in accordance with standard industry practice and in the ordinary course of business, under P&NG Leases in which the Borrower or Subsidiary have any interest;

(m) Security Interests in favor of the Lenders or the Collateral Agent on behalf of the Lenders;

(n) Security Interests in favor of the lenders under the First Lien Facility or the First Lien Agent on behalf of the lenders under the First Lien Facility securing the First Lien Obligations;

(o) any operating lease entered into in the ordinary course of business;

(p) bankers' liens, rights of set-off and other similar liens existing solely with respect to cash and Cash Equivalents on deposit in one or more accounts maintained by Borrower or any

of its Subsidiaries, in each case granted in the ordinary course of business in favor of the bank or banks with which such accounts are maintained, securing amounts owing to such bank with respect to cash management and operating account arrangements, including those involving pooled accounts and netting arrangements;

(q) to the extent constituting Security Interests, Financial Assistance permitted under this Agreement;

(r) Security Interests securing Attributable Debt; provided that such Liens shall attach only to the property subject to the lease giving rise to such Attributable Debt and provided further that such Attributable Debt is Permitted Debt;

(s) Security Interests to secure Purchase Money Obligations provided that such Purchase Money Obligations are Permitted Debt;

(t) Security Interests which are not otherwise Permitted Encumbrances; provided that the aggregate amount of obligations secured thereby does not at any time exceed Cdn. \$2,500,000;

(u) Landlords' liens or any other rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;

(v) pledges or deposits to secure performance in connection with bids, tenders, contracts (other than contracts for the payment of money) or leases of real property to which the Borrower or a Subsidiary is a party;

(w) Security Interests resulting from the deposit of cash or obligations as security when the Borrower or a Subsidiary is required to do so by a Governmental Authority or by normal business practice in connection with contracts, licenses or tenders or similar matters in the ordinary course of business and for the purpose of carrying on the same, or to secure workers' compensation, surety or appeal bonds or to secure costs of litigation when required by Applicable Law;

(x) Security Interests resulting from the deposit of cash or granting of security with respect to Permitted Hedging provided that the amount of the obligations secured by such liens does not at any time exceed Cdn \$5,000,000;

(y) minor defects of title which, individually and in the aggregate, do not materially affect the right of ownership of the Borrower or its Subsidiary in the property involved or the right of the Borrower or its Subsidiary to utilize such property to conduct its business; and

(z) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Security Interest referred to in the preceding subparagraphs (a) to (x) inclusive of this definition, so long as any such extension, renewal or replacement of such Security Interest is limited to all or any part of the same property that secured the Security Interest extended, renewed or replaced (plus improvements on such property) and the indebtedness or obligation secured thereby is not increased,

provided that nothing in this definition shall in and of itself cause the Obligations hereunder to be subordinated in priority of payment to any such Permitted Encumbrance or cause any Security

Interests in favor of the Lenders or the Collateral Agent on behalf of the Lenders to rank subordinate to any such Permitted Encumbrance.

"Permitted Hedging" means Financial Instruments which are entered into in the ordinary course of business and for hedging purposes and not for speculative purposes (determined, where relevant, by reference to GAAP); provided that Commodity Agreements entered into for hedging purposes shall not exceed 80% of the estimated production of Petroleum Substances during the immediately following 12 month period from the proved developed producing properties of the Loan Parties as reflected in the most recent Engineering Report delivered pursuant to Section 5.01(e).

"Person" means an individual, partnership, corporation (including a business trust), limited liability company, joint stock company, trust, unincorporated association, joint venture or other entity, or a government or any political subdivision or agency thereof.

"Petroleum Substances" means any one or more of crude oil, crude bitumen, synthetic crude oil, petroleum, natural gas, natural gas liquids, related hydrocarbons and any and all other substances, whether liquid, solid or gaseous, whether hydrocarbons or not, produced or producible in association with any of the foregoing, including hydrogen sulphide and sulphur.

"Plan" means a Single Employer Plan or a Multiple Employer Plan.

"Post-Petition Interest" has the meaning specified in Section 9.06.

"Prepaid Obligations" means "take-or-pay", forward sale, prepaid or similar liabilities of a Person whereby such Person is obligated to settle, at some future date, an obligation in respect of Petroleum Substances, whether by deliveries (accelerated or otherwise) of Petroleum Substances, the payment of money or otherwise however, including the transfer of any Petroleum Substances, whether in place or when produced, for a period of time until, or of an amount such that, the lender or purchaser will realize therefrom a specified amount of money (however determined, including by reference to interest rates or other factors which may not be fixed) or a specified amount of such products or any interest in property of the character commonly referred to as a "production payment" and all such obligations for which such Person is liable without having received and retained a payment therefor or having assumed such obligation.

"Proved Developed Producing Reserves" means the estimated quantities of crude oil, natural gas, and natural gas liquids which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs using existing wells with existing equipment and operating methods under existing economic and operating conditions, i.e., prices and costs as of the date the estimate is made, in accordance with the "Proved Developed Reserves" definitions promulgated by the United States Securities and Exchange Commission Rule 4-10 of Regulation S-X, as may be amended, changed or replaced from time to time, with the additional requirement that the reserves are expected to be recovered from completion intervals open at the time of the estimate which may be currently producing or, if shut in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

"Proved Reserves" means the estimated quantities of Petroleum Substances that geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions (i.e. prices and costs as of the date the estimate is made).

"Purchase Money Obligation" means any monetary obligation created or assumed as part of the purchase price of real or tangible personal property, whether or not secured, any extensions, renewals or refundings of any such obligation, provided that the principal amount of such obligation outstanding on the date of such extension, renewal or refunding is not increased and further provided that any security given in respect of such obligation shall not extend to any property other than the property acquired in connection with which such obligation was created or assumed and fixed improvements, if any, erected or constructed thereon and the proceeds thereof.

"PV-10 Value" shall mean, as of any date of determination, the present value of future cash flows from Proved Reserves on the Borrower's and the Subsidiaries' Petroleum Substances and non-direct associated income as set forth in the most recent Engineering Report delivered pursuant to Section 5.01(e), utilizing the average of the Three-Year Strip Price for crude oil (WTI Cushing) and natural gas (Henry Hub), quoted on the New York Mercantile Exchange (or its successor) as of the date as of which the information set forth in such Engineering Report is provided (as adjusted for basis differentials) and utilizing a 10% discount rate. PV-10 Value shall be adjusted to give effect to the Commodity Hedging Agreements of the Borrower and the Subsidiaries then in effect. For purposes of calculating PV-10 Value, any future cash flow calculations set forth in any Engineering Report and made in any currency other than Canadian dollars shall be converted into Canadian dollars based on the Equivalent Amount on the date as of which the information set forth in such Engineering Report is provided.

"PV-10 Value to Debt Ratio" means, at any date of determination, the ratio of (a) PV-10 Value to (b) Consolidated Debt of the Borrower and its Subsidiaries at such date minus cash and Cash Equivalents of the Borrower and its Subsidiaries at such date.

"Register" has the meaning specified in Section 10.07(e).

"Regulation U" means Regulation U of the Board of Governors of the Federal Reserve System, as in effect from time to time.

"Related Party" means any Person which is any one or more of the following:

- (a) an Affiliate of the Borrower or any Subsidiary thereof;
- (b) a shareholder or partner of the Parent, the Borrower or any Subsidiary which, together with all Affiliates of such Person, owns or controls, directly or indirectly, more than 10% of the shares, capital or other ownership interests (however designated) of any of the foregoing, or an Affiliate of any such shareholder or partner;
- (c) an officer or director of the Parent, the Borrower or any Subsidiary which, together with all Affiliates of such Person, has the power to vote, directly or indirectly more than 10% of the Voting Interests of any of the foregoing; and
- (d) the Parent and its Affiliates.

"Release" means any release, spill, emission, leak, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the environment including, without limitation, the movement of Hazardous Materials through ambient air, soil, surface water, ground water, wetlands, land or sub-surface strata.

"*Required Lenders*" means, at any time, Lenders owed or holding at least a majority in interest of the sum of the aggregate principal amount of the Advances at such time.

"*Required Permits*" means all Governmental Authorizations which are necessary at any given time for the Borrower and each of its Material Subsidiaries to own and operate its property, assets, rights and interests or to carry on its business and affairs.

"*Secured Hedge Agreement*" means any Financial Instrument permitted under Article V that is entered into by and between the Borrower or any Subsidiary and any Hedge Bank.

"*Secured Obligations*" has the meaning specified in Section 6.01.

"*Secured Parties*" means the Agents, the Lenders and the Hedge Banks.

"*Security Interest*" means mortgages, charges, pledges, hypothecs, assignments by way of security, conditional sales or other title retentions, security created under the *Bank Act* (Canada), liens, encumbrances, security interests or other interests in property, howsoever created or arising, whether fixed or floating, perfected or not, which secure payment or performance of an obligation and, including, in any event:

(a) deposits or transfers of cash, marketable securities or other financial assets under any agreement or arrangement whereby such cash, securities or assets may be withdrawn, returned or transferred only upon fulfillment of any condition as to the discharge of any other indebtedness or other obligation to any creditor;

(b) (i) rights of set-off or (ii) any other right of or arrangement of any kind with any creditor, which in any case are made, created or entered into, as the case may be, for the purpose of (A) securing Debt, (B) preferring some holders of Debt over other holders of Debt or (C) having the claims of any creditor be satisfied prior to the claims of other creditors with or from the proceeds of any properties, assets or revenues of any kind now owned or later acquired (other than, with respect to (C) only, rights of set-off granted or arising in the ordinary course of business);

(c) the rights of lessors under capital leases and any other lease financing; and

(d) absolute assignments of accounts receivable, except for absolute assignments of accounts receivable made in conjunction with a sale of assets or property which is permitted by the provisions hereof.

"*Single Employer Plan*" means a single employer plan, as defined in Section 4001(a)(15) of ERISA, that (a) is maintained for employees of any Loan Party or any ERISA Affiliate and no Person other than the Loan Parties and the ERISA Affiliates or (b) was so maintained and in respect of which any Loan Party or any ERISA Affiliate could have liability under Section 4069 of ERISA in the event such plan has been or were to be terminated.

"*Solvency*" mean, with respect to any Person on a particular date, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including, without limitation, contingent liabilities, of such Person, (b) the present fair saleable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such

Person's ability to pay such debts and liabilities as they mature and (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute an unreasonably small capital. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"*Subordinated Obligations*" has the meaning specified in Section 9.06.

"*Subsidiary*" means, with respect to any Person:

(a) any corporation of which at least a majority of the outstanding shares having by the terms thereof ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether at the time shares of any other class or classes of such corporation might have voting power by reason of the happening of any contingency, unless the contingency has occurred and then only for as long as it continues) is at the time directly, indirectly or beneficially owned or controlled by such Person or one or more of its Subsidiaries, or such Person and one or more of its Subsidiaries;

(b) any partnership of which, at the time, such Person, or one or more of its Subsidiaries, or such Person and one or more of its Subsidiaries: (i) directly, indirectly or beneficially own or control more than 50% of the income, capital, beneficial or ownership interests (however designated) thereof; and (ii) is a general partner, in the case of limited partnerships, or is a partner or has authority to bind the partnership, in all other cases, other than a partnership created solely to hold Equity Interests in the Borrower and that is not involved in the business of the Borrower and its Subsidiaries; or

(c) any other Person of which at least a majority of the income, capital, beneficial or ownership interests (however designated) are at the time directly, indirectly or beneficially owned or controlled by such Person, or one or more of its Subsidiaries, or such Person and one or more of its Subsidiaries,

provided that, unless otherwise expressly provided or the context otherwise requires, references herein to "Subsidiary" or "Subsidiaries" shall be and shall be deemed to be references to Subsidiaries of the Borrower.

"*Subsidiary Guarantors*" means the Subsidiaries of the Borrower listed on Schedule II hereto and each other Subsidiary of the Borrower that shall be required to execute and deliver a guaranty pursuant to Section 6.01.

"*Subsidiary Guaranty*" means the guaranty of the Subsidiary Guarantors set forth in Article IX, together with each other guaranty and guaranty supplement delivered pursuant to Section 6.01, in each case as amended, amended and restated, modified or otherwise supplemented.

"*Supplemental Collateral Agent*" has the meaning specified in Section 8.01.

"*Taxes*" has the meaning specified in Section 2.10(a).

"*TD Capital/Blackstone Put Rights*" means the rights granted to the holders of the Warrants pursuant to Article 6 of the Warrant Agreement.

"Term Advance" has the meaning specified in Section 2.01(b).

"Term Commitment" means, with respect to any Lender at any time, the amount set forth opposite such Lender's name on Schedule I hereto under the caption "Term Commitment" or, if such Lender has entered into one or more Assignment and Acceptances, set forth for such Lender in the Register maintained by the Administrative Agent pursuant to Section 10.07(e) as such Lender's "Term Commitment". The aggregate amount of the Term Commitments shall be equal to US\$125,000,000.

"Term Lender" means a Person with a Term Commitment, it being understood that a Term Lender may be an Existing Lender.

"Termination Event" means an automatic early termination of obligations relating to a Secured Hedge Agreement under any agreement relating thereto without any notice being required from a Hedge Bank.

"Three-Year Strip Price" means, as of any date of determination, (a) for the 36-month period commencing with the month immediately following the month in which the date of determination occurs, the monthly futures contract prices for crude oil and natural gas for the 36 succeeding months as quoted on the applicable commodities exchange or other price quotation source as contemplated in the definition of "PV-10 Value" and (b) for periods after such 36-month period, the average of such quoted prices for the period from and including the 25th month in such 36-month period through the 36th month in such period.

"Threshold Amount" means, at any time, the greater of:

- (a) Cdn. \$5,000,000; and
- (b) 5% of the PV-10 Value at such time.

"Total Interest Coverage Ratio" means, for any Measurement Period, the ratio of (a) Consolidated EBITDA to (b) interest payable on, and amortization of debt discount in respect of, all Debt, in each case, of or by the Borrower and its Subsidiaries for or during such Measurement Period; *provided that*, for purposes of determining the amounts in clauses (a) and (b) above in the calculation of the Total Interest Coverage Ratio (i) for the Measurement Period ending September 30, 2006, the amount in clause (a) shall equal Consolidated EBITDA, and the amount in clause (b) shall equal interest payable on, and amortization of debt discount in respect of, all Debt, in each case (i.e., in respect of both clauses (a) and (b)) of the Borrower and its Subsidiaries for or during the fiscal quarter ending September 30, 2006, multiplied by four, (ii) for the Measurement Period ending December 31, 2006, the amount in clause (a) shall equal Consolidated EBITDA, and the amount in clause (b) shall equal interest payable on, and amortization of debt discount in respect of, all Debt, in each case (i.e., in respect of both clauses (a) and (b)) of the Borrower and its Subsidiaries for or during the two fiscal quarters ending December 31, 2006, multiplied by two and (iii) for the Measurement Period ending March 31, 2007, the amount in clause (a) shall equal Consolidated EBITDA, and the amount in clause (b) shall equal interest payable on, and amortization of debt discount in respect of, all Debt, in each case (i.e., in respect of both clauses (a) and (b)) of the Borrower and its Subsidiaries for or during the three fiscal quarters ending March 31, 2007, multiplied by 4/3; *provided further* that with respect to any interest payable on the Obligations under the Unsecured Credit Agreement, for purposes of determining the amount in clause (b) above, (x) if for any period the Leverage Ratio shall be greater than 4:1, no such interest for such period shall be included in clause (b) and (y) if

for any period the Leverage Ratio shall be equal to or less than 4:1, such interest shall be included in clause (b) only to the extent such interest is payable in cash:

"Total Leverage Ratio" means, at any date of determination, the ratio of (a) Consolidated Debt of the Borrower and its Subsidiaries at such date minus cash and Cash Equivalents of the Parent and the Borrower and its Subsidiaries at such date to (b) Consolidated EBITDA of the Borrower and its Subsidiaries for the most recently completed Measurement Period; *provided* that, for purposes of determining the amount in clause (b) in the calculation of the Total Leverage Ratio (i) for the Measurement Period ending September 30, 2006, such amount for the Measurement Period then ending shall equal Consolidated EBITDA of the Borrower and its Subsidiaries for the fiscal quarter then ending multiplied by four, (ii) for the Measurement Period ending December 31, 2006, such amount for the Measurement Period then ending shall equal Consolidated EBITDA of the Borrower and its Subsidiaries for the two fiscal quarters then ending multiplied by two and (iii) for the Measurement Period ending March 31, 2007, such amount for the Measurement Period then ending shall equal Consolidated EBITDA of the Borrower and its Subsidiaries for the three fiscal quarters then ending multiplied by 4/3.

"Transaction" means the transactions contemplated by the Loan Documents.

"TRC Subordinated Lender" means any of the Parent or any Subsidiary of the Parent.

"TRC Subordinated Loans" means of one or more unsecured loans made by a TRC Subordinated Lender to the Borrower that is subject at all times to the TRC Subordination Agreement.

"TRC Subordination Agreement" means the Subordination Agreement dated as of April 26, 2005 among the Collateral Agent, the Borrower and the Parent, as amended as of April __, 2006 and attached hereto as Exhibit L.

"Type" refers to the distinction between Advances bearing interest at the Base Rate and Advances bearing interest at the Eurodollar Rate.

"Unsecured Credit Agreement" has the meaning specified in the Preliminary Statements.

"Voting Interests" means shares of capital stock issued by a corporation, or equivalent Equity Interests in any other Person, the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or Persons performing similar functions) of such Person, even if the right so to vote has been suspended by the happening of such a contingency.

"Warrant Agreement" means the Warrant Agreement dated July 8, 2004 among the Parent, the Borrower, TD Capital Mezzanine Parties (QLP) L.P., The Toronto-Dominion Bank, Blackstone Mezzanine Partners L.P. and Blackstone Mezzanine Holdings L.P.

"WCSB Properties" means, at any time, the P&NG Rights and P&NG Leases of the Borrower and its Subsidiaries in the Western Canadian sedimentary basin, other than the Core Horseshoe Canyon Properties, and related tangibles.

"WCSB Significant Sale" has the meaning specified in Section 5.01(e).

"*Welfare Plan*" means a welfare plan, as defined in Section 3(1) of ERISA, that is maintained for employees of any Loan Party or in respect of which any Loan Party could have liability.

"*Wholly-Owned Subsidiary*" means:

(a) a corporation, all of the issued and outstanding shares in the capital of which are beneficially held by:

(i) the Borrower;

(ii) the Borrower and one or more corporations, all of the issued and outstanding shares in the capital of which are held by the Borrower; or

(iii) two or more corporations, all of the issued and outstanding shares in the capital of which are held by the Borrower;

(b) a corporation which is a Wholly-Owned Subsidiary of a corporation that is a Wholly-Owned Subsidiary of the Borrower; or

(c) a partnership, all of the partners of which are the Borrower and/or Wholly-Owned Subsidiaries of the Borrower.

"*Withdrawal Liability*" has the meaning specified in Part I of Subtitle E of Title IV of ERISA.

SECTION 1.02. Computation of Time Periods; Other Definitional Provisions. In this Agreement and the other Loan Documents in the computation of periods of time from a specified date to a later specified date, the word "*from*" means "from and including" and the words "*to*" and "*until*" each mean "to but excluding." References in the Loan Documents to any agreement or contract "*as amended*" shall mean and be a reference to such agreement or contract as amended, amended and restated, supplemented or otherwise modified from time to time in accordance with its terms.

SECTION 1.03. Accounting Terms. All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles consistent with those applied in the preparation of the financial statements referred to in Section 3.01(a)(vii) ("*GAAP*").

SECTION 1.04. Currency Equivalents. Any amounts specified in this Agreement to be in Canadian Dollars shall also include the Equivalent Amount in Dollars and the equivalent thereof in any other currency.

ARTICLE II

AMOUNTS AND TERMS OF THE ADVANCES

SECTION 2.01. Existing Advances. (a) The Existing Lenders have made the Existing Term Advances to the Borrower pursuant to the Existing Credit Agreement. For the avoidance of doubt, notwithstanding the amendment and restatement of the Existing Credit Agreement contained herein, the Existing Term Advances shall for all purposes constitute Advances hereunder and provisions relating to the Notice of Borrowing contained in Section 2.02 shall have no effect on the Existing Term Advances. Amounts borrowed under this Section 2.01(a) and repaid or prepaid may not be reborrowed.

(b) Term Advances. Each Term Lender severally agrees, on the terms and conditions hereinafter set forth, to make a single advance (a "Term Advance") to the Borrower on the Effective Date in an amount not to exceed such Term Lender's Term Commitment at such time. The Borrowing shall consist of Term Advances made simultaneously by the Term Lenders according to their Term Commitments. Amounts borrowed under this Section 2.01(b) and repaid or prepaid may not be reborrowed. Each of the parties hereto agrees that the Administrative Agent may, in consultation with the Borrower, take any and all action as may be reasonably necessary to ensure that on the Effective Date, the aggregate principal amount of the Term Advances shall be added to (and form part of) the existing Borrowing under the Existing Credit Agreement, so that each Lender will participate proportionately in the existing Borrowing under the Existing Credit Agreement and so that the Existing Lenders continue to have the same participation (by amount) in the Borrowing as they had before the making of the Term Advances. In connection therewith, the Borrower agrees to compensate the Lenders, pursuant to Section 10.04(c), on such basis as may be agreed between the Borrower and the Administrative Agent.

SECTION 2.02. Making the Advances. (a) Each Borrowing shall be made on notice, given not later than 9:00 A.M. (New York City time) on the Effective Date by the Borrower to the Administrative Agent, which shall give to each Lender prompt notice thereof by telex or telecopier. Such notice of Borrowing (the "Notice of Borrowing") shall be by telephone, confirmed immediately in writing, or telex or telecopier, in substantially the form of Exhibit B hereto, specifying therein the requested (i) date of the Borrowing, (ii) Type of Advances comprising the Borrowing, (iii) aggregate amount of the Borrowing and (iv) if the Borrowing consists of Eurodollar Rate Advances, initial Interest Period for each such Advance. Each Lender shall, before 11:00 A.M. (New York City time) on the Effective Date, make available for the account of its Applicable Lending Office to the Administrative Agent at the Administrative Agent's Account, in same day funds, such Lender's ratable portion of the Borrowing in accordance with the respective Commitment of such Lender and the other Lenders. After the Administrative Agent's receipt of such funds and upon fulfillment of the applicable conditions set forth in Article III, the Administrative Agent will make such funds available to the Borrower by crediting the Borrower's Account before noon (New York City time).

(b) Each Notice of Borrowing shall be irrevocable and binding on the Borrower. If any Notice of Borrowing specifies that the Borrowing is to be comprised of Eurodollar Rate Advances, the Borrower shall indemnify each Lender against any loss, cost or expense incurred by such Lender as a result of any failure to fulfill on or before the date specified in such Notice of Borrowing the applicable conditions set forth in Article III, including, without limitation, any loss (including loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by such Lender to fund the Advance to be made by such Lender as part of such Borrowing when such Advance, as a result of such failure, is not made on such date.

(c) Unless the Administrative Agent shall have received notice from a Lender prior to the Effective Date that such Lender will not make available to the Administrative Agent such Lender's ratable portion of such Borrowing, the Administrative Agent may assume that such Lender has made such portion available to the Administrative Agent on the Effective Date in accordance with subsection (a) of this Section 2.02 and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have so made such ratable portion available to the Administrative Agent and the Borrower has been advanced such corresponding amount, such Lender and the Borrower severally agree to repay or pay to the Administrative Agent forthwith on demand such corresponding amount and to pay interest thereon, for each day from the date such amount is made available to the Borrower until the date such amount is repaid or paid to the Administrative Agent, at (i) in the case of the Borrower, the interest rate applicable at such time under Section 2.05 to Advances comprising such Borrowing and (ii) in the case of such Lender, the Federal Funds Rate. If such Lender shall pay to the Administrative Agent such corresponding

amount, such amount so paid shall constitute such Lender's Advance as part of such Borrowing for all purposes.

(d) The failure of any Lender to make any Advance to be made by it as part of any Borrowing shall not relieve any other Lender of its obligation, if any, hereunder to make its Advance on the Effective Date, but no Lender shall be responsible for the failure of any other Lender to make the Advance to be made by such other Lender on the Effective Date.

SECTION 2.03. Repayment of Advances. On the Maturity Date, the Borrower shall repay to the Administrative Agent for the ratable account of the Lenders the aggregate principal amount of the Advances outstanding on such date.

SECTION 2.04. Prepayments and Reductions. The Borrower may, upon at least five Business Days' notice to the Administrative Agent stating the proposed date and aggregate principal amount of the prepayment, and if such notice is given the Borrower shall, prepay the outstanding aggregate principal amount of the Advances in whole or ratably in part, together with (i) accrued interest to the date of such prepayment on the aggregate principal amount prepaid and (ii) (A) in the case of any such prepayment on or prior to the first anniversary of the Amendment No. 1 Effective Date, ~~the Make Whole Premium~~, (B) in the case of any such prepayment after the first anniversary of the Amendment No. 1 Effective Date, but on or prior to the second anniversary of the Amendment No. 1 Effective Date, a premium of 2.0% of the aggregate principal amount so prepaid, (C) in the case of any such prepayment after the second anniversary of the Amendment No. 1 Effective Date, but on or prior to the third anniversary of the Amendment No. 1 Effective Date, a premium of 1.0% of the aggregate principal amount so prepaid and (D) in the case of any such prepayment after the third anniversary of the Amendment No. 1 Effective Date, no premium; *provided, however*, that (x) each partial prepayment shall be in an aggregate principal amount of \$5,000,000 or an integral multiple of \$1,000,000 in excess thereof and (y) if any prepayment of a Eurodollar Rate Advance is made on a date other than the last day of an Interest Period for such Advance, the Borrower shall also pay any amounts owing pursuant to Section 10.04(c).

SECTION 2.05. Interest. (a) **Scheduled Interest.** The Borrower shall pay interest on the unpaid principal amount of each Advance owing to each Lender from the date of such Advance until such principal amount shall be paid in full, at the following rates per annum:

(i) **Base Rate Advances.** During such periods as such Advance is a Base Rate Advance, a rate per annum equal at all times to the sum of (A) the Base Rate in effect from time to time *plus* (B) the Applicable Margin, payable in arrears monthly first day of each month during such periods and on the date such Base Rate Advance shall be Converted or paid in full.

(ii) **Eurodollar Rate Advances.** During such periods as such Advance is a Eurodollar Rate Advance, a rate per annum equal at all times during each Interest Period for such Advance to the sum of (A) the Eurodollar Rate for such Interest Period for such Advance *plus* (B) the Applicable Margin, payable in arrears on the last day of such Interest Period and, if such Interest Period has a duration of more than three months, on each day that occurs during such Interest Period every three months from the first day of such Interest Period and on the date such Eurodollar Rate Advance shall be Converted or paid in full.

(b) **Default Interest.** To the fullest extent permitted by applicable law, upon the occurrence and during the continuance of a Default under Section 7.01(a), (e), (f) or (g) or an Event of Default, the Administrative Agent may, and upon the request of the Required Lenders shall, require that the Borrower pay interest ("*Default Interest*") on (i) the unpaid principal amount of each Advance owing to each Lender, payable in arrears on the dates referred to in clause (i) or (ii) of Section 2.05(a), as

applicable, and on demand, at a rate per annum equal at all times to 2% per annum above the rate per annum required to be paid on such Advance pursuant to clause (i) or (ii) of Section 2.05(a), as applicable, and (ii) the amount of any interest, fee or other amount payable under this Agreement or any other Loan Document to any Agent or any Lender that is not paid when due, from the date such amount shall be due until such amount shall be paid in full, payable in arrears on the date such amount shall be paid in full and on demand, at a rate per annum equal at all times to 2% per annum above the rate per annum required to be paid, on Base Rate Advances pursuant to clause (i) of Section 2.05(a); *provided, however*, that following the giving of notice by the Administrative Agent to accelerate the Advances, pursuant to Section 7.01, Default Interest shall accrue and be payable hereunder whether or not previously required by the Administrative Agent.

(c) Notice of Interest Period and Interest Rate. Promptly after receipt of a notice of Conversion pursuant to Section 2.07 or a notice of selection of an Interest Period pursuant to the terms of the definition of "Interest Period", the Administrative Agent shall give notice to the Borrower and each Lender of the applicable Interest Period and the applicable interest rate determined by the Administrative Agent for purposes of clause (a)(i) or (a)(ii) above.

SECTION 2.06. Fees. The Borrower shall pay to each Agent for its own account such fees as may from time to time be agreed between the Borrower and such Agent.

SECTION 2.07. Conversion of Advances. (a) Optional. The Borrower may on any Business Day, upon notice given to the Administrative Agent not later than 11:00 A.M. (New York City time) on the third Business Day prior to the date of the proposed Conversion and subject to the provisions of Section 2.08, Convert all or any portion of the Advances of one Type into Advances of the other Type; *provided, however*, that any Conversion of Eurodollar Rate Advances into Base Rate Advances shall be made only on the last day of an Interest Period for such Eurodollar Rate Advances, any Conversion of Base Rate Advances into Eurodollar Rate Advances shall be in an amount not less than \$5,000,000, and each Conversion of Advances shall be made ratably among the Lenders in accordance with their Commitments. Each such notice of Conversion shall, within the restrictions specified above, specify (i) the date of such Conversion, (ii) the Advances to be Converted and (iii) if such Conversion is into Eurodollar Rate Advances, the duration of the initial Interest Period for such Advances. Each notice of Conversion shall be irrevocable and binding on the Borrower.

(b) Mandatory. (i) On the date on which the aggregate unpaid principal amount of Eurodollar Rate Advances shall be reduced, by payment or prepayment or otherwise, to less than \$5,000,000, such Advances shall automatically Convert into Base Rate Advances.

(ii) If the Borrower shall fail to select the duration of any Interest Period for any Eurodollar Rate Advances in accordance with the provisions contained in the definition of "Interest Period" in Section 1.01, the Administrative Agent will forthwith so notify the Borrower and the Lenders, whereupon each such Eurodollar Rate Advance will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Advance.

(iii) Upon the occurrence and during the continuance of any Default, (x) each Eurodollar Rate Advance will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Advance and (y) the obligation of the Lenders to make, or to Convert Advances into, Eurodollar Rate Advances shall be suspended.

SECTION 2.08. Increased Costs, Etc. (a) If, due to either (i) the introduction of or any change (other than any change by way of imposition or increase of reserve requirements included in the Eurodollar Rate Reserve Percentage) in or in the interpretation of any law or regulation after the Effective

Date or (ii) the compliance with any guideline or request from any central bank or other governmental authority issued or adopted after the Effective Date (whether or not having the force of law), there shall be any increase in the cost to any Lender of agreeing to make or of making, funding or maintaining Eurodollar Rate Advances (excluding, for purposes of this Section 2.08, any such increased costs resulting from (x) Taxes or Other Taxes (as to which Section 2.10 shall govern) and (y) changes in the basis of taxation of overall net income or overall gross income by the United States or by the foreign jurisdiction, province or state under the laws of which such Lender is organized or has its Applicable Lending Office or any political subdivision thereof), then the Borrower shall from time to time, upon demand by such Lender (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Lender additional amounts sufficient to compensate such Lender for such increased cost. A certificate as to the amount of such increased cost, submitted to the Borrower by such Lender, shall be conclusive and binding for all purposes, absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(b) If any Lender determines, acting reasonably, that compliance with any law or regulation or any guideline or request from any central bank or other governmental authority issued or adopted after the Effective Date (whether or not having the force of law) affects or would affect the amount of capital required or expected to be maintained by such Lender or any corporation controlling such Lender and that the amount of such capital is increased by or based upon the existence of such Lender's commitment to lend, then, upon demand by such Lender or such corporation (with a copy of such demand to the Administrative Agent), the Borrower shall pay to the Administrative Agent for the account of such Lender, from time to time as specified by such Lender, additional amounts sufficient to compensate such Lender in the light of such circumstances, to the extent that such Lender reasonably determines such increase in capital to be allocable to the existence of such Lender's commitment to lend hereunder. A certificate as to such amounts submitted to the Borrower by such Lender shall be conclusive and binding for all purposes, absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(c) If, with respect to any Eurodollar Rate Advances, Lenders owed at least a majority of the then aggregate unpaid principal amount thereof notify the Administrative Agent that the Eurodollar Rate for any Interest Period for such Advances will not adequately reflect the cost to such Lenders of making, funding or maintaining their Eurodollar Rate Advances for such Interest Period, the Administrative Agent shall forthwith so notify the Borrower and the Lenders, whereupon (i) each such Eurodollar Rate Advance will automatically, on the last day of the then existing Interest Period therefor, Convert into a Base Rate Advance and (ii) the obligation of the Lenders to make, or to Convert Advances into, Eurodollar Rate Advances shall be suspended until the Administrative Agent shall notify the Borrower that such Lenders have determined that the circumstances causing such suspension no longer exist.

(d) Notwithstanding any other provision of this Agreement, if the introduction of or any change in or in the interpretation of any law or regulation shall make it unlawful, or any central bank or other governmental authority shall assert that it is unlawful, for any Lender or its Eurodollar Lending Office to perform its obligations hereunder to make Eurodollar Rate Advances or to continue to fund or maintain Eurodollar Rate Advances hereunder, then, on notice thereof and demand therefor by such Lender to the Borrower through the Administrative Agent, (i) each Eurodollar Rate Advance will automatically, upon such demand, Convert into a Base Rate Advance and (ii) the obligation of the Lenders to make, or to Convert Advances into, Eurodollar Rate Advances shall be suspended until the Administrative Agent shall notify the Borrower that such Lender has determined that the circumstances causing such suspension no longer exist.

(e) (i) In the event that any Lender demands payment of costs or additional amounts pursuant to this Section 2.08 or 2.10 or asserts, pursuant to Section 2.08(d) or 2.10, that it is unlawful for such Lender to make or maintain Eurodollar Rate Advances, then such Lender shall use reasonable efforts to designate a different Applicable Lending Office for maintaining its Loans hereunder or to assign its right and obligations hereunder to another of its offices, branches or affiliates if, in the judgment of such Lender, acting reasonably, such designation or assignment (A) would eliminate or reduce amounts payable pursuant to Section 2.08 or 2.10, as the case may be, in the future, or eliminate the basis for asserting pursuant to Section 2.08(d) that it is unlawful for such Lender to make or maintain Eurodollar Rate Advances, as applicable, and (B) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment, (ii) in the event that any Lender demands payment of costs or additional amounts pursuant to this Section 2.08 or Section 2.10 or asserts, pursuant to Section 2.08(d), that it is unlawful for such Lender to make Eurodollar Rate Advances then (subject to such Lender's right to rescind such demand or assertion within 10 days after the notice from the Borrower referred to below) the Borrower may, upon 20 days' prior written notice to such Lender and the Administrative Agent, elect to cause such Lender to assign its Advances and Commitments in full to one or more Persons selected by the Borrower so long as (a) each such Person is reasonably satisfactory to the Administrative Agent, (b) such Lender receives payment in full in cash of the outstanding principal amount of all Advances made by it and all accrued and unpaid interest thereon and all other amounts due and payable to such Lender as of the date of such assignment (including, without limitation, amounts owing pursuant to Sections 2.08, 2.10 and 10.04) and (c) each such Person assignee agrees to accept such assignment and to assume all obligations of such Lender hereunder in accordance with Section 10.07.

SECTION 2.09. Payments and Computations. (a) The Borrower shall make each payment hereunder and under the other Loan Documents, irrespective of any right of counterclaim or set-off, not later than 1:00 P.M. (New York City time) on the day when due in U.S. dollars to the Administrative Agent at the Administrative Agent's Account in same day funds, with payments being received by the Administrative Agent after such time being deemed to have been received on the next succeeding Business Day. The Administrative Agent will promptly thereafter cause like funds to be distributed (i) if such payment by the Borrower is in respect of principal, interest, commitment fees or any other Obligation then payable hereunder and under the other Loan Documents to more than one Lender, to such Lenders for the account of their respective Applicable Lending Offices ratably in accordance with the amounts of such respective Obligations then payable to such Lenders and (ii) if such payment by the Borrower is in respect of any Obligation then payable hereunder to one Lender, to such Lender for the account of its Applicable Lending Office, in each case to be applied in accordance with the terms of this Agreement.

(b) The Borrower hereby authorizes each Lender and each of its Affiliates, if and to the extent payment owed to such Lender is not made by the Borrower to the Administrative Agent when due hereunder or under the other Loan Documents to charge from time to time, to the fullest extent permitted by law, against any or all of the Borrower's accounts with such Lender or such Affiliate any amount so due.

(c) All computations of interest and of fees shall be made by the Administrative Agent on the basis of (i) with respect to Base Rate Advances, a year of 365/366 days and (ii) in all other cases, a year of 360 days, in each case for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest, fees or commissions are payable. Each determination by the Administrative Agent of an interest rate, fee or commission hereunder shall be conclusive and binding for all purposes, absent manifest error.

(d) Whenever any payment hereunder or under the other Loan Documents shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest or commitment or letter of credit fee or commission, as the case may be; *provided, however*, that, if such extension would cause payment of interest on or principal of Eurodollar Rate Advances to be made in the next following calendar month, such payment shall be made on the next preceding Business Day.

(e) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to any Lender hereunder that the Borrower will not make such payment in full, the Administrative Agent may assume that the Borrower has made such payment in full to the Administrative Agent on such date and the Administrative Agent may, in reliance upon such assumption, cause to be distributed to each such Lender on such due date an amount equal to the amount then due such Lender. If and to the extent the Borrower shall not have so made such payment in full to the Administrative Agent, each such Lender shall repay to the Administrative Agent forthwith on demand such amount distributed to such Lender together with interest thereon, for each day from the date such amount is distributed to such Lender until the date such Lender repays such amount to the Administrative Agent, at the Federal Funds Rate.

(f) Whenever any payment received by the Administrative Agent under this Agreement or any of the other Loan Documents is insufficient to pay in full all amounts due and payable to the Agents and the Lenders under or in respect of this Agreement and the other Loan Documents on any date, such payment shall be distributed by the Administrative Agent and applied by the Agents and the Lenders in the following order of priority:

(i) *first*, to the payment of all of the fees, indemnification payments, costs and expenses that are due and payable to the Agents (solely in their respective capacities as Agents) under or in respect of this Agreement and the other Loan Documents on such date, ratably based upon the respective aggregate amounts of all such fees, indemnification payments, costs and expenses owing to the Agents on such date;

(ii) *second*, to the payment of all of the indemnification payments, costs and expenses that are due and payable to the Lenders under Sections 10.04 hereof and any similar section of any of the other Loan Documents on such date, ratably based upon the respective aggregate amounts of all such indemnification payments, costs and expenses owing to the Lenders on such date;

(iii) *third*, to the payment of all of the amounts that are due and payable to the Administrative Agent and the Lenders under Sections 2.08 and 2.10 hereof on such date, ratably based upon the respective aggregate amounts thereof owing to the Administrative Agent and the Lenders on such date;

(iv) *fourth*, to the payment of all of the accrued and unpaid interest on the Obligations under or in respect of the Loan Documents that is due and payable to the Agents and the Lenders under Section 2.05(b) on such date, ratably based upon the respective aggregate amounts of all such interest owing to the Agents and the Lenders on such date;

(v) *fifth*, to the payment of all of the accrued and unpaid interest on the Advances that is due and payable to the Lenders under Section 2.05(a) on such date, ratably based upon the respective aggregate amounts of all such interest owing to the Lenders on such date;

(vi) *sixth*, to the payment of the principal amount of all of the outstanding Advances that is due and payable to the Lenders on such date, ratably based upon the respective aggregate amounts of all such principal owing to the Lenders on such date; and

(vii) *seventh*, to the payment of all other Obligations of the Loan Parties owing under or in respect of the Loan Documents that are due and payable to the Agents and the other Secured Parties on such date, ratably based upon the respective aggregate amounts of all such Obligations owing to the Agents and the other Secured Parties on such date.

(g) Whenever a rate of interest hereunder is calculated on the basis of a year (the "deemed year") which contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest shall be expressed as a yearly rate for purposes of the *Interest Act* (Canada) by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year.

(h) The principle of deemed reinvestment of interest shall not apply to any interest calculation under this Agreement; all interest payments to be made hereunder shall be paid without allowance or deduction for deemed reinvestment or otherwise, before and after maturity, default and judgment. The rates of interest specified in this Agreement are intended to be nominal rates and not effective rates. Interest calculated hereunder shall be calculated using the nominal rate method and not the effective rate method of calculation.

(i) To the fullest extent permitted by applicable law, the covenant of the Borrower to pay interest at the rates provided herein shall not merge in any judgment relating to any obligation of the Borrower to the Lenders or the Administrative Agent and any provision of the *Interest Act* (Canada) or *Judgment Interest Act* (Alberta) which restricts any rate of interest set forth herein shall be inapplicable to this Agreement and is hereby waived by the Borrower.

(j) No interest or fee to be paid hereunder shall be paid at a rate exceeding the maximum rate permitted by applicable law. In the event that such interest or fee exceeds such maximum rate, such interest or fees shall be reduced or refunded, as the case may be, so as to be payable at the highest rate recoverable under applicable law.

SECTION 2.10. Taxes. (a) Unless required by Applicable Law, any and all payments by any Loan Party to or for the account of any Lender or any Agent hereunder or under any other Loan Document shall be made, in accordance with Section 2.09 or the applicable provisions of such other Loan Document, if any, free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding, in the case of each Lender and each Agent,

(i) taxes that are imposed on its overall net income (and franchise taxes imposed in lieu thereof) by the federal government, state, province or foreign jurisdiction under the laws of which such Lender or such Agent, as the case may be, is organized or any political subdivision thereof and, in the case of each Lender, taxes that are imposed on its overall net income (and franchise taxes imposed in lieu thereof) by the state, province or foreign jurisdiction of such Lender's Applicable Lending Office or any political subdivision thereof,

(ii) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction in which a Loan Party is located;

(iii) present or future taxes, levies, imposts, deductions, charges or withholdings imposed or levied by the Government of Canada or any province or territory thereof or any Governmental Authority therein ("*Canadian Taxes*") by reason that such Lender or Agent does not deal at arm's length with the Borrower for the purposes of the Income Tax Act (Canada); and

(iv) Canadian Taxes imposed or levied by reason of such Lender or Agent carrying on business in or being connected with Canada or any province or territory thereof otherwise than by the mere holding of its interest in the Facility or the receipt of payments in respect thereof but for greater certainty tax imposed or levied on a Lender under Part XIII of the Income Tax Act (Canada) shall not be excluded solely by virtue of this Section 2.10(a)(iv);

(v) in the case of a Lender organized under the laws of a jurisdiction other than that which a Loan Party is resident for tax purposes (a "*Foreign Lender*") (other than an assignee pursuant to a request by the Borrower under Section 2.08(c)(i)), any deductions, withholdings or withholding tax (including tax imposed or levied on a Lender under Part XIII of the Income Tax Act (Canada)) that is required in respect of or imposed on amounts payable to such Lender at the time such Lender becomes a party hereto (or designates a new Applicable Lending Office) (other than as a result of (A) the adoption or taking effect of any law, rules, regulation or treaty, (B) any change in any law, rules regulation or treaty or in the administration, interpretation or application thereof by any Governmental Authority or (C) the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority, in each case occurring after the date such Lender becomes a party hereto (or designates a new Applicable Lending Office)), except to the extent that such Lender (or its assignor, if any) was entitled, at the time of designation of a new Applicable Lending Office (or assignment) to receive additional amounts from the applicable Loan Party with respect to such withholding tax pursuant to this Section 2.10 (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities in respect of payments hereunder or under any other Loan Document being hereinafter referred to as "*Taxes*").

(vi) If any Loan Party shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder or under any other Loan Document to any Lender or any Agent, the sum payable by such Loan Party shall be increased as may be necessary so that after such Loan Party and the Administrative Agent have made all required deductions (including deductions applicable to additional sums payable under this Section 2.10) such Lender or such Agent, as the case may be, receives an amount equal to the sum it would have received had no such deductions been made, such Loan Party shall make all such deductions and such Loan Party shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

(b) In addition, each Loan Party shall pay any present or future stamp, documentary, excise, property, intangible, mortgage recording or similar taxes, charges or levies that arise from any payment made by such Loan Party hereunder or under any other Loan Documents or from the execution, delivery or registration of, performance under, or otherwise with respect to, this Agreement, or the other Loan Documents (hereinafter referred to as "*Other Taxes*").

(c) The Loan Parties shall indemnify each Lender and each Agent for and hold them harmless against the full amount of Taxes and Other Taxes imposed or asserted by any jurisdiction on

amounts payable by any Loan Party to or for the account of such Lender or Agent hereunder, or under any other Loan Document (including any amounts payable under this Section 2.10) imposed on or paid by such Lender or such Agent (as the case may be) and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto. This indemnification shall be made within 30 days from the date such Lender or such Agent (as the case may be) makes written demand therefor.

(d) Within 30 days after the date of any payment of Taxes, the appropriate Loan Party shall furnish to the Administrative Agent, at its address referred to in Section 10.02, the original or a certified copy of a receipt evidencing such payment, to the extent such a receipt is issued therefor, or other written proof of payment thereof that is reasonably satisfactory to the Administrative Agent. In the case of any payment hereunder or under the other Loan Documents by or on behalf of a Loan Party through an account or branch outside the United States or by or on behalf of a Loan Party by a payor that is not a United States Person, if such Loan Party determines that no Taxes are payable in respect thereof, such Loan Party shall furnish, or shall cause such payor to furnish, to the Administrative Agent, at such address, an opinion of counsel acceptable to the Administrative Agent stating that such payment is exempt from Taxes. For purposes of this subsection (d) of this Section 2.10, the terms "United States" and "United States Person" shall have the meanings specified in Section 7701 of the Internal Revenue Code.

(e) Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which a Loan Party, is resident for tax purposes, with respect to payments hereunder or under any other Loan Document shall deliver to such Loan Party (with a copy to the Administrative Agent), as reasonably requested by a Loan Party or the Administrative Agent, such properly completed and executed documentation prescribed by applicable law as will permit such payments to be made without withholding or at a reduced rate of withholding; provided however (1) that such forms would not, in the good faith judgment of such Lender, require such Lender to disclose any confidential or proprietary information, (2) such Lender is legally entitled to complete, execute and deliver such forms, certificates or other documents and (3) the completion, execution or delivery of such forms, certificates or other documents would not, in the good faith judgment of the Lender, result in the imposition on the Lender of any additional material legal or regulatory burdens, any additional material out-of-pocket costs not indemnified hereunder, or be otherwise materially disadvantageous to such Lender.

SECTION 2.11. Sharing of Payments, Etc. If any Lender shall obtain at any time any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise, other than as a result of an assignment pursuant to Section 10.07) (a) on account of Obligations due and payable to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (according to the proportion of (i) the amount of such Obligations due and payable to such Lender at such time to (ii) the aggregate amount of the Obligations due and payable to all Lenders hereunder and under the other Loan Documents at such time) of payments on account of the Obligations due and payable to all Lenders hereunder and under the other Loan Documents at such time obtained by all the Lenders at such time or (b) on account of Obligations owing (but not due and payable) to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (according to the proportion of (i) the amount of such Obligations owing to such Lender at such time to (ii) the aggregate amount of the Obligations owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time) of payments on account of the Obligations owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time obtained by all of the Lenders at such time, such Lender shall forthwith purchase from the other Lenders such interests or participating interests in the Obligations due and payable or owing to them, as the case may be, as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of them; *provided, however*, that if all or any portion of such excess payment is thereafter recovered from such purchasing Lender,

such purchase from each other Lender shall be rescinded and such other Lender shall repay to the purchasing Lender the purchase price to the extent of such Lender's ratable share (according to the proportion of (i) the purchase price paid to such Lender for (ii) the aggregate purchase price paid to all Lenders) of such recovery together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such other Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered. Upon receipt by the Administrative Agent of notice, if any, of any such purchase (or subsequent rescission), the Administrative Agent shall promptly give notice thereof to the Borrower. The Loan Parties agree that any Lender so purchasing an interest or participating interest from another Lender pursuant to this Section 2.11 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such interest or participating interest, as the case may be, as fully as if such Lender were the direct creditor of the Loan Parties in the amount of such interest or participating interest, as the case may be.

SECTION 2.12. Use of Proceeds. The proceeds of the Term Advances shall be available to (and the Borrower agrees that it shall use such proceeds solely to) pay transaction fees and for general corporate purposes including, without limitation, acquisitions and the funding of development activities.

SECTION 2.13. Evidence of Debt. (a) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Advance owing to such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder. The Borrower agrees that upon notice by any Lender to the Borrower (with a copy of such notice to the Administrative Agent) to the effect that a promissory note or other evidence of indebtedness is required or appropriate in order for such Lender to evidence (whether for purposes of pledge, enforcement or otherwise) the Advances owing to, or to be made by, such Lender, the Borrower shall promptly execute and deliver to such Lender, with a copy to the Administrative Agent, a Note in substantially the form of Exhibit A hereto, payable to the order of such Lender in a principal amount equal to the outstanding Advances of such Lender. All references to Notes in the Loan Documents shall mean Notes, if any, to the extent issued hereunder.

(b) The Administrative Agent shall maintain accounts in which it will record (i) the Type of Advances comprising each Borrowing and, if appropriate, the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder, and (iii) the amount of any sum received by the Administrative Agent from the Borrower hereunder and each Lender's share thereof.

(c) Entries made in good faith by the Administrative Agent pursuant to subsection (b) above, and by each Lender in its account or accounts pursuant to subsection (a) above, shall be *prima facie* evidence of the amount of principal and interest due and payable or to become due and payable from the Borrower to each Lender, under this Agreement, absent manifest error; *provided, however*, that the failure of the Administrative Agent or such Lender to make an entry, or any finding that an entry is incorrect, in such account or accounts shall not limit or otherwise affect the obligations of the Borrower under this Agreement.

ARTICLE III

CONDITIONS TO EFFECTIVENESS AND OF LENDING

SECTION 3.01. Conditions Precedent. Section 2.01 of this Agreement shall become effective on and as of the first date (the "*Effective Date*") on which the following conditions precedent have been satisfied (and the obligation of each Lender to make an Advance on the occasion of the Extension of

Credit hereunder is subject to the satisfaction of such conditions precedent before or concurrently with the Effective Date):

(a) The Administrative Agent shall have received on or before the Effective Date the following, each dated such day (unless otherwise specified), in form and substance reasonably satisfactory to the Administrative Agent (unless otherwise specified) and (except for the Notes) in sufficient copies for each Lender:

(i) The Notes payable to the order of the Lenders to the extent requested by the Lenders pursuant to the terms of Section 2.13.

(ii) The Collateral Documents shall have been fully executed and delivered each in form and substance to the Lenders (acting reasonably) and all registrations, filings and recordings necessary or desirable (as determined by the Administrative Agent) in connection with the Collateral Documents shall have been made and completed.

(iii) A current certificate of the Borrower and each Loan Party of status, compliance or good standing, as the case may be, in respect of its jurisdiction of incorporation and certified copies of its constating documents, by-laws and the resolutions authorizing the Loan Documents to which it is a party and transactions hereunder and an Officer's Certificate as to (A) the incumbency of the officers of the Borrower or other Loan Party, as the case may be, signing the Loan Documents to which it is a party, (B) the truth of the representations and warranties contained in the Loan Documents as though made on and as of the Effective Date and (C) the absence of any event occurring and continuing, or resulting from the Extension of Credit, that constitutes a Default.

(iv) Certified copies of the First Lien Credit Agreement and the Unsecured Credit Agreement, duly executed by the parties thereto and in form and substance satisfactory to the Lenders, together with all agreements, instruments and other documents delivered in connection therewith as the Administrative Agent shall request.

(v) Certificate in substantially the form of Exhibit E hereto, attesting to the Solvency of the Borrower and its Subsidiaries on a Consolidated basis before and after giving effect to the Transaction, from its Chief Financial Officer.

(vi) All audited financial statements, unaudited financial statements, capital budgets and operating budgets required to be delivered pursuant to the First Lien Credit Agreement prior to and as of the Effective Date.

(vii) Evidence of insurance naming the Collateral Agent as additional insured and loss payee with such responsible and reputable insurance companies or associations, and in such amounts and covering such risks, as is reasonably satisfactory to the Administrative Agent.

(viii) A Notice of Borrowing relating to the Extension of Credit.

(ix) A favorable opinion of Paul, Weiss, Rifkind, Wharton & Garrison LLP, U.S. counsel for the Loan Parties, in substantially the form of Exhibit F hereto and as to such other matters as any Lender through the Administrative Agent may reasonably request.

(x) A favorable opinion of Blake, Cassels & Graydon LLP, Canadian counsel to the Loan Parties, in substantially the form of Exhibit G hereto and as to such other matters as any Lender through the Administrative Agent may reasonably request.

(xi) A favorable opinion of McInnes Cooper, Nova Scotia counsel to the Loan Parties, in substantially the form of Exhibit H hereto and as to such other matters as any Lender through the Administrative Agent may reasonably request.

(xii) A favorable opinion of MacLeod Dixon LLP, Canadian counsel to the Lenders, in substantially the form of Exhibit I hereto and as to such other matters as any Lender through the Administrative Agent may reasonably request.

(xiii) A certified copy of the TRC Subordination Agreement, duly executed by each of the parties thereto.

(xiv) A certified copy of the Intercreditor Agreement, duly executed by each of the parties thereto.

(b) Before giving effect to the Transaction, there shall have occurred no Material Adverse Change since December 31, 2005.

(c) There shall exist no action, suit, investigation, litigation or proceeding affecting any Loan Party or any of its Subsidiaries pending or threatened before any Governmental Authority that (i) would be reasonably likely to have a Material Adverse Effect or (ii) purports to affect the legality, validity or enforceability of any Loan Document or the consummation of the Transaction.

(d) All Governmental Authorizations and third party consents and approvals necessary in connection with the Transaction and the entering into of the Loan Documents shall have been obtained (without the imposition of any conditions that are not reasonably acceptable to the Lenders) and shall remain in effect; and no law or regulation shall be applicable in the judgment of the Lenders that restrains, prevents or imposes materially adverse conditions upon the Transaction or the rights of the Loan Parties or their Subsidiaries freely to transfer or otherwise dispose of, or to create any Security Interest on, any properties now owned or hereafter acquired by any of them.

(e) The Borrower shall have paid all reasonable and documented accrued fees and expenses of the Agents (including the reasonable and documented accrued fees and expenses of counsel to the Administrative Agent and local counsel to the Lenders).

(f) The Lenders shall be satisfied with the terms and conditions of the First Lien Facility and the documentation with respect thereto, including the Intercreditor Agreement.

(g) The representations and warranties contained in each Loan Document shall be correct on and as of the Effective Date, before and after giving effect to the Borrowing and to the application of the proceeds therefrom.

(h) No Default has occurred and is continuing, or would result from the Borrowing or from the application of the proceeds therefrom.

(i) A confirmation of guarantee and security from the Borrower and each Subsidiary Guarantor, in form and substance satisfactory to the Administrative Agent, acting reasonably.

(j) The Administrative Agent shall have received such other approvals, documents, certificates and opinions relating to the Borrower as the Administrative Agent may reasonably request.

SECTION 3.02. Determinations Under Section 3.01. For purposes of determining compliance with the conditions specified in Section 3.01, each Lender shall be deemed to have consented to, approved or accepted or to be satisfied with each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to the Lenders unless an officer of the Administrative Agent responsible for the transactions contemplated by the Loan Documents shall have received notice from such Lender prior to the Effective Date, specifying its objection thereto, and such Lender shall not have made available to the Administrative Agent such Lender's ratable portion of the Borrowing.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES

SECTION 4.01. Representations and Warranties of the Borrower. The Borrower represents and warrants as follows to the Agents and to each of the Lenders and acknowledges and confirms that the Agents and each of the Lenders is relying upon such representations and warranties:

(a) **Existence and Good Standing.** The Borrower and each of its Subsidiaries is a corporation validly existing and in good standing under the laws of its jurisdiction of incorporation or is a partnership or trust validly existing under the laws of the Province of Alberta; each is duly registered in all other jurisdictions where the nature of its property or character of its business requires registration, except for jurisdictions where the failure to be so registered or qualified would not have a Material Adverse Effect, and has all necessary power and authority to own its properties and carry on its business as presently carried on or as contemplated by the Loan Documents.

(b) **Authority.** The Borrower and each of its Subsidiaries has full power, legal right and authority to enter into the Loan Documents to which it is a party and do all such acts and things as are required by such Loan Documents to be done, observed or performed, in accordance with the terms thereof.

(c) **Valid Authorization and Execution.** The Borrower and each of its Subsidiaries has taken all necessary corporate, partnership and other action (as applicable) of its directors, shareholders, partners, trustees and other Persons (as applicable) to authorize the execution, delivery and performance of the Loan Documents to which it is a party and to observe and perform the provisions thereof in accordance with the terms therein contained.

(d) **Validity of Agreement – Non-Conflict.** None of the authorization, execution or delivery of this Agreement or performance of any obligation pursuant thereto requires or will require, pursuant to applicable law now in effect, any approval or consent of any Governmental Authority having jurisdiction (except such as has already been obtained and are in full force and effect) nor is in conflict with or contravention of (i) the Borrower's or any Subsidiary's articles, by-laws or other constituting documents or any resolutions of directors or shareholders or the provisions of its partnership agreement or declaration of trust or trust indenture (as applicable) or (ii) the provisions of any other indenture,

instrument, undertaking or other agreement to which the Borrower or any of its Subsidiaries is a party or by which they or their properties or assets are bound, the contravention of which would have or would reasonably be expected to have a Material Adverse Effect. The Loan Documents when executed and delivered will constitute valid and legally binding obligations of the Borrower and each Subsidiary which is a party thereto enforceable against each such party in accordance with their respective terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

(e) Ownership of Property. The Borrower and each Subsidiary has good and marketable title to its P&NG Rights and P&NG Leases and to its other material property, including the right to extract, produce, take and retain Petroleum Substances therefrom in accordance with the respective terms thereof, subject to Permitted Encumbrances.

(f) Debt. Neither the Borrower nor any Subsidiary has created, incurred, assumed, suffered to exist, or entered into any contract, instrument or undertaking pursuant to which, the Borrower or any Subsidiary is now or may hereafter become liable for any Debt other than Permitted Debt.

(g) Encumbrances. Neither the Borrower nor any Subsidiary has created, incurred, assumed, suffered to exist, or entered into any contract, instrument or undertaking pursuant to which, any Person may have or be entitled to any Security Interest on or in respect of its property and assets or any part thereof except for Permitted Encumbrances.

(h) No Material Adverse Effect. No event or circumstance has occurred or is continuing which has had or would reasonably be expected to have a Material Adverse Effect.

(i) No Omissions. The Borrower has made available to the Agents all material information necessary to make any representations, warranties and statements contained in this Agreement not misleading in any material respect in light of the circumstances in which they are given.

(j) Non-Default. No Default or Event of Default has occurred or is continuing or would occur following the Borrowing hereunder.

(k) Financial Condition. The audited and unaudited Consolidated financial statements of the Borrower delivered to the Lenders and the Agents pursuant hereto present fairly, in all material respects, the Consolidated financial condition of the Borrower as at the date thereof and the results of the Consolidated operations thereof for the Fiscal Year or fiscal quarter (as applicable) then ending, all in accordance with GAAP.

(l) Information Provided. All information, materials and documents, including all throughput and cash flow projections, economic models, engineering data, capital and operating budgets and other information and data:

(i) prepared and provided to the Agents by the Borrower or any Subsidiary in respect of the transactions contemplated by this Agreement, or as required by the terms of this Agreement, were, in the case of financial projections, prepared in good faith based upon reasonable assumptions at the date of preparation, and, in all other cases, true, complete and correct in all material respects as of the respective dates thereof; and

(ii) prepared by Persons other than the Borrower or a Subsidiary and provided to the Agents by or on behalf of the Borrower or any Subsidiary in respect of the transactions contemplated by this Agreement, or as required by the terms of this Agreement, were, to the best

of the knowledge of the Borrower after due inquiry, in the case of financial projections, prepared in good faith based upon reasonable assumptions at the date of preparation, and, in all other cases, true, complete and correct in all material respects as of the respective dates thereof.

(m) Absence of Litigation. There are no actions, suits or proceedings pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any of its Subsidiaries, their property or any of their undertakings and assets, at law, in equity or before any arbitrator or before or by any Governmental Authority having jurisdiction in the premises in respect of which there is a reasonable possibility of a determination adverse to the Borrower or any Subsidiary and which, if determined adversely, would have or would reasonably be expected to have a Material Adverse Effect.

(n) Compliance with Applicable Laws, Court Orders and Agreements. The Borrower and each of its Subsidiaries and their respective property, businesses and operations are in compliance with all Applicable Laws (including, without limitation, all applicable Environmental Laws), all applicable directives, judgments, decrees, injunctions and orders rendered by any Governmental Authority or court of competent jurisdiction, its articles, by laws and other constating documents, all agreements or instruments to which it is a party or by which its property or assets are bound, and any employee benefit plans, except to the extent that failure to so comply would not have and would not reasonably be expected to have a Material Adverse Effect.

(o) Required Permits in Effect. All Required Permits are in full force and effect, except to the extent that the failure to have or maintain the same in full force and effect would not, when taken in the aggregate, have or reasonably be expected to have a Material Adverse Effect.

(p) Remittances Up to Date. All of the material remittances required to be made by the Borrower and its Subsidiaries to Governmental Authorities have been made, are currently up to date and there are no outstanding arrears, other than those which are being contested by Permitted Contest.

(q) Environmental

(i) To the best of the knowledge and belief of the Borrower, after due inquiry, the Borrower, its Subsidiaries and their respective properties, assets and undertakings taken as a whole comply in all respects and the businesses, activities and operations of same and the use of such properties, assets and undertakings and the processes and undertakings performed thereon comply in all respects with all Environmental Laws except to the extent that failure to so comply would not have and would not reasonably be expected to have a Material Adverse Effect; further, the Borrower does not know, and has no reasonable grounds to know, of any facts which result in or constitute or are likely to give rise to non-compliance with any Environmental Laws, which facts or non-compliance have or would reasonably be expected to have a Material Adverse Effect.

(ii) The Borrower has not received written notice and, except as previously disclosed to the Administrative Agent in writing, has no knowledge after due inquiry, of any facts which could give rise to any notice of non-compliance with any Environmental Laws, which non-compliance has or would reasonably be expected to have a Material Adverse Effect and has not received any notice that the Borrower or any of its Subsidiaries is a potentially responsible party for a federal, provincial, regional, municipal or local clean up or corrective action in connection with their respective properties, assets and undertakings where such clean up or corrective action has or would reasonably be expected to have a Material Adverse Effect.

(r) Taxes. The Borrower and each of its Subsidiaries has duly filed on a timely basis all tax returns required to be filed and have paid all material Imposed Taxes that are due and payable, and

have paid all material assessments and reassessments, and all other material Imposed Taxes, governmental charges, governmental royalties, penalties, interest and fines claimed against them, other than those which are being contested by them by Permitted Contest; they have made adequate provision for, and all required instalment payments have been made in respect of, Imposed Taxes payable for the current period for which returns are not yet required to be filed; there are no actions or proceedings being taken by any taxation authority in any jurisdictions where the Borrower or any Subsidiary carries on business to enforce the payment of any Imposed Taxes by them other than those which are being contested by them by Permitted Contest.

(s) Material Subsidiaries. The only Material Subsidiaries of the Borrower are the Subsidiary Guarantors listed on Schedule II hereto.

(t) Margin Regulations. The Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock, and no proceeds of any Advance will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock.

(u) Investment Company Act; Public Utility Holding Company Act. Neither any Loan Party nor any of its Subsidiaries is an "investment company," or an "affiliated Person" of, or "promoter" or "principal underwriter" for, an "investment company," as such terms are defined in the Investment Company Act of 1940, as amended. Neither any Loan Party nor any of its Subsidiaries is a "holding company," or a "subsidiary company" of a "holding company," or an "affiliate" of a "holding company" or of a "subsidiary company" of a "holding company," as such terms are defined in the Public Utility Holding Company Act of 1935, as amended. Neither the making of any Advances, nor the application of the proceeds or repayment thereof by the Borrower, nor the consummation of the other transactions contemplated by the Loan Documents, will violate any provision of any such Act or any rule, regulation or order of the Securities and Exchange Commission thereunder.

(v) ERISA Compliance.

(i) Set forth on Schedule 4.01(p) hereto is a complete and accurate list of all Plans, Multiemployer Plans and Welfare Plans that are subject to Title I or IV of ERISA.

(ii) There is no Plan or Multiemployer Plan that is subject to Title IV of ERISA.

(iii) With respect to each employee benefit arrangement mandated by non-U.S. law (a "Foreign Benefit Arrangement") and with respect to each employee benefit plan maintained or contributed to by any Loan Party or any Subsidiary of any Loan Party that is not subject to United States law (a "Foreign Plan"):

(A) Any employer and employee contributions required by law or by the terms of any Foreign Benefit Arrangement or any Foreign Plan have been made, or, if applicable, accrued, in accordance with normal accounting practices.

(B) The fair market value of the assets of each funded Foreign Plan, the liability of each insurer for any Foreign Plan funded through insurance or the book reserve established for any Foreign Plan, together with any accrued contributions, is sufficient to procure or provide for the accrued benefit obligations, as of the date hereof, with respect to all current and former participants in such Foreign Plan according to the actuarial assumptions and valuations most recently used to account for such obligations in accordance with applicable generally accepted accounting principles.

(C) Each Foreign Plan required to be registered has been registered and has been maintained in good standing with applicable regulatory authorities.

(w) Additional Tax Representation: No amount in respect of interest payable on any Advance is deductible in computing the Borrower's taxable income earned in Canada, as defined in subsection 248(1) of the Income Tax Act (Canada), from any source.

ARTICLE V

COVENANTS OF THE BORROWER

SECTION 5.01. Affirmative Covenants. So long as any Advance or any other Obligation of any Loan Party under any Loan Document shall remain unpaid, or any Lender shall have any Commitment hereunder, the Borrower will:

(a) Punctual Payment and Performance. Duly and punctually pay the principal of all Advances, all interest thereon and all fees and other amounts required to be paid by the Borrower hereunder in the manner specified hereunder and the Borrower shall perform and observe all of its obligations under this Agreement and under any other Loan Document to which it is a party.

(b) Books and Records. Keep proper books of record and account in which complete and correct entries will be made of its transactions in accordance with GAAP.

(c) Maintenance and Operation. Do or cause to be done, and will cause each Subsidiary to do or cause to be done, all things necessary or required to have all its properties, assets and operations owned, operated and maintained in accordance with diligent and prudent industry practice and Applicable Laws except to the extent that the failure to do or cause to be done the same would not have and would not reasonably be expected to have a Material Adverse Effect, and at all times cause the same to be owned, operated, maintained and used in compliance with all terms of any applicable insurance policy to the extent necessary to ensure that coverage under any such policy cannot be denied by the insurers thereunder.

(d) Compliance with Legislation Generally; Required Permits. Do or cause to be done, and shall cause its Subsidiaries to do or cause to be done, all acts necessary or desirable to comply with all Applicable Laws, except where such failure to comply does not and would not reasonably be expected to have a Material Adverse Effect, and to preserve and keep in full force and effect all Required Permits and all other franchises, licenses, rights, privileges, permits and Governmental Authorizations necessary to enable the Borrower and each of its Subsidiaries to operate and conduct their respective businesses in accordance with prudent industry practice, except to the extent that the failure to have any of the same does not and would not reasonably be expected to have a Material Adverse Effect.

(e) Budgets, Financial Statements, Engineering Reports and Other Information. Deliver to the Administrative Agent with sufficient copies for each of the Lenders:

(i) Annual Capital and Operating Budgets. as soon as available and, in any event, within 120 days after the beginning of each of its Fiscal Years, a copy of the annual Consolidated capital budget and operating budget for the current year of the Borrower (approved by the board of directors of the Borrower);

(ii) Annual Financials. as soon as available and, in any event, within 90 days after the end of each of its Fiscal Years, copies of the Borrower's audited annual financial statements on a Consolidated basis, each consisting of a balance sheet, statement of income, statement of cash flows and statement of shareholders' equity for each such year, together with the notes thereto in the case of the audited annual financial statements, all prepared in accordance with GAAP, together with a report and unqualified opinion of the Borrower's auditors thereon in the case of audited annual financial statements of the Borrower and including any management letters provided by the auditors in connection with such audit;

(iii) Quarterly Financials. as soon as available and, in any event within 60 days after the end of each of its first, second and third fiscal quarters, copies of each of the Borrower's unaudited quarterly financial statements on a Consolidated basis, in each case consisting of a balance sheet, statement of income, statement of cash flows and statement of shareholders' equity for each such period all in reasonable detail and stating in comparative form the figures for the corresponding date and period in the previous Fiscal Year, all prepared in accordance with GAAP;

(iv) Compliance Certificate. concurrently with furnishing the financial statements pursuant to Sections 5.01(e)(ii) and (iii), a Compliance Certificate signed by any one of the president, chief financial officer, vice president finance or treasurer of the Borrower and stating that no Default or Event of Default has occurred and is continuing (or, if applicable, specifying those defaults or events notified in accordance with Section 5.01(h) below);

(v) Financial Instruments. concurrently with furnishing the financial statements pursuant to Sections 5.01(e)(ii) and (iii), a report on the status of all outstanding Financial Instruments hedging amounts in excess of the Threshold Amount, such report to be in a form and containing such information as may be required by the Lenders, acting reasonably;

(vi) Semi Annual Independent Engineering Reports. within 90 days after (A) the end of each of its Fiscal Years and (B) the end of the second quarter of each of its Fiscal Years, an Engineering Report, effective as of the immediately preceding December 31 or June 30, as applicable, prepared by an Independent Engineer;

(vii) Quarterly Engineering Reports. within 90 days after the end of each of the first and third quarters of each of its Fiscal Years, an Engineering Report, effective as of the immediately preceding March 31 or September 30, as applicable, prepared either (A) by an Independent Engineer or (B) by or under the supervision of the chief engineer of the Borrower or Trident Resources Corp. who shall certify (x) that there are there are no statements or conclusions in any Engineering Report which are based upon or include misleading information or fail to take into account material information regarding the matters reported therein, it being understood that projections concerning volumes attributable to the Petroleum Substances and production and cost estimates contained in each Engineering Report are necessarily based upon professional opinions, estimates and projections and that the Borrower and the Subsidiary Guarantors do not warrant that such opinions, estimates and projections will ultimately prove to have been accurate, and (y) that such Engineering Report has been prepared in accordance with the procedures used in the immediately preceding Engineering Report prepared by an Independent Engineer;

(viii) Asset Dispositions. (A) within 10 Business Days of any sale, transfer or other disposition of any Core Horseshoe Canyon Property with a fair market value of greater than or equal to Cdn \$500,000 (a "CHC Significant Sale"), if such disposition, in the aggregate with all other CHC Significant Sales since the later of (x) the Effective Date and (y) the date of the most

recent CHC Significant Sale reported pursuant to this clause (viii) (the "*Last CHC Sale Date*") exceeds Cdn \$5,000,000, a report listing all CHC Significant Sales since the Last CHC Sale Date, and (B) within 10 Business Days of any sale, transfer or other disposition of any WCSB Property with a fair market value of greater than or equal to Cdn \$500,000 (a "*WCSB Significant Sale*"), if such disposition, in the aggregate with all other WCSB Significant Sales since the later of (x) the Effective Date and (y) the date of the most recent WCSB Significant Sale reported pursuant to this clause (viii) (the "*Last WCSB Sale Date*") exceeds Cdn \$5,000,000, a report listing all WCSB Significant Sales since the Last WCSB Sale Date; and

(ix) Other, such other existing information, reports, engineering data, certificates, projections of income and cash flow or other matters affecting the business, affairs, financial condition, property or assets of the Borrower or the business, affairs, financial condition, property or assets of any of its Subsidiaries as is delivered to the First Lien Agent or as the Agents may reasonably request.

(f) Rights of Inspection. At any reasonable time and from time to time upon reasonable prior notice, the Borrower shall permit the Agents and any Lender or any representative thereof (at the expense of the Borrower during the continuance of a Default or Event of Default and, otherwise, at the expense of the Agents or such Lender, as applicable) to (i) examine and make copies of and abstracts from the records and books of account of the Borrower or any of its Subsidiaries, (ii) visit and inspect the premises and properties of the Borrower or any of its Subsidiaries (in each case at the risk of the Borrower, except for the gross negligence or wilful misconduct of the inspecting party or the failure of any such inspecting party to comply with the Borrower's or any such Subsidiary's health and safety requirements, as advised to such inspecting party), and (iii) discuss the affairs, operations, finances and accounts of the Borrower, the Parent or any of the Subsidiaries with any of the officers or directors of the Borrower, the Parent or any of their Subsidiaries or their respective accountants, consultants, engineers or other third parties.

(g) Notice of Material Litigation. The Borrower shall promptly give written notice to the Agents of any litigation, proceeding or dispute affecting the Borrower or any of its Subsidiaries in respect of a demand or claim in respect of which there is a reasonable possibility of an adverse determination and which if adversely determined would reasonably be expected to result in a liability, obligation or judgment in excess of Cdn. \$10,000,000 at the time of such notice, and shall from time to time furnish to the Agents all reasonable information requested by the Agents concerning the status of any such litigation, proceeding or dispute.

(h) Notice of Default or Event of Default. The Borrower shall deliver to the Administrative Agent, as soon as reasonably practicable and in any event no later than 3 Business Days after becoming aware of (i) a Default or an Event of Default (unless such Default or Event of Default has been cured within such 3 Business Day period), (ii) a "Default" or "Event of Default" as defined in the First Lien Credit Agreement or (iii) the occurrence of a similar event or circumstance under any other Debt of the Borrower in excess of the Threshold Amount, an Officer's Certificate describing in detail such default or such event of default and specifying the steps, if any, being taken to cure or remedy the same.

(i) Notice of Material Adverse Effect. The Borrower shall, as soon as reasonably practicable, promptly notify the Agents of any event, circumstance or condition that has had or is reasonably likely to have a Material Adverse Effect.

(j) Notice of New Material Subsidiaries. The Borrower shall promptly give written notice to the Agents of the acquisition, creation or existence of each new Material Subsidiary after the date hereof.

(k) Payment of Royalties, Taxes, Withholdings, etc. The Borrower shall, and shall cause its Subsidiaries to, from time to time pay or cause to be paid all material royalties, rents, Imposed Taxes, rates, levies or assessments, ordinary or extraordinary, governmental fees or dues, and to make and remit all withholdings, lawfully levied, assessed or imposed upon the Borrower or its Subsidiaries or any of the assets of the Borrower or its Subsidiaries, as and when the same become due and payable, except when and so long as the validity or amount of any such material royalties, rents, Imposed Taxes, rates, levies, assessments, fees, dues or withholdings is being contested by the Borrower or its Subsidiaries by a Permitted Contest.

(l) Payment of Preferred Claims. The Borrower shall, and shall cause its Subsidiaries to, from time to time pay when due or cause to be paid when due all material amounts related to wages, workers' compensation obligations, government royalties or pension fund obligations and any other amount which may result in a lien, charge, Security Interest or similar encumbrance against the assets of the Borrower or such Subsidiary arising under statute or regulation, except when and so long as the validity of any such material amounts or other obligations is being contested by the Borrower or its Subsidiaries by a Permitted Contest.

(m) Environmental Covenants.

(i) Without limiting the generality of Section 5.01(d) above, the Borrower shall, and shall cause its Subsidiaries and any other party acting under their direction to, conduct their business and operations so as to comply at all times with all Environmental Laws if the consequence of a failure to comply, either alone or in conjunction with any other such non-compliances, would have or would reasonably be expected to have a Material Adverse Effect.

(ii) If the Borrower or its Subsidiaries shall:

(A) receive or give any notice that a violation of any Environmental Law has or may have been committed or is about to be committed by the same, and if such violation has or would reasonably be expected to have a Material Adverse Effect;

(B) receive any notice that a complaint, proceeding or order has been filed or is about to be filed against the same alleging a violation of any Environmental Law, and if such violation would reasonably be expected to have a Material Adverse Effect; or

(C) receive any notice requiring the Borrower or a Subsidiary, as the case may be, to take any action in connection with the Release of Hazardous Materials into the environment or alleging that the Borrower or a Subsidiary may be liable or responsible for costs associated with a response to or to clean up a Release of Hazardous Materials into the environment or any damages caused thereby, and if such action or liability has or would reasonably be expected to have a Material Adverse Effect.

the Borrower shall promptly provide the Agents with a copy of such notice and shall, or shall cause its Subsidiary to, furnish to the Agents from time to time all reasonable information requested by the Agents relating to the same.

(n) Use of Loans. The Borrower shall use all Term Advances and the proceeds thereof solely for the purposes set forth in Section 2.12 hereof.

(o) Required Insurance. The Borrower shall, and shall cause each of its Subsidiaries to, maintain, with responsible and reputable insurers, insurance with respect to their respective properties and business and against such casualties and contingencies and in such types and such amounts as shall be in accordance with prudent business practices for corporations of the size and type of business and operations as the Borrower and its Subsidiaries and such insurance shall name the First Lien Agent and the Collateral Agent as additional insured and loss payee, as their interests may appear.

(p) Compliance With P&NG Leases. The Borrower shall, and shall cause each of its Subsidiaries to, comply in all material respects with the P&NG Leases relating to P&NG Rights, except where failure to so comply would not have a Material Adverse Effect.

(q) Copies of Amendments to First Lien Facility. The Borrower shall provide the Administrative Agent with a copy of any alteration, amendment, modification, supplement, restatement, waiver or consent to the First Lien Facility or the First Lien Credit Agreement, promptly, but in any event within 5 days, after the entering into of such alteration, amendment, modification, supplement, restatement, waiver or consent.

(r) Investments in Horseshoe Canyon. The Borrower shall, measured from and after the Original Closing Date, expend at least \$125,000,000 in funding exploration, acquisitions, developments, drilling, production, transportation, processing, operations and related activities in or related to the Horseshoe Canyon area, including without limitation expenditures on plants, facilities, systems and other tangibles related to same (wherever situated) within 30 months of the Original Closing Date.

(s) Additional Capital. The Borrower shall, within 90 days after the date hereof, receive in the form of TRC Subordinated Loans or equity contributions from the Parent the net proceeds from the Parent's first \$25,000,000 in capital raised (in addition to the \$125,000,000 drawn under the Unsecured Credit Agreement).

(t) Proceeds of Unsecured Credit Agreement. The Borrower shall, within 5 days after the initial funding under the Unsecured Credit Agreement, receive in the form of TRC Subordinated Loans or equity contributions from the Parent all of the net proceeds of the \$125,000,000 drawn under the Unsecured Credit Agreement.

(u) Parent's Cash and Leverage Ratio. The Borrower shall, within 5 Business Days after any determination of the Leverage Ratio pursuant to Section 5.03(a) in which, in order for the Borrower to comply with Section 5.03(a), the Parent's cash and Cash Equivalents must be taken into account in the calculation of Leverage Ratio, receive in the form of TRC Subordinated Loans or equity contributions from the Parent cash proceeds in an amount equal to the lesser of (i) 110% of the minimum amount of cash and Cash Equivalents of the Parent needed as of the date of determination in order for the Leverage Ratio at such date of determination to be less than the maximum Leverage Ratio set forth for such date in Section 5.03(a) in accordance with the definition of "Leverage Ratio" and (ii) the amount of all cash and Cash Equivalents of the Parent as such date of determination, minus \$10,000,000.

SECTION 5.02. Negative Covenants. So long as any Advance or any other Obligation of any Loan Party under any Loan Document shall remain unpaid, or any Lender shall have any Commitment hereunder, the Borrower will not, at any time:

(a) Change of Business. Change, or permit any Subsidiary to change, in any material respect the nature of its business or operations from the types of businesses and operations carried on by the Borrower and its Subsidiaries on the date hereof.

(b) Negative Pledge. Create, issue, incur, assume or permit to exist, or permit any Subsidiary to create, issue, incur, assume or permit to exist, any Security Interests on any of their property, undertakings or assets other than Permitted Encumbrances.

(c) No Dissolution. Liquidate, dissolve or wind up or take any steps or proceedings in connection therewith, or permit any Material Subsidiary to liquidate, dissolve or wind upon take any steps or proceedings in connection therewith, except, in the case of Subsidiaries, where the successor thereto or transferee thereof is the Borrower or a Wholly-Owned Subsidiary of the Borrower, provided, for greater certainty, that a continuation of the Borrower or any Material Subsidiary to a jurisdiction within Canada or the United States of America shall not be a liquidation, dissolution or winding up or any step or proceeding in connection therewith.

(d) Limit on Sale of Assets. Sell, lease, transfer or otherwise dispose of, or permit any of its Subsidiaries to sell, lease, transfer or otherwise dispose of, any assets, or grant any option or other right to purchase, lease or otherwise acquire, or permit any of its Subsidiaries to grant any option or other right to purchase, lease or otherwise acquire, any assets, except:

(i) Permitted Dispositions;

(ii) sales, transfers or other dispositions of the Core Horseshoe Canyon Properties for fair market value, in an aggregate amount not to exceed Cdn \$25,000,000 in any Fiscal Year or Cdn \$100,000,000 during the term of this Agreement;

(iii) as measured as of each anniversary of the Effective Date, sales, transfers or other dispositions of WCSB Properties, made after the Original Closing Date by the Borrower and its Subsidiaries, for fair market value, in an aggregate amount not to exceed the sum of: (i) the aggregate purchase price paid by the Borrower and its Subsidiaries for WCSB Properties acquired since the Original Closing Date, plus (ii) the Allowable Excess; and

(iv) sales, transfers or other dispositions used to repay the First Lien Obligations to the extent the Borrower is required to make such prepayment in accordance with the mandatory prepayment provisions in the First Lien Credit Agreement as a result of the First Lien Obligations exceeding the Borrowing Base (as defined in the First Lien Credit Agreement) at such time.

(e) Limitation on Debt. Create, incur or suffer to exist, or permit any Subsidiary to create, incur or suffer to exist, any Debt other than Permitted Debt.

(f) Limit on Investment. Make Investments, or permit any Subsidiary to make Investments, other than:

(i) Investments existing on the date hereof and set forth on Schedule 5.02(f) attached hereto;

(ii) Investments of the Borrower in Subsidiary Guarantors, and of the Subsidiaries in other Subsidiaries; provided that any Investments made by Subsidiary Guarantors shall be in other Subsidiary Guarantors;

(iii) Investments in P&NG Rights located in the United States of America or Canada;

(iv) Investments in (including acquisitions of all or any property, assets or undertakings of) Persons (A) whose property, assets or undertakings, or in the case of an acquisition of property, assets or undertakings, such acquired property, assets or undertakings, are principally located in the United States of America or Canada and (B) whose property, assets or undertakings, or in the case of an acquisition of property, assets or undertakings, such property assets or undertakings, are principally in the Oil and Gas Business;

(v) Investments made in connection with any exercise of the TD Capital/Blackstone Put Rights in an aggregate amount not to exceed Cdn \$12,500,000;

(vi) Investments consisting of Financial Assistance permitted under Section 5.02(h);

(vii) other Investments not to exceed Cdn. \$5,000,000 during the term of this Agreement; and

(viii) Investments consisting of Cash Equivalents.

(g) Limits on Distributions. Make, or permit any Subsidiary to make, any Distributions, except that:

(i) the Borrower may (A) declare and pay dividends and distributions of any kind (including redemptions, repurchases or other acquisitions of its Equity Interests), payable only in common shares of the Borrower, (B) purchase, redeem, retire, defease or otherwise acquire shares of its capital stock with the proceeds received contemporaneously from either: (i) the issue of new shares of its capital stock with equal or inferior voting powers, designations, preferences and rights as compared to the shares being purchased, redeemed, retired, defeased or acquired or (ii) the proceeds of TRC Subordinated Loans by the Parent, and (C) purchase or otherwise acquire shares or other securities from employees or consultants or former employees or consultants in its capital in an aggregate amount not to exceed Cdn \$5,000,000 in any calendar year;

(ii) any Subsidiary of the Borrower may declare and pay cash dividends to the Borrower or to any Subsidiary of which it is a Subsidiary; *provided* that a Subsidiary Guarantor may only declare and pay cash dividends to the Borrower or to another Subsidiary Guarantor;

(iii) the Borrower may make Distributions to the Parent for corporate, administrative and overhead expenses of the Parent (including, without limitation, payments to management approved by the compensation committee or board of directors of the Parent) incurred in the ordinary course of business;

(iv) the Borrower may make payments made in connection with any exercise of the TD Capital/Blackstone Put Rights in an aggregate amount not to exceed Cdn \$12,500,000; and

(v) the Borrower may make Distributions to the Parent during or in respect of any period for which the Total Leverage Ratio shall be equal to or less than 4:1 for the payment of any cash interest accrued during such period on any principal amount associated with any Debt under the Unsecured Credit Agreement; *provided* that such Distribution shall be made no more than two Business Days prior to the due date of such cash interest and at the time of such Distribution, the Parent is not the subject of any bankruptcy, insolvency, reorganization or similar proceeding under any applicable law and there exists no other legal impediment at such time to

the prompt disbursement by the Parent of the proceeds of such Distribution for the payment of such cash interest.

(h) Limit on Financial Assistance. Provide, or permit any Subsidiary to provide, any Financial Assistance to or in favor of any Person except:

(i) (A) in favor of the Agents, the Lenders and the Hedge Banks for or in respect of the Obligations of the Loan Parties under the Loan Documents, (B) in favor of the First Lien Agent and the lenders party to the First Lien Credit Agreement for or in respect of the First Lien Obligations or (C) in favor of the agent of the lenders party to the Unsecured Credit Agreement and the lenders party to the Unsecured Credit Agreement for or in respect of the Obligations of the Parent and the subsidiary guarantors named in the Unsecured Credit Agreement or

(ii) for the benefit of the Borrower, a Guarantor or a Wholly-Owned Subsidiary in connection with Permitted Debt;

(iii) in favor of the Borrower or a Guarantor;

(iv) for Investments permitted pursuant to Section 5.02(f); and

(v) to a maximum, in the aggregate at any time, of Cdn. \$5,000,000.

(i) Payment Restrictions Affecting Subsidiaries. Directly or indirectly, enter into or suffer to exist, or permit any of its Subsidiaries to enter into or suffer to exist, any agreement or arrangement limiting the ability of any of its Subsidiaries to declare or pay dividends or other distributions in respect of its Equity Interests or repay or prepay any Debt owed to, make loans or advances to, or otherwise transfer assets to or make Investments in, the Borrower or any Subsidiary of the Borrower (whether through a covenant restricting dividends, loans, asset transfers or investments, a financial covenant or otherwise), except the Loan Documents, the First Lien Documents or the Unsecured Credit Agreement (and loan documents relating thereto).

(j) No Financial Instruments Other Than Permitted Hedging. Enter into, transact or have outstanding, or permit any Subsidiary to enter into, transact or have outstanding, any Financial Instruments or Financial Instrument Obligations other than Permitted Hedging.

(k) Non-Arm's Length Transaction. Except in respect of transactions between or among the Borrower and/or one or more of its Wholly-Owned Subsidiaries, the Borrower shall not, nor shall it permit any Subsidiary to, enter into any contract, agreement or transaction whatsoever, including for the sale, purchase, lease or other dealing in any property or the provision of any services (other than office and administration services provided in the ordinary course of business), with any Related Party except upon fair and reasonable terms, which terms are not less favorable to the Borrower or a Subsidiary than it would obtain in an arm's length transaction and, if applicable, for consideration which equals the fair market value of such property or other than at a fair market rental as regards leased property.

(l) No Merger, Amalgamation, etc. Enter into, or permit any Subsidiary to enter into, any transaction whereby all or substantially all of its undertaking, property and assets would become the property of any other Person whether by way of reconstruction, reorganization, recapitalization, consolidation, amalgamation, merger, transfer, sale or otherwise except, in the case of Subsidiaries, where the successor thereto or transferee thereof is the Borrower or another Wholly-Owned Subsidiary of the Borrower.

SECTION 5.03. Financial Covenants. So long as any Advance or any other Obligation of any Loan Party under any Loan Document shall remain unpaid, or any Lender shall have any Commitment hereunder, the Borrower will:

(a) **Leverage Ratio.** Maintain at the end of each Measurement Period set forth below, that ends on or after September 30, 2006, a Leverage Ratio of less than the amount set forth below for such Measurement Period:

Measurement Period Ending	Ratio
September 30, 2006	7.0:1.0
December 31, 2006	5.5:1.0
March 31, 2007	4.5:1.0
June 30, 2007	4.0:1.0
September 30, 2007 and each quarter end thereafter	3.5:1.0

; provided that to the extent that the Average 2007 NYMEX Price equals \$8.00 or greater, this Section 5.03(a) shall not apply to the Measurement Period ending September 30, 2006.

(b) **Interest Coverage Ratio.** Maintain for each Measurement Period set forth below, that ends on or after September 30, 2006, an Interest Coverage Ratio of greater than the amount set forth below for such Measurement Period:

Measurement Period Ending	Ratio
September 30, 2006	1.00:1.0
December 31, 2006	1.25:1.0
March 31, 2007	1.50:1.0
June 30, 2007	2.00:1.0
September 30, 2007	2.50:1.0
December 31, 2007	2.50:1.0
March 31, 2008 and each quarter end thereafter	3.00:1.0

; provided that to the extent that the Average 2007 NYMEX Price equals \$8.00 or greater, this Section 5.03(b) shall not apply to the Measurement Period ending September 30, 2006.

(c) PV-10 Value to Debt Ratio. Maintain at the end of each Measurement Period set forth below, that ends on or after December 31, 2006, a PV-10 Value to Debt Ratio of greater than the amount set forth below for such Measurement Period:

Measurement Period Ending	Ratio
December 31, 2006	1.00:1.0
March 31, 2007	1.00:1.0
June 30, 2007	1.25:1.0
September 30, 2007	1.25:1.0
December 31, 2007 and thereafter	1.50:1.0

(d) Minimum Production. Achieve for each fiscal quarter set forth below, minimum production sales of Petroleum Substances, net to the Borrower and its Subsidiaries before royalties, as measured in the commonly accepted form of gigajoules ("gj") per day, such that the average daily production sales for seven consecutive days during each of the fiscal quarters ended June 30, 2006 and September 30, 2006, is greater than or equal to the amount set forth below for such fiscal quarter:

Fiscal Quarter Ending	Sales (gj)
June 30, 2006	80,000
September 30, 2006	80,000

(e) Total Leverage Ratio. Maintain at the end of each Measurement Period set forth below, that ends on or after September 30, 2006, a Total Leverage Ratio of less than the amount set forth below for such Measurement Period:

Measurement Period Ending	Ratio
September 30, 2006	9.0:1.0
December 31, 2006	8.5:1.0
March 31, 2007	6.5:1.0
June 30, 2007	6.0:1.0
September 30, 2007 and each quarter end thereafter	4.5:1.0

; provided that to the extent that the Average 2007 NYMEX Price equals \$8.00 or greater, this Section 5.03(e) shall not apply to the Measurement Period ending September 30, 2006.

(f) Total Interest Coverage Ratio. Maintain for each Measurement Period set forth below, that ends on or after September 30, 2006, a Total Interest Coverage Ratio of greater than the amount set forth below for such Measurement Period:

Measurement Period Ending	Ratio
September 30, 2006	0.50:1.0
December 31, 2006	0.75:1.0
March 31, 2007	1.00:1.0
June 30, 2007	1.50:1.0
September 30, 2007	2.00:1.0
December 31, 2007	2.00:1.0
March 31, 2008 and each quarter end thereafter	2.50:1.0

; provided that to the extent that the Average 2007 NYMEX Price equals \$8.00 or greater, this Section 5.03(f) shall not apply to the Measurement Period ending September 30, 2006.

ARTICLE VI

SECURITY

SECTION 6.01. Security on all Assets. (a) The Obligations of the Loan Parties under the Loan Documents (the "Secured Obligations") shall be secured, equally and rateably, by perfected Security Interests on, to and against all present and future property, assets and undertaking of the Borrower and each of its Material Subsidiaries, second in priority only to (i) the Security Interests in favor of the lenders or the First Lien Agent under the First Lien Facility, (ii) Permitted Encumbrances existing as of the Effective Date and (iii) Permitted Encumbrances that are Security Interests that by the operation of law are granted priority ahead of all other Security Interests existing over the property by which they are secured.

(b) The Borrower shall execute and deliver Collateral Documents in the forms of Exhibits J-1, J-2 and J-3 annexed hereto and shall cause each of its Material Subsidiaries to execute and deliver a Subsidiary Guaranty and Collateral Documents in the forms of Exhibits J-4, J-5 and J-6 annexed hereto, in each case with such modifications and insertions as may be required by the Administrative Agent, acting reasonably.

(c) The Borrower (i) shall, as soon as reasonably practicable, give written notice to the Administrative Agent of the acquisition, creation or existence of each Material Subsidiary created or acquired after the date hereof, together with such other information as the Collateral Agent may reasonably require, and (ii) shall promptly, and in any event within 10 Business Days of such acquisition, creation or existence, cause each new Material Subsidiary to promptly execute and deliver to the Administrative Agent a Subsidiary Guaranty and the Collateral Documents contemplated hereby (together with a certified copy of its constating documents and a legal opinion in form and substance satisfactory to the Administrative Agent, acting reasonably).

(d) The Borrower shall ensure that at all times, at least 95% of the Consolidated assets of the Borrower shall be legally, beneficially and directly owned by the Borrower and Material Subsidiaries which have executed and delivered a Subsidiary Guaranty and Collateral Documents

hereunder; and if at any time less than 95% of the Consolidated assets of the Borrower shall be legally, beneficially and directly owned by the Borrower and Material Subsidiaries which have executed and delivered a Subsidiary Guaranty and Collateral Documents hereunder, the Borrower shall promptly, and in any event within 10 Business Days after any such occurrence, designate another Subsidiary which is not then a Material Subsidiary to be a Designated Material Subsidiary pursuant hereto to the extent required to ensure that after such designation, 95% or more of the Consolidated assets of the Borrower shall be legally, beneficially and directly owned by the Borrower and Material Subsidiaries which have executed and delivered a Subsidiary Guaranty and Collateral Documents hereunder.

The Borrower shall from time to time, by notice in writing to the Administrative Agent (together with reasonable particulars which demonstrate compliance with the foregoing covenant), be entitled to designate that either:

(i) a Subsidiary which is not a Material Subsidiary shall become a Designated Material Subsidiary; or

(ii) a Designated Material Subsidiary shall cease to be a Material Subsidiary,

provided that the Borrower shall not be entitled to designate that a Designated Material Subsidiary shall cease to be a Material Subsidiary if:

(iii) a Default or an Event of Default has occurred and is continuing;

(iv) a Default or an Event of Default would result from or exist immediately after such a designation; or

(v) such Designated Material Subsidiary falls within part (a), (b), (c) or (d) of the definition of "Material Subsidiary".

In order to give effect to the foregoing provisions of Section 6.01(c) and this Section 6.01(d), the Borrower shall cause any Material Subsidiary that becomes a Designated Material Subsidiary to promptly execute and deliver a Subsidiary Guaranty and Collateral Documents to the Administrative Agent (together with a certified copy of its constituting documents and a legal opinion in form and substance satisfactory to the Administrative Agent, acting reasonably).

(e) In addition to the Collateral Documents described in subsections (a) and (b) of this Section 6.01, the Borrower shall execute and deliver, or shall cause to be executed and delivered, all such guarantees and mortgages, debentures, pledge agreements, assignments and other security agreements as may be required by the Required Lenders, acting reasonably (each in form and substance satisfactory to the Required Lenders) in order to, or to more effectively, charge in favor of the Collateral Agent or grant Security Interests in favor of the Collateral Agent on and against all of the undertaking, assets and property (real or personal, tangible or intangible, present or future and of whatsoever nature and kind) of the Borrower and its Material Subsidiaries as continuing collateral security for the payment and performance by the Borrower of all Obligations. Notwithstanding the foregoing, and for greater certainty, the Borrower and its Subsidiaries shall not be obligated by this Section 6.01(e) to provide fixed charges in any jurisdiction in which a floating charge may be provided on or against their P&NG Rights or P&NG Leases unless the Borrower or any of its Subsidiaries provides such a charge to secure the First Lien Obligations (but this sentence shall not restrict the registration, recording or filing of any other Security otherwise provided by the Borrower and its Subsidiaries in accordance with the terms hereof).

SECTION 6.02. Registration. The Borrower shall, at its expense, register, file or record the Collateral Documents in all offices where such registration, filing or recording is necessary or of advantage to the creation, perfection and preserving of the security applicable to it; provided that the Borrower (as opposed to the Administrative Agent and the Lenders or another Administrative Agent thereof on their behalf, in such case at the expense of the Administrative Agent and the Lenders except during the continuance of a Default or Event of Default and except where requested by the Administrative Agent, acting reasonably) shall not be obligated to register, file or record the Collateral Documents at any land registry offices (including any mines and minerals registration) unless and until the Administrative Agent (acting reasonably) requests such registration in writing. The Borrower shall amend and renew such registrations, filings and recordings from time to time as and when required to keep them in full force and effect or to preserve the priority established by any prior registration, filing or recording thereof.

SECTION 6.03. Forms. The forms of Collateral Documents shall have been or be prepared based upon the laws of Canada and Alberta applicable thereto in effect at the date hereof. The Administrative Agent shall have the right to require that:

- (a) any such Collateral Document be amended to the extent desirable in the reasonable judgment of the Collateral Agent to reflect any changes in such laws, whether arising as a result of statutory amendments, court decisions or otherwise, in order to confer upon the Collateral Agent the Security Interests intended to be created thereby,
- (b) in the event that the Borrower or any Subsidiary Guarantor owns or acquires assets in the United States of America, that the forms of Collateral Documents applicable to such assets be amended or replaced to be based on the laws of the United States of America and any applicable laws of the states thereof in order to confer upon the Collateral Agent the Security Interests intended to be created thereby,
- (c) any such Collateral Document be amended in accordance with the provisions of the Intercreditor Agreement, reflect any changes to the document relating to collateral securing the First Lien Facility, so long as such changes are not adverse to the Lenders hereunder, and
- (d) the Borrower and its Subsidiaries execute and deliver to the Administrative Agent such other and further debentures, mortgages, trust deeds, assignments and security agreements as may be reasonably required to ensure the Collateral Agent holds, subject to Permitted Encumbrances, perfected Security Interests on, to and against all of the property, assets and undertakings of the Borrower and each of its Material Subsidiaries, second in priority only to the Security Interests in favor of the lenders or the First Lien Agent under the First Lien Facility on, to and against such property, assets and undertakings of the Borrower and each such Material Subsidiary granted by the Borrower to secure the First Lien Obligations;

except that in no event shall the Administrative Agent require that the foregoing clauses (a), (b) or (d) above be effected if the result thereof would be to grant the Collateral Agent or the Lenders greater rights than is otherwise contemplated herein or therein.

SECTION 6.04. Continuing Security. Each item of Collateral and each Collateral Document shall for all purposes be treated as a separate and continuing collateral security and shall be deemed to have been given in addition to and not in place of any other item of Collateral or other Collateral Document or any other security now held or hereafter acquired by the Collateral Agent or the Lenders. No Collateral Document shall be merged or be deemed to have been merged in or by this Agreement or any documents, instruments or acknowledgements delivered hereunder, or any simple contract debt or any judgment, and any realization of or steps taken under or pursuant to any security, instrument or

agreement shall be independent of and not create a merger with any other right available to the Lenders or the Collateral Agent under any security, instruments or agreements held by it or at law or in equity.

SECTION 6.05. Effectiveness. The Collateral Documents and the security created by any other Loan Document constituted or required to be created shall be effective, and the undertakings as to the Collateral herein or in any other Document shall be continuing, whether any Advances are then outstanding or any amounts thereby secured or any part thereof shall be owing before or after, or at the same time as, the creation of such Security Interests or before or after or upon the date of execution of any amendments to this Agreement.

SECTION 6.06. Secured Hedge Agreements of Former Lenders. If a Lender ceases to be a Lender under this Agreement (a "*Former Lender*"), all Financial Instruments entered into by such Former Lender and its Affiliates while such Former Lender was a Lender shall remain secured by the Collateral (equally and rateably) to the extent that such Financial Instruments were secured by the Collateral prior to such Lender becoming a Former Lender and, subject to the following provisions of this Section 6.06 and unless the context otherwise requires, all references herein to "Secured Hedge Agreements" shall include such Financial Instruments entered into by Former Lenders and their Affiliates and all references herein to "Secured Parties" shall include such Former Lenders and their Affiliates. For certainty, any Financial Instruments entered into with a Former Lender or an Affiliate thereof after the Former Lender has ceased to be a Lender shall not be secured by the Collateral. Notwithstanding the foregoing, no Former Lender or any Affiliate thereof shall have any right to cause or require the enforcement of any rights with respect to the Collateral or have any right to participate in any decisions relating to the Collateral, including any decisions relating to the enforcement or manner of enforcement of rights in respect of the Collateral or decisions relating to any amendment to, waiver under, release of or other dealing with all or any part of the Collateral Documents; for certainty, the sole right of a Former Lender and its Affiliates with respect to the Collateral is to share, on a pari passu basis, in any proceeds of realization and enforcement of rights with respect to the Collateral.

ARTICLE VII

EVENTS OF DEFAULT

SECTION 7.01. Events of Default. If any of the following events ("*Events of Default*") shall occur and be continuing:

(a) (i) the Borrower shall fail to pay any principal of any Advance when the same shall become due and payable or (ii) the Borrower shall fail to pay any interest on any Advance, or any Loan Party shall fail to make any other payment under any Loan Document, in each case under this clause (ii) within three Business Days after the same shall become due and payable; or

(b) Certain Covenant Defaults: the Borrower fails to observe or perform any covenant in Sections 5.01(f) through (k), Section 5.01(s), Section 5.02, Section 6.01(c) and Section 5.03; *provided* that if a failure to perform or observe the covenants contained in Section 5.02(e) is caused by existing Debt described in clause (b) of the definition of "Permitted Debt" no longer being permitted as a direct result of a decrease in the PDP PV-10 Value, then an Event of Default shall not occur unless the Borrower and its Subsidiaries have not remedied or cured such failure within 20 Business Days after receipt by the Borrower of the Engineering Report that reflects such decrease in PDP PV-10 Value;

(c) Breach of Other Covenants: the Borrower or a Subsidiary fails to observe or perform any covenant or obligation herein or in any other Loan Document required on its part to be observed or performed (other than a covenant or condition whose breach or default in performance is specifically dealt with elsewhere in this Section) and, after notice has been given by the Administrative Agent to the Borrower or Subsidiary specifying such default and requiring the Borrower or Subsidiary to remedy or cure the same, the Borrower or Subsidiary shall fail to remedy such default within a period of 10 days, in respect of a breach of Section 5.01(e), or 30 days, in respect of a failure to perform any other covenant or obligation, after the giving of such notice;

(d) Incorrect Representations: any representation or warranty made by the Borrower or any Subsidiary herein or in any other Loan Document shall prove to have been incorrect or misleading in any respect on and as of the date made and the facts or circumstances which make such representation or warranty incorrect or misleading are not remedied and the representation or warranty in question remains incorrect or misleading more than 30 days after the Administrative Agent notifies the Borrower of the same;

(e) Involuntary Insolvency: a decree or order of a court of competent jurisdiction is entered adjudging the Borrower or a Material Subsidiary a bankrupt or insolvent under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous laws or ordering the winding up or liquidation of its affairs;

(f) Idem: any case, proceeding or other action shall be instituted in any court of competent jurisdiction against the Borrower or any Material Subsidiary, seeking in respect of it an adjudication in bankruptcy, reorganization, dissolution, winding up, liquidation, a composition, proposal or arrangement with creditors, a readjustment of debts, the appointment of trustee in bankruptcy, receiver, receiver and manager, interim receiver, custodian, sequestrator or other Person with similar powers with respect to the Borrower or any Material Subsidiary or of all or any substantial part of its assets, or any other like relief in respect of the Borrower or any Material Subsidiary under any bankruptcy or insolvency law and:

(i) such case, proceeding or other action results in an entry of an order for such relief or any such adjudication or appointment, or

(ii) such case, proceeding or other action shall continue undismissed, or unstayed and in effect, for any period of 30 consecutive days;

(g) Voluntary Insolvency: the Borrower or any Material Subsidiary generally does not pay its debts as such debts become due, admits in writing its inability to pay its debts generally, makes any assignment in bankruptcy or makes any other assignment for the benefit of creditors, makes any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any comparable law, seeks relief under the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous law, files a petition or proposal to take advantage of any act of insolvency, consents to or acquiesces in the appointment of a trustee in bankruptcy, receiver, receiver and manager, interim receiver, custodian, sequestrator or other Person with similar powers of itself or of all or any substantial portion of its assets, or files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition, administration or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting

creditors' rights or consents to, or acquiesces in, the filing of such assignment, proposal, relief, petition, proposal, appointment or proceeding;

(i) **Dissolution:** except as permitted by Sections 5.02(c) or 5.02(l), if proceedings are commenced for the dissolution, liquidation or winding up of the Borrower or any Material Subsidiary unless such proceedings are being actively and diligently contested in good faith, so long as they do not remain undismissed or unstayed for a period of 30 days and none of the action sought in such proceedings shall occur;

(h) **Security Realization:** creditors of the Borrower or any Material Subsidiaries having a Security Interest against or in respect of the property and assets thereof, or any part thereof, realize upon or enforce any such security against such property and assets or any part thereof having an aggregate fair market value in excess of the Threshold Amount and such realization or enforcement shall continue in effect and not be released, discharged or stayed within the lesser of 30 days and the period of time prescribed under Applicable Laws for the completion of the sale of or realization against the assets subject to such seizure or attachment;

(i) **Seizure:** property and assets of the Borrower or a Material Subsidiary or any part thereof having an aggregate fair market value in excess of the Threshold Amount are seized or otherwise attached by anyone pursuant to any legal process or other means, including, without limitation, distress, execution or any other step or proceeding with similar effect and such attachment, step or other proceeding shall continue in effect and not be released, discharged or stayed within the lesser of 30 days and the period of time prescribed under Applicable Laws for the completion of the sale of or realization against the assets subject to such seizure or attachment;

(j) **Judgment:** one or more final judgments, decrees or orders, after available appeals have been exhausted, shall be awarded against the Borrower or any Material Subsidiary for an aggregate amount in excess of the sum of (x) the amount of such judgments, decrees or orders that is covered by a valid and binding policy of insurance in favor of such Loan Party or Subsidiary from an insurer that is rated at least "A" by A.M. Best Company, which policy covers full payment thereof and which insurer has been notified, and has not disputed the claim made for payment, of the amount of such judgment, decree or order plus (y) the Threshold Amount and the Borrower has not provided security for any of such judgments, decrees or orders within 30 days of such judgment, decree or order being awarded;

(k) **Payment Cross Default:** the Borrower or any of its Material Subsidiaries (or any combination thereof) defaults in the payment when due (whether at maturity, upon acceleration, or otherwise) of Debt or Financial Instrument Obligations thereof in aggregate in excess of the Threshold Amount;

(l) **Event Cross Default:** a default, event of default or other similar condition or event (however described) other than a payment default described in Section 7.01(k) in respect of the Borrower or any of its Material Subsidiaries (or any combination thereof) occurs or exists under any indentures, credit agreements, agreements or other instruments evidencing or relating to Debt or Financial Instrument Obligations thereof (individually or collectively) in an aggregate amount in excess of the Threshold Amount (or the Equivalent Amount thereof in United States Dollars or the equivalent thereof in any other currency) and (i) other than with respect to the First Lien Facility, such default, event or condition has resulted in such Debt or Financial Instrument Obligations becoming, or has resulted and continues to result in such Debt or Financial Instrument Obligation becoming capable at such time of being declared, due and payable

thereunder before it would otherwise have been due and payable (whether or not it is so declared) or (ii) with respect to the First Lien Facility; such default, event or condition has either (x) not been cured or waived within 45 days of the occurrence thereof or (y) has resulted in the Debt under the First Lien Credit Agreement becoming due and payable thereunder before it would otherwise have been due and payable;

(m) Cease to Carry on Business: the Borrower or any Material Subsidiary ceases to carry on business (except, in the case of Material Subsidiaries, in compliance with the Loan Documents);

(n) Change of Control: there is a Change of Control;

(o) Secured Hedge Agreements: a Financial Instrument Demand for Payment in excess of the Threshold Amount has been delivered to the Borrower or any Material Subsidiary and such Person fails to make payment thereunder within the time otherwise required for payment thereunder, or if a Termination Event occurs;

(p) Loss and Priority of Security: except for Permitted Encumbrances, and subject to the Intercreditor Agreement, if any of the Collateral Documents shall cease to create a valid second priority Security Interest against the property, assets and undertaking of the Borrower or any Material Subsidiary as against third parties (and the same is not forthwith effectively rectified or replaced by the Borrower upon becoming aware thereof);

(q) Invalidity: any of this Agreement (as amended, restated, supplemented, or otherwise modified), any Subsidiary Guaranty, any Collateral Document, the TRC Subordination Agreement, the Intercreditor Agreement, any other Loan Document or any material provision of any of the foregoing shall at any time for any reason cease to be in full force and effect, be declared to be void or voidable (and the same is not forthwith effectively rectified or replaced by the Borrower upon becoming aware thereof) or shall be repudiated, or the validity or enforceability thereof shall at any time be contested by the Borrower or any Material Subsidiary or the Borrower or any Material Subsidiary shall deny that it has any or any further liability or obligation thereunder, or at any time it shall be unlawful or impossible for them to perform any of their respective Obligations under the Loan Documents; or

(r) TRC Subordinated Loans: (i) any TRC Subordinated Loan shall cease to be subject to the TRC Subordination Agreement or (ii) any TRC Subordinated Lender fails to observe or perform any covenant or obligation in the TRC Subordination Agreement required on its part to be observed or performed;

then, and in any such event, the Administrative Agent at the request, or may with the consent, of the Required Lenders, by notice to the Borrower, (i) declare the Commitments of each Lender Party and the obligation of each Lender Party to make Advances to be terminated, whereupon the same shall forthwith terminate and (ii) shall at the request, or may with the consent, of the Required Lenders, by notice to the Borrower, declare the Advances, all interest thereon and all other amounts payable under this Agreement and the other Loan Documents to be forthwith due and payable, whereupon the Advances, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; *provided, however*, that in the event of an actual or deemed entry of an order for relief with respect to the Borrower under any Bankruptcy Law the Advances, all such interest and all such amounts shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower.

ARTICLE VIII

THE AGENTS

SECTION 8.01. Authorization and Action. (a) Each Lender (in its capacities as a Lender and on behalf of itself and its Affiliates as potential Hedge Banks) hereby appoints and authorizes each Agent to take such action as agent on its behalf and to exercise such powers and discretion under this Agreement and the other Loan Documents as are delegated to such Agent by the terms hereof and thereof, together with such powers and discretion as are reasonably incidental thereto. As to any matters not expressly provided for by the Loan Documents (including, without limitation, enforcement or collection of the Obligations of the Loan Parties under the Loan Documents), no Agent shall be required to exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of the Required Lenders, and such instructions shall be binding upon all Lenders, all Hedge Banks and all holders of Notes; *provided, however*, that no Agent shall be required to take any action that exposes such Agent to personal liability or that is contrary to this Agreement or applicable law.

(b) In furtherance of the foregoing, each Lender (in its capacities as a Lender and on behalf of itself and its Affiliates as potential Hedge Banks) hereby appoints and authorizes the Collateral Agent to act as the agent of such Lender for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Loan Parties to secure any of the Secured Obligations, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Collateral Agent (and any Supplemental Collateral Agents appointed by the Collateral Agent pursuant to Section 8.01(c) for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights or remedies thereunder at the direction of the Collateral Agent), shall be entitled to the benefits of this Article VIII (including, without limitation, Section 8.05 as though any such Supplemental Collateral Agents were "Agents" under the Loan Documents) as if set forth in full herein with respect thereto.

(c) Any Agent may execute any of its duties under this Agreement or any other Loan Document (including for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents or of exercising any rights and remedies thereunder at the direction of the Collateral Agent) by or through agents, employees or attorneys-in-fact and shall be entitled to advice of counsel and other consultants or experts concerning all matters pertaining to such duties. The Collateral Agent may also from time to time, when the Collateral Agent deems it to be necessary or desirable, appoint one or more trustees, co-trustees, collateral co-agents, collateral subagents or attorneys-in-fact (each, a "Supplemental Collateral Agent") with respect to all or any part of the Collateral; *provided, however*, that no such Supplemental Collateral Agent shall be authorized to take any action with respect to any Collateral unless and except to the extent expressly authorized in writing by the Collateral Agent. Should any instrument in writing from the Borrower or any other Loan Party be required by any Supplemental Collateral Agent so appointed by the Collateral Agent to more fully or certainly vest in and confirm to such Supplemental Collateral Agent such rights, powers, privileges and duties, the Borrower shall, or shall cause such Loan Party to, execute, acknowledge and deliver any and all such instruments promptly upon request by the Collateral Agent. If any Supplemental Collateral Agent, or successor thereto, shall die, become incapable of acting, resign or be removed, all rights, powers, privileges and duties of such Supplemental Collateral Agent, to the extent permitted by law, shall automatically vest in and be exercised by the Collateral Agent until the appointment of a new Supplemental Collateral Agent. No Agent shall be responsible for the negligence or misconduct of any agent, attorney-in-fact or Supplemental Collateral Agent that it selects in accordance with the foregoing provisions of this Section 8.01(c) in the absence of such Agent's gross negligence or willful misconduct.

SECTION 8.02. Agents' Reliance, Etc. Neither any Agent nor any of their respective directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them under or in connection with the Loan Documents, except for its or their own gross negligence or willful misconduct. Without limitation of the generality of the foregoing, each Agent: (a) may consult with legal counsel (including counsel for any Loan Party), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts; (b) makes no warranty or representation to any Lender and shall not be responsible to any Lender for any statements, warranties or representations (whether written or oral) made in or in connection with the Loan Documents; (c) shall not have any duty to ascertain or to inquire as to the performance, observance or satisfaction of any of the terms, covenants or conditions of any Loan Document on the part of any Loan Party or the existence at any time of any Default under the Loan Documents or to inspect the property (including the books and records) of any Loan Party; (d) shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of, or the perfection or priority of any lien or security interest created or purported to be created under or in connection with, any Loan Document or any other instrument or document furnished pursuant thereto; and (e) shall incur no liability under or in respect of any Loan Document by acting upon any notice, consent, certificate or other instrument or writing (which may be by telegram, telecopy or telex) believed by it to be genuine and signed or sent by the proper party or parties.

SECTION 8.03. CS and Affiliates. With respect to its Commitments, the Advances made by it and any Notes issued to it, CS shall have the same rights and powers under the Loan Documents as any other Lender and may exercise the same as though each were not an Agent; and the term "Lender" or "Lender" shall, unless otherwise expressly indicated, include CS in its individual capacity. CS and its respective affiliates may accept deposits from, lend money to, act as trustee under indentures of, accept investment banking engagements from and generally engage in any kind of business with, any Loan Party, any of its Subsidiaries and any Person that may do business with or own securities of any Loan Party or any such Subsidiary, all as if CS were not an Agent and without any duty to account therefor to the Lenders. No Agent shall have any duty to disclose any information obtained or received by it or any of its Affiliates relating to any Loan Party or any of its Subsidiaries to the extent such information was obtained or received in any capacity other than as such Agent.

SECTION 8.04. Lender Credit Decision. Each Lender acknowledges that it has, independently and without reliance upon any Agent or any other Lender and based on the financial statements referred to in Section 4.01 and such other documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon any Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement.

SECTION 8.05. Indemnification. (a) Each Lender severally agrees to indemnify each Agent (to the extent not promptly reimbursed by the Borrower) from and against such Lender's ratable share (determined as provided below) of any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever that may be imposed on, incurred by, or asserted against such Agent in any way relating to or arising out of the Loan Documents or any action taken or omitted by such Agent under the Loan Documents (collectively, the "Indemnified Costs"); provided, however, that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Agent's gross negligence or willful misconduct as found in a final, non-appealable judgment by a court of competent jurisdiction. Without limitation of the foregoing, each Lender agrees to reimburse each Agent promptly upon demand for its ratable share of any costs and expenses (including,

without limitation, fees and expenses of counsel) payable by the Borrower under Section 10.04, to the extent that such Agent is not promptly reimbursed for such costs and expenses by the Borrower. In the case of any investigation, litigation or proceeding giving rise to any Indemnified Costs, this Section 8.05 applies whether any such investigation, litigation or proceeding is brought by any Lender or any other Person.

(b) For purposes of this Section 8.05, each Lender's ratable share of any amount shall be determined, at any time, according to the sum of (i) the aggregate principal amount of the Advances outstanding at such time and owing to such Lender and (ii) the aggregate unused portions of such Lender's Commitments at such time. The failure of any Lender to reimburse any Agent promptly upon demand for its ratable share of any amount required to be paid by the Lender to such Agent, as provided herein shall not relieve any other Lender of its obligation hereunder to reimburse such Agent for its ratable share of such amount, but no Lender shall be responsible for the failure of any other Lender to reimburse such Agent for such other Lender's ratable share of such amount. Without prejudice to the survival of any other agreement of any Lender hereunder, the agreement and obligations of each Lender contained in this Section 8.05 shall survive the payment in full of principal, interest and all other amounts payable hereunder and under the other Loan Documents.

SECTION 8.06. Successor Agents. Any Agent may resign at any time by giving written notice thereof to the Lenders and the Borrower and may be removed at any time with or without cause by the Required Lenders; *provided, however*, that any removal of the Administrative Agent will not be effective until it has also been replaced as Collateral Agent and released from all of its obligations in respect thereof. Upon any such resignation or removal, the Required Lenders shall have the right to appoint a successor Agent. If no successor Agent shall have been so appointed by the Required Lenders, and shall have accepted such appointment, within 30 days after the retiring Agent's giving of notice of resignation or the Required Lenders' removal of the retiring Agent, then the retiring Agent may, on behalf of the Lenders, appoint a successor Agent, which shall be a commercial bank organized under the laws of the United States or of any State thereof and having a combined capital and surplus of at least \$250,000,000. Upon the acceptance of any appointment as Agent hereunder by a successor Agent and, in the case of a successor Collateral Agent, upon the execution and filing or recording of such financing statements, or amendments thereto, and such amendments or supplements to the Mortgages Collateral Documents, and such other instruments or notices, as may be necessary or desirable, or as the Required Lenders may request, in order to continue the perfection of the Liens granted or purported to be granted by the Collateral Documents, such successor Agent shall succeed to and become vested with all the rights, powers, discretion, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations under the Loan Documents. If within 45 days after written notice is given of the retiring Agent's resignation or removal under this Section 8.06 no successor Agent shall have been appointed and shall have accepted such appointment, then on such 45th day (a) the retiring Agent's resignation or removal shall become effective, (b) the retiring Agent shall thereupon be discharged from its duties and obligations under the Loan Documents and (c) the Required Lenders shall thereafter perform all duties of the retiring Agent under the Loan Documents until such time, if any, as the Required Lenders appoint a successor Agent as provided above. After any retiring Agent's resignation or removal hereunder as Agent shall have become effective, the provisions of this Article VII shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent.

ARTICLE IX

GUARANTY

SECTION 9.01. Guaranty: Limitation of Liability. (a) Each Guarantor, jointly and severally, hereby absolutely, unconditionally and irrevocably guarantees the punctual payment when due, whether at

scheduled maturity or on any date of a required prepayment or by acceleration, demand or otherwise, of all Obligations of each other Loan Party now or hereafter existing under or in respect of the Loan Documents (including, without limitation, any extensions, modifications, substitutions, amendments or renewals of any or all of the foregoing Obligations), whether direct or indirect, absolute or contingent, and whether for principal, interest, premiums, fees, indemnities, early termination amounts, contract causes of action, costs, expenses or otherwise (such Obligations being the "Guaranteed Obligations"), and agrees to pay all costs and expenses of each Agent and each Lender in connection with the enforcement of any rights under this Subsidiary Guaranty or any other Loan Document, whether in any action, suit or litigation, or bankruptcy, insolvency or other similar proceeding affecting creditors' rights generally (including, without limitation, the reasonable fees and expenses of counsel for the Administrative Agent and each Lender with respect thereto determined, in respect of actions in a court in Canada, on a solicitor and his own client full indemnity basis). Without limiting the generality of the foregoing, each Guarantor's liability shall extend to all amounts that constitute part of the Guaranteed Obligations and would be owed by any other Loan Party to any Secured Party under or in respect of the Loan Documents but for the fact that they are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving such other Loan Party.

(b) Each Guarantor, and by its acceptance of this Subsidiary Guaranty, the Administrative Agent and each other Secured Party, hereby confirms that it is the intention of all such Persons that this Subsidiary Guaranty and the Obligations of each Subsidiary Guarantor hereunder not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar foreign, federal or state law to the extent applicable to this Subsidiary Guaranty and the Obligations of each Subsidiary Guarantor hereunder. To effectuate the foregoing intention, the Administrative Agent, the other Secured Parties and the Guarantors hereby irrevocably agree that the Obligations of each Subsidiary Guarantor under this Subsidiary Guaranty at any time shall be limited to the maximum amount as will result in the Obligations of such Guarantor under this Subsidiary Guaranty not constituting a fraudulent transfer or conveyance.

(c) Each Guarantor hereby unconditionally and irrevocably agrees that in the event any payment shall be required to be made to any Secured Party under this Subsidiary Guaranty or any other guaranty, such Guarantor will contribute, to the maximum extent permitted by law, such amounts to each other Guarantor and each other guarantor so as to maximize the aggregate amount paid to the Secured Parties under or in respect of the Loan Documents.

SECTION 9.02. Guaranty Absolute. Each Guarantor guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of the Loan Documents, regardless of any law, regulation or order now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of any Secured Party with respect thereto. The Obligations of each Guarantor under or in respect of this Subsidiary Guaranty are independent of the Guaranteed Obligations or any other Obligations of any other Loan Party under or in respect of the Loan Documents, and a separate action or actions may be brought and prosecuted against each Guarantor to enforce this Subsidiary Guaranty, irrespective of whether any action is brought against the Borrower or any other Loan Party or whether the Borrower or any other Loan Party is joined in any such action or actions. The liability of each Guarantor under this Subsidiary Guaranty shall be irrevocable, absolute and unconditional irrespective of, and each Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to, any or all of the following:

(a) any lack of validity or enforceability of any Loan Document or any agreement or instrument relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Guaranteed Obligations or any other Obligations of any other Loan Party under or in respect of the Loan Documents, or any other amendment or waiver of or any consent to departure from any Loan Document, including, without limitation, any increase in the Guaranteed Obligations resulting from the extension of additional credit to any Loan Party or any of its Subsidiaries or otherwise or any increase in interest rates or fees;

(c) any taking, exchange, release or non-perfection of any Collateral or any other collateral, or any taking, release or amendment or waiver of, or consent to departure from, any other guaranty, for all or any of the Guaranteed Obligations;

(d) any manner of application of Collateral or any other collateral, or proceeds thereof, to all or any of the Guaranteed Obligations, or any manner of sale or other disposition of any Collateral or any other collateral for all or any of the Guaranteed Obligations or any other Obligations of any Loan Party under the Loan Documents or any other assets of any Loan Party or any of its Subsidiaries;

(e) any change, restructuring or termination of the corporate structure or existence of any Loan Party or any of its Subsidiaries;

(f) any failure of any Secured Party to disclose to any Loan Party any information relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of any other Loan Party now or hereafter known to such Secured Party (each Guarantor waiving any duty on the part of the Secured Parties to disclose such information);

(g) the failure of any other Person to execute or deliver this Agreement, any Guaranty Supplement or any other guaranty or agreement or the release or reduction of liability of any Guarantor or other guarantor or surety with respect to the Guaranteed Obligations; or

(h) any other circumstance (including, without limitation, any statute of limitations) or any existence of or reliance on any representation by any Secured Party that might otherwise constitute a defense available to, or a discharge of, any Loan Party or any other guarantor or surety.

This Subsidiary Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded or must otherwise be returned by any Secured Party or any other Person upon the insolvency, bankruptcy or reorganization of the Borrower or any other Loan Party or otherwise; all as though such payment had not been made.

SECTION 9.03. Waivers and Acknowledgments. (a) Each Guarantor hereby unconditionally and irrevocably waives promptness, diligence, notice of acceptance, presentment, demand for performance, notice of nonperformance, default, acceleration, protest or dishonor and any other notice with respect to any of the Guaranteed Obligations and this Guaranty and any requirement that any Secured Party protect, secure, perfect or insure any Lien or any property subject thereto or exhaust any right or take any action against any Loan Party or any other Person or any Collateral.

(b) Each Guarantor hereby unconditionally and irrevocably waives any right to revoke this Subsidiary Guaranty and acknowledges that this Subsidiary Guaranty is continuing in nature and applies to all Guaranteed Obligations, whether existing now or in the future.

(c) Each Guarantor hereby unconditionally and irrevocably waives (i) any defense arising by reason of any claim or defense based upon an election of remedies by any Secured Party that in any manner impairs, reduces, releases or otherwise adversely affects the subrogation, reimbursement,

exoneration, contribution or indemnification rights of such Guarantor or other rights of such Guarantor to proceed against any of the other Loan Parties, any other guarantor or any other Person or any Collateral and (ii) any defense based on any right of set-off or counterclaim against or in respect of the Obligations of such Guarantor hereunder.

(d) Each Guarantor acknowledges that the Collateral Agent may, without notice to or demand upon such Guarantor and without affecting the liability of such Guarantor under this Subsidiary Guaranty, realize upon any security by nonjudicial sale, and each Guarantor hereby waives any defense to the recovery by the Collateral Agent and the other Secured Parties against such Guarantor of any deficiency after such nonjudicial sale and any defense or benefits that may be afforded by applicable law.

(e) Each Guarantor hereby unconditionally and irrevocably waives any duty on the part of any Secured Party to disclose to such Guarantor any matter, fact or thing relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of any other Loan Party or any of its Subsidiaries now or hereafter known by such Secured Party.

(f) Each Guarantor acknowledges that it will receive substantial direct and indirect benefits from the financing arrangements contemplated by the Loan Documents and that the waivers set forth in Section 9.02 and this Section 9.03 are knowingly made in contemplation of such benefits.

SECTION 9.04. Subrogation. Each Guarantor hereby unconditionally and irrevocably agrees not to exercise any rights that it may now have or hereafter acquire against the Borrower, any other Loan Party or any other insider guarantor that arise from the existence, payment, performance or enforcement of such Guarantor's Obligations under or in respect of this Subsidiary Guaranty or any other Loan Document, including, without limitation, any right of subrogation, reimbursement, exoneration, contribution or indemnification and any right to participate in any claim or remedy of any Secured Party against the Borrower, any other Loan Party or any other insider guarantor or any Collateral, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from the Borrower, any other Loan Party or any other insider guarantor, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right, unless and until all of the Guaranteed Obligations and all other amounts payable under this Subsidiary Guaranty shall have been paid in full in cash and all Secured Hedge Agreements shall have expired or been terminated. If any amount shall be paid to any Guarantor in violation of the immediately preceding sentence at any time prior to the latest of (a) the payment in full in cash of the Guaranteed Obligations and all other amounts payable under this Subsidiary Guaranty, (b) the Maturity Date and (c) the latest date of expiration or termination of all Secured Hedge Agreements, such amount shall be received and held in trust for the benefit of the Secured Parties, shall be segregated from other property and funds of such Guarantor and shall forthwith be paid or delivered to the Administrative Agent in the same form as so received (with any necessary endorsement or assignment) to be credited and applied to the Guaranteed Obligations and all other amounts payable under this Subsidiary Guaranty, whether matured or unmatured, in accordance with the terms of the Loan Documents, or to be held as Collateral for any Guaranteed Obligations or other amounts payable under this Subsidiary Guaranty thereafter arising. If (i) any Guarantor shall make payment to any Secured Party of all or any part of the Guaranteed Obligations, (ii) all of the Guaranteed Obligations and all other amounts payable under this Subsidiary Guaranty shall have been paid in full in cash, (iii) the Maturity Date shall have occurred and (iv) all Secured Hedge Agreements shall have expired or been terminated, the Secured Parties will, at such Guarantor's request and expense, execute and deliver to such Guarantor appropriate documents, without recourse and without representation or warranty, necessary to evidence the transfer by subrogation to such Guarantor of an interest in the Guaranteed Obligations resulting from such payment made by such Guarantor pursuant to this Subsidiary Guaranty.

SECTION 9.05. Guaranty Supplements. Upon the execution and delivery by any Person of a guaranty supplement in substantially the form of Exhibit M hereto (each, a "*Guaranty Supplement*"), (a) such Person shall be referred to as an "*Additional Guarantor*" and shall become and be a Guarantor hereunder, and each reference in this Subsidiary Guaranty to a "Guarantor" shall also mean and be a reference to such Additional Guarantor, and each reference in any other Loan Document to a "*Subsidiary Guarantor*" shall also mean and be a reference to such Additional Guarantor, and (b) each reference herein to "this Guaranty", of this "Subsidiary Guaranty", "hereunder", "hereof" or words of like import referring to this Subsidiary Guaranty, and each reference in any other Loan Document to the "Guaranty", "Subsidiary Guaranty" "thereunder", "thereof" or words of like import referring to this Guaranty, shall mean and be a reference to this Subsidiary Guaranty as supplemented by such Guaranty Supplement.

SECTION 9.06. Subordination. Each Guarantor hereby subordinates any and all debts, liabilities and other Obligations owed to such Guarantor by each other Loan Party (the "*Subordinated Obligations*") to the Guaranteed Obligations to the extent and in the manner hereinafter set forth in this Section 9.06:

(a) Prohibited Payments, Etc. Except during the continuance of a Default, each Guarantor may receive regularly scheduled payments or other payments then due from any other Loan Party on account of the Subordinated Obligations. After the occurrence and during the continuance of any Default, however, unless the Required Lenders otherwise agree, no Guarantor shall demand, accept or take any action to collect any payment on account of the Subordinated Obligations.

(b) Prior Payment of Guaranteed Obligations. In any proceeding under any Bankruptcy Law relating to any other Loan Party, each Guarantor agrees that the Secured Parties shall be entitled to receive payment in full in cash of all Guaranteed Obligations (including all interest and expenses accruing after the commencement of a proceeding under any Bankruptcy Law, whether or not constituting an allowed claim in such proceeding ("*Post-Petition Interest*")) before such Guarantor receives payment of any Subordinated Obligations.

(c) Turn-Over. After the occurrence and during the continuance of any Default, each Guarantor shall, if the Administrative Agent so requests, collect, enforce and receive payments on account of the Subordinated Obligations as trustee for the Secured Parties and deliver such payments to the Administrative Agent on account of the Guaranteed Obligations (including all Post-Petition Interest), together with any necessary endorsements or other instruments of transfer, but without reducing or affecting in any manner the liability of such Guarantor under the other provisions of this Subsidiary Guaranty.

(d) Administrative Agent Authorization. After the occurrence and during the continuance of any Default, the Administrative Agent is authorized and empowered (but without any obligation to do so), in its discretion, (i) in the name of each Guarantor, to collect and enforce, and to submit claims in respect of, the Subordinated Obligations and to apply any amounts received thereon to the Guaranteed Obligations (including any and all Post-Petition Interest), and (ii) to require each Guarantor (A) to collect and enforce, and to submit claims in respect of, the Subordinated Obligations and (B) to pay any amounts received on such obligations to the Administrative Agent for application to the Guaranteed Obligations (including any and all Post-Petition Interest).

SECTION 9.07. Continuing Guaranty; Assignments. This Subsidiary Guaranty is a continuing guaranty and shall (a) remain in full force and effect until the latest of (i) the payment in full in cash of the Guaranteed Obligations and all other amounts payable under this Subsidiary Guaranty, (ii) the Maturity Date and (iii) the latest date of expiration or termination of all Secured Hedge Agreements, (b) be binding

upon each Guarantor, its successors and assigns and (c) inure to the benefit of and be enforceable by the Secured Parties and their successors, transferees and assigns. Without limiting the generality of clause (c) of the immediately preceding sentence, any Secured Party may assign or otherwise transfer all or any portion of its rights and obligations under this Agreement (including, without limitation, all or any portion of its Commitments, the Advances owing to it and any Note or Notes held by it) to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Secured Party herein or otherwise, in each case as and to the extent provided in Section 10.07. No Guarantor shall have the right to assign its rights hereunder or any interest herein without the prior written consent of the Secured Parties.

ARTICLE X

MISCELLANEOUS

SECTION 10.01. Amendments, Etc. No amendment or waiver of any provision of this Agreement or the Notes or any other Loan Document, nor consent to any departure by any Loan Party therefrom, shall in any event be effective unless the same shall be in writing and signed (or, in the case of the Collateral Documents, consented to) by the Required Lenders, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; *provided, however*, that (a) no amendment, waiver or consent shall, unless in writing and signed by all of the Lenders, do any of the following at any time:

- (i) waive any of the conditions specified in Section 3.01,
- (ii) change the number of Lenders or the percentage of the aggregate unpaid principal amount of the Advances that shall be required for the Lenders or any of them to take any action hereunder,
- (iii) release one or more Guarantors (or otherwise limit such Guarantors' liability with respect to the Obligations owing to the Agents and the Lenders under the Subsidiary Guaranties) if such release or limitation is in respect of all or substantially all of the value of the Subsidiary Guaranties to the Lenders,
- (iv) release all or substantially all of the Collateral in any transaction or series of related transactions, or
- (v) amend this Section 10.01,

and (b) no amendment, waiver or consent shall, unless in writing and signed by the Required Lenders and each Lender specified below for such amendment, waiver or consent:

- (i) increase the Commitments of a Lender without the consent of such Lender;
- (ii) reduce the principal of, or stated rate of interest on, the Advances owed to a Lender or any fees or other amounts stated to be payable hereunder or under the other Loan Documents to such Lender without the consent of such Lender; or
- (iii) postpone any date scheduled for any payment of principal of, or interest on, the Advances pursuant to Section 2.03 or 2.05 or any date fixed for any payment of fees hereunder in each case payable to a Lender without the consent of such Lender;

provided further that no amendment, waiver or consent shall, unless in writing and signed by an Agent in addition to the Lenders required above to take such action, affect the rights or duties of such Agent under this Agreement or the other Loan Documents.

In the event that (1) the Borrower or the Administrative Agent has requested the Lenders to consent to a departure or waiver of any provisions of the Loan Documents or to agree to any amendment thereto, (2) the consent, waiver or amendment in question requires the agreement of all Lenders or all affected Lenders in accordance with the terms of this Section 10.01 and (3) the Required Lenders have agreed to such consent, waiver or amendment, then any Lender who does not agree to such consent, waiver or amendment shall be deemed a "Non-Consenting Lender." The Borrower shall be entitled to cause each Non-Consenting Lender to assign its Advances and Commitments in full to one or more Persons selected by the Borrower so long as (a) each such Person is reasonably satisfactory to the Administrative Agent, (b) such Lender receives payment in full in cash of the outstanding principal amount of all Advances made by it and all accrued and unpaid interest thereon and all other amounts due and payable to such Lender as of the date of such assignment (including, without limitation, amounts owing pursuant to Sections 2.08, 2.10 and 9.04 and an amount equal to the premium that would be payable pursuant to Section 2.04 if such Non-Consenting Lender received a prepayment of all of its outstanding Advances on the date of such assignment) and (c) each such Person assignee agrees to accept such assignment and to assume all obligations of such Lender hereunder in accordance with Section 10.07.

SECTION 10.02. Notices, Etc. (a) All notices and other communications provided for hereunder shall be either (x) in writing (including telegraphic or telecopy communication) and mailed, telegraphed, telecopied or delivered or (y) as and to the extent set forth in Section 10.02(b) and in the proviso to this Section 10.02(a), in an electronic medium and delivered as set forth in Section 10.02(b), if to any Loan Party, to the Borrower at its address at Suite 1000, 444 7th Avenue S.W., Calgary, AB T2P 0X8, Attention: Chief Financial Officer Fax: 403-668-5805, E-mail Address mceely@tridentexploration.ca; if to any Existing Lender or Term Lender, at its Domestic Lending Office specified opposite its name on Schedule I hereto; if to any other Lender, at its Domestic Lending Office specified in the Assignment and Acceptance pursuant to which it became a Lender; if to the Collateral Agent, at its address at 1 First Canadian Place, Suite 3000, P.O. Box 301, Toronto, Ontario, Canada M5X 1C9, Attention: Alain Daoust, E-mail Address alain.daoust@credit-suisse.com; and if to the Administrative Agent, at its address at 1 First Canadian Place, Suite 3000, P.O. Box 301, Toronto, Ontario, Canada M5X 1C9, Attention: Edith Chan, E-mail Address edith.chan@credit-suisse.com; or, as to the Borrower or the Administrative Agent, at such other address as shall be designated by such party in a written notice to the other parties and, as to each other party, at such other address as shall be designated by such party in a written notice to the Borrower and the Administrative Agent; provided, however, that materials and information described in Section 10.02(b) shall be delivered to the Administrative Agent in accordance with the provisions thereof or as otherwise specified to the Borrower by the Administrative Agent. All such notices and other communications shall, when mailed, telegraphed, telecopied, or E-mailed, be effective when deposited in the mails, delivered to the telegraph company, transmitted by telecopier or transmitted by E-mail, respectively, except that notices and communications to any Agent pursuant to Article II, III or VII shall not be effective until received by such Agent. Delivery by telecopier of an executed counterpart of a signature page to any amendment or waiver of any provision of this Agreement or the Notes or of any Exhibit hereto to be executed and delivered hereunder shall be effective as delivery of an original executed counterpart thereof.

(b) The Borrower hereby agrees that it will provide to the Administrative Agent all information, documents and other materials that they are obligated to furnish to the Administrative Agent pursuant to the Loan Documents, including, without limitation, all notices, requests, financial statements, financial and other reports (including, without limitation, the Engineering Reports), certificates and other

information materials, but excluding any such communication that (i) relates to a request for a new, or a Conversion of an existing, Borrowing or other Extension of Credit (including any election of an interest rate or interest period relating thereto), (ii) relates to the payment of any principal or other amount due under this Agreement prior to the scheduled date therefor, (iii) provides notice of any Default or Event of Default under this Agreement or (iv) is required to be delivered to satisfy any condition precedent to the effectiveness of this Agreement and/or the Borrowing or other Extension of Credit thereunder (all such non-excluded communications being referred to herein collectively as "Communications"), by transmitting the Communications in an electronic/soft medium in a format acceptable to the Administrative Agent to an electronic mail address specified by the Administrative Agent to the Borrower. In addition, the Borrower agrees to continue to provide the Communications to the Administrative Agent in the manner specified in the Loan Documents but only to the extent requested by the Administrative Agent. The Borrower further agrees that the Administrative Agent may make the Communications available to the Lenders by posting the Communications on IntraLinks or a substantially similar electronic transmission system (the "Platform"). The Borrower hereby agrees that certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to the Borrower or its securities) (each, a "Public Lender") and that it will use commercially reasonable efforts to identify that portion of the Communications that may be distributed to the Public Lenders and that (w) all such Communications shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Communications "PUBLIC," the Borrower shall be deemed to have authorized the Administrative Agent to treat such Communications as either publicly available information or not material information (although it may be sensitive and proprietary) with respect to the Borrower or its securities for purposes of United States Federal and state securities laws; (y) all Communications marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Investor;" and (z) the Administrative Agent shall be entitled to treat any Communications that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Investor."

(c) THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE". THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS, OR THE ADEQUACY OF THE PLATFORM AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS OR OMISSIONS IN THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY THE AGENT PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT OR ANY OF ITS AFFILIATES OR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, ADVISORS OR REPRESENTATIVES (COLLECTIVELY, "AGENT PARTIES") HAVE ANY LIABILITY TO ANY BORROWER, ANY LENDER OR ANY OTHER PERSON OR ENTITY FOR DAMAGES OF ANY KIND, INCLUDING, WITHOUT LIMITATION, DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF A BORROWER'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET, EXCEPT TO THE EXTENT THE LIABILITY OF ANY AGENT PARTY IS FOUND IN A FINAL NON-APPEALABLE JUDGMENT BY A COURT OF COMPETENT JURISDICTION TO HAVE RESULTED PRIMARILY FROM SUCH AGENT PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

(d) The Administrative Agent agrees that the receipt of the Communications by the Administrative Agent at its e-mail address set forth above shall constitute effective delivery of the

Communications to the Administrative Agent for purposes of the Loan Documents. Each Lender agrees that notice to it (as provided in the next sentence) specifying that the Communications have been posted to the Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Loan Documents. Each Lender agrees to notify the Administrative Agent in writing (including by electronic communication) from time to time of such Lender's e-mail address to which the foregoing notice may be sent by electronic transmission and (ii) that the foregoing notice may be sent to such e-mail address. Nothing herein shall prejudice the right of the Administrative Agent or any Lender to give any notice or other communication pursuant to any Loan Document in any other manner specified in such Loan Document.

SECTION 10.03. No Waiver; Remedies. No failure on the part of any Lender or any Agent to exercise, and no delay in exercising, any right hereunder or under any Note or any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 10.04. Costs and Expenses. (a) The Borrower agrees to pay on demand within 15 days of demand written (i) all reasonable and documented costs and expenses of each Agent in connection with the preparation, execution, delivery, administration, modification and amendment of, or any consent or waiver under, the Loan Documents (including, without limitation, (A) all due diligence, collateral review, syndication, transportation, computer, duplication, appraisal, audit, insurance, consultant, search, filing and recording fees and expenses and (B) the reasonable and documented fees and expenses of counsel for each Agent with respect thereto, with respect to advising such Agent as to its rights and responsibilities, or the perfection, protection or preservation of rights or interests, under the Loan Documents, with respect to negotiations with any Loan Party or with other creditors of any Loan Party or any of its Subsidiaries arising out of any Default or any events or circumstances that may give rise to a Default and with respect to presenting claims in or otherwise participating in or monitoring any bankruptcy, insolvency or other similar proceeding involving creditors' rights generally and any proceeding ancillary thereto) and (ii) all costs and expenses of each Agent and each Lender in connection with the enforcement of the Loan Documents, whether in any action, suit or litigation, or any bankruptcy, insolvency or other similar proceeding affecting creditors' rights generally (including, without limitation, the reasonable fees and expenses of counsel for the Administrative Agent and each Lender with respect thereto determined, in respect of actions in a court in Canada, on a solicitor and his own client full indemnity basis).

(b) The Borrower agrees to indemnify, defend and save and hold harmless each Agent, each Lender and each of their Affiliates and their respective officers, directors, employees, agents and advisors (each, an "*Indemnified Party*") from and against, and shall pay on demand, any and all claims, damages, losses, liabilities and expenses (including, without limitation, reasonable fees and expenses of counsel) that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or by reason of (including, without limitation, in connection with any investigation, litigation or proceeding or preparation of a defense in connection therewith) (i) the Facility, the actual or proposed use of the proceeds of the Advances, the Loan Documents or any of the transactions contemplated thereby, or (ii) the actual or alleged presence of Hazardous Materials on any property of any Loan Party or any of its Subsidiaries or any Environmental Claim relating in any way to any Loan Party or any of its Subsidiaries, except to the extent such claim, damage, loss, liability or expense is found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's gross negligence or willful misconduct. In the case of an investigation, litigation or other proceeding to which the indemnity in this Section 10.04(b) applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by any Loan Party, its directors, shareholders or creditors, any Indemnified Party or any other Person, whether or not any

Indemnified Party is otherwise a party thereto and whether or not the Transaction is consummated. The Borrower also agrees not to assert any claim against any Agent, any Lender or any of their Affiliates, or any of their respective officers, directors, employees, agents and advisors, on any theory of liability, for special, indirect, consequential or punitive damages arising out of or otherwise relating to the Facility, the actual or proposed use of the proceeds of the Advances, the Loan Documents or any of the transactions contemplated by the Loan Documents.

(c) If any payment of principal of, or Conversion of, any Eurodollar Rate Advance is made by the Borrower to or for the account of a Lender other than on the last day of the Interest Period for such Advance, as a result of a payment or Conversion pursuant to Section 2.04, 2.07(b)(i), 2.08(d) or 2.14(d), acceleration of the maturity of the Advances pursuant to Section 7.01 or for any other reason, or if the Borrower fails to make any payment or prepayment of an Advance for which a notice of prepayment has been given or that is otherwise required to be made, whether pursuant to Section 2.03, 2.04 or 7.01 or otherwise, the Borrower shall, upon demand by such Lender (with a copy of such demand to the Administrative Agent), pay to the Administrative Agent for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses that it may reasonably incur as a result of such payment or Conversion or such failure to pay or prepay, as the case may be, including, without limitation, any loss (including loss of anticipated profits), cost or expense incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such Advance.

(d) If any Loan Party fails to pay when due any costs, expenses or other amounts payable by it under any Loan Document, including, without limitation, fees and expenses of counsel and indemnities, such amount may be paid on behalf of such Loan Party by the Administrative Agent or any Lender, in its sole discretion.

(e) Without prejudice to the survival of any other agreement of any Loan Party hereunder or under any other Loan Document, the agreements and obligations of the Borrower contained in Sections 2.08 and 2.10 and this Section 10.04 shall survive the payment in full of principal, interest and all other amounts payable hereunder and under any of the other Loan Documents.

SECTION 10.05. Right of Set-off. Upon (a) the occurrence and during the continuance of any Event of Default and (b) the making of the request or the granting of the consent specified by Section 7.01 to authorize the Administrative Agent to declare the Advances due and payable pursuant to the provisions of Section 7.01, each Agent and each Lender and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and otherwise apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by such Agent, such Lender or such Affiliate to or for the credit or the account of the Borrower against any and all of the Obligations of the Borrower now or hereafter existing under the Loan Documents, irrespective of whether such Agent or such Lender shall have made any demand under this Agreement and although such Obligations may be unmatured. Each Agent and each Lender agrees promptly to notify the Borrower after any such set-off and application; *provided, however*, that the failure to give such notice shall not affect the validity of such set-off and application. The rights of each Agent and each Lender and their respective Affiliates under this Section are in addition to other rights and remedies (including, without limitation, other rights of set-off) that such Agent, such Lender and their respective Affiliates may have.

SECTION 10.06. Binding Effect. This Agreement shall become effective when it shall have been executed by the Borrower, each Guarantor and each Agent and the Administrative Agent shall have been notified by each Existing Lender and each Term Lender that such Lender has executed it and thereafter shall be binding upon and inure to the benefit of the Borrower, each Agent and each Lender and

their respective successors and assigns, except that the Borrower shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of each Lender.

SECTION 10.07. Assignments and Participations. (a) Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the permitted successors and assigns of such party; and all covenants, promises and agreements by or on behalf of the Borrower, the Agents and the Lenders that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns.

(b) Each Lender may, with the prior written consent of the Administrative Agent (not to be unreasonably withheld or delayed), assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitment or Commitments, the Advances owing to it and the Note or Notes, if any, held by it); *provided, however*, that (i) each such assignment shall be of a uniform, and not a varying, percentage of all rights and obligations under and in respect of any or all of the Facilities, (ii) except in the case of an assignment to a Person that, immediately prior to such assignment, was a Lender, an Affiliate of any Lender or an Approved Fund of any Lender or an assignment of all of a Lender's rights and obligations under this Agreement, the aggregate amount of the Advances being assigned to such assignee pursuant to such assignment (determined as of the date of the Assignment and Acceptance with respect to such assignment) shall in no event be less than \$1,000,000 (or such lesser amount as shall be approved by the Administrative Agent, or, if less, the entire remaining amount of such Lender's outstanding Advances; provided that such minimum aggregate amount shall be aggregated for two or more simultaneous assignments by or to two or more Approved Funds or Affiliates), (iii) no such assignments shall be permitted until the Administrative Agent shall have notified the Lenders that syndication of the Commitments hereunder has been completed, (iv) the parties to each such assignment shall (A) electronically execute and deliver to the Administrative Agent an Assignment and Acceptance via an electronic settlement system acceptable to the Administrative Agent (which initially shall be ClearPar, LLC) or (B) if no such system shall then be specified by the Administrative Agent, manually execute and deliver to the Administrative Agent, for its acceptance and recording in the Register, an Assignment and Acceptance, together with a processing and recordation fee of \$3,500 and (v) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire and all applicable tax forms.

(c) Upon such execution, delivery, acceptance and recording, from and after the effective date specified in such Assignment and Acceptance, (i) the assignee thereunder shall be a party hereto and, to the extent that rights and obligations hereunder have been assigned to it pursuant to such Assignment and Acceptance, have the rights and obligations of a Lender hereunder and (ii) the Lender assignor thereunder shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment and Acceptance, relinquish its rights (other than its rights under Sections 2.08, 2.09 and 10.04 to the extent any claim thereunder relates to an event arising prior to such assignment) and be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the remaining portion of an assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto).

(d) By executing and delivering an Assignment and Acceptance, each Lender assignor thereunder and each assignee thereunder confirm to and agree with each other and the other parties thereto and hereto as follows: (i) such Lender warrants that it is the legal and beneficial owner of the interest being assigned thereby free and clear of any adverse claim and that its Commitment, and the outstanding balance of its Advances, without giving effect to assignments thereof which have not become effective, are as set forth in such Assignment and Acceptance, (ii) except as set forth in (i) above, such Lender makes no representation or warranty and assumes no responsibility with respect to any statements,

warranties or representations made in or in connection with any Loan Document or the execution, legality, validity, enforceability, genuineness, sufficiency or value of, or the perfection or priority of any lien or security interest created or purported to be created under or in connection with, any Loan Document or any other instrument or document furnished pursuant thereto, or the financial condition of any Loan Party or the performance or observance by any Loan Party of any of its obligations under any Loan Document or any other instrument or document furnished pursuant thereto; (iii) such assignee represents and warrants that it is legally authorized to enter into such Assignment and Acceptance; (iv) such assignee confirms that it has received a copy of this Agreement, together with copies of the most recent financial statements referred to in Section 4.01 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (v) such assignee will, independently and without reliance upon any Agent, such assigning Lender or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement; (vi) such assignee appoints and authorizes each Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Loan Documents as are delegated to such Agent by the terms hereof and thereof, together with such powers and discretion as are reasonably incidental thereto; and (vii) such assignee agrees that it will perform in accordance with their terms all of the obligations that by the terms of this Agreement are required to be performed by it as a Lender, as the case may be.

(e) The Administrative Agent, acting for this purpose (but only for this purpose) as the agent of the Borrower, shall maintain at its address referred to in Section 10.02 a copy of each Assignment and Acceptance delivered to and accepted by it and a register for the recordation of the names and addresses of the Lenders and the Commitment of, and principal amount of the Advances owing to, each Lender from time to time (the "Register"): The entries in the Register shall be conclusive and binding for all purposes, absent manifest error, and the Borrower, the Agents and the Lenders may treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower or any Agent or any Lender at any reasonable time and from time to time upon reasonable prior notice.

(f) Upon its receipt of, and consent to, an Assignment and Acceptance executed by an assigning Lender and an assignee, an Administrative Questionnaire completed in respect of the assignee (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section 10.07, any applicable tax forms and any Note or Notes (if any) subject to such assignment, the Administrative Agent shall, if such Assignment and Acceptance has been completed and is in substantially the form of Exhibit C hereto, (i) accept such Assignment and Acceptance, (ii) record the information contained therein in the Register and (iii) give prompt notice thereof to the Borrower and each other Agent. In the case of any assignment by a Lender, within five Business Days after its receipt of such notice, the Borrower, at its own expense, shall execute and deliver to the Administrative Agent in exchange for the surrendered Note or Notes (if any) a new Note to the order of such assignee in an amount equal to the Commitment assumed by it pursuant to such Assignment and Acceptance and, if any assigning Lender that had a Note or Notes prior to such assignment has retained a Commitment hereunder, a new Note to the order of such assigning Lender in an amount equal to the Commitment retained by it hereunder. Such new Note or Notes shall be dated the effective date of such Assignment and Acceptance and shall otherwise be in substantially the form of Exhibit A hereto. No assignment shall be effective unless it has been recorded in the Register as provided in this paragraph (f).

(g) Each Lender may without the consent of the Borrower, the other Lenders or the Administrative Agent sell participations to one or more Persons (other than a natural person or any Loan Party or any of its Affiliates) in or to all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitments, the Advances owing to it and the Note or Notes (if any) held by it); *provided, however*, that (i) such Lender's obligations under this Agreement

shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) such Lender shall remain the holder of any such Note for all purposes of this Agreement and (iv) the Borrower, the Agents and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the participant, agree to any amendment, modification or waiver that would reduce the principal of, or interest on, the Advances or any fees or other amounts payable hereunder, in each case to the extent subject to such participation, postpone any date fixed for any payment of principal of, or interest on, the Advances or any fees or other amounts payable hereunder, in each case to the extent subject to such participation, or release all or substantially all of the Collateral or the value of the Subsidiary Guaranties. Subject to paragraph (b) of this Section, the Borrower agrees that each participant shall be entitled to the benefits of Sections 2.08 and 2.10 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, each participant shall also be entitled to the benefits of Section 10.05 as though it were a Lender, *provided* such participant agrees to be subject to Section 2.11 as though it were a Lender.

(h) A participant shall not be entitled to receive any greater payment under Sections 2.08 and 2.10 than the applicable Lender would have been entitled to receive with respect to the participation sold to such participant, unless the sale of the participation to such participant is made with the Borrower's prior written consent. A participant that would be Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 2.10 unless the Borrower is notified of the participation sold to such participant and such participant agrees, for the benefit of the Borrower, to comply with Section 2.10(e) as though it were a Lender. For greater certainty, in no event shall the Borrower be required to pay a greater amount in aggregate under Section 2.10 as a result of the sale by a Lender of a participation to a participant than the Borrower was required to pay to such Lender prior to such sale, except to the extent agreed to by the Borrower in writing.

(i) Any Lender may, in connection with any assignment or participation or proposed assignment or participation pursuant to this Section 10.07, disclose to the assignee or participant or proposed assignee or participant any information relating to the Borrower furnished to such Lender by or on behalf of the Borrower; *provided, however*, that, prior to any such disclosure, the assignee or participant or proposed assignee or participant shall agree to preserve the confidentiality of any Confidential Information received by it from such Lender.

(j) Notwithstanding any other provision set forth in this Agreement, any Lender may at any time create a security interest in all or any portion of its rights under this Agreement (including, without limitation, the Advances owing to it and the Note or Notes (if any) held by it) in favor of any Federal Reserve Bank in accordance with Regulation A of the Board of Governors of the Federal Reserve System; *provided* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledge or assignee for such Lender as a party hereto.

(k) Notwithstanding anything to the contrary contained herein, any Lender that is a Fund may create a security interest in all or any portion of the Advances owing to it and any Note or Notes held by it to the trustee for holders of obligations owed, or securities issued, by such Fund as security for such obligations or securities; *provided* that unless and until such trustee actually becomes a Lender in compliance with the other provisions of this Section 10.07, (i) no such pledge shall release the pledging Lender from any of its obligations under the Loan Documents and (ii) such trustee shall not be entitled to

exercise any of the rights of a Lender under the Loan Documents even though such trustee may have acquired ownership rights with respect to the pledged interest through foreclosure or otherwise.

(l) Notwithstanding anything to the contrary contained herein, any Lender (a "Granting Lender") may grant to a special purpose funding vehicle identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Borrower (an "SPC") the option to provide all or any part of any Advance that such Granting Lender would otherwise be obligated to make pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPC to fund any Advance and (ii) if an SPC elects not to exercise such option or otherwise fails to make all or any part of such Advance, the Granting Lender shall be obligated to make such Advance pursuant to the terms hereof. The making of an Advance by an SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Advance were made by such Granting Lender. Each party hereto hereby agrees that (i) no SPC shall be liable for any indemnity or similar payment obligation under this Agreement for which a Lender would be liable, (ii) no SPC shall be entitled to the benefits of Sections 2.08 and 2.10 (or any other increased costs protection provision) and (iii) the Granting Lender shall for all purposes, including, without limitation, the approval of any amendment or waiver of any provision of any Loan Document, remain the Lender of record hereunder. In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior Debt of any SPC, it will not institute against, or join any other Person in instituting against, such SPC any bankruptcy, reorganization, arrangement, insolvency, or liquidation proceeding under the laws of the United States or any State thereof. Notwithstanding anything to the contrary contained in this Agreement, any SPC may (i) with notice to, but without prior consent of, the Borrower and the Administrative Agent and without paying any processing fee therefor, assign all or any portion of its interest in any Advance to the Granting Lender and (ii) disclose on a confidential basis any non-public information relating to its funding of Advances to any rating agency, commercial paper dealer or provider of any surety or guarantee or credit or liquidity enhancement to such SPC. This subsection (l) may not be amended without the prior written consent of each Granting Lender, all or any part of whose Advances are being funded by the SPC at the time of such amendment.

(m) The Borrower shall not assign or delegate any of its rights or duties hereunder without the prior written consent of the Administrative Agent and each Lender, and any such attempted assignment without such consent shall be null and void.

SECTION 10.08. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery by telecopier of an executed counterpart of a signature page to this Agreement shall be effective as delivery of an original executed counterpart of this Agreement.

SECTION 10.09. Confidentiality. Neither any Agent nor any Lender shall disclose any Confidential Information to any Person without the consent of the Borrower, other than (a) to such Agent's or such Lender's Affiliates and their officers, directors, employees, agents and advisors and to actual or prospective assignees and participants; and then only on a confidential basis, (b) as required by any law, rule or regulation or judicial process, (c) as requested or required by any state, Federal or foreign authority or examiner (including the National Association of Insurance Commissioners or any similar organization or quasi-regulatory authority) regulating such Lender, (d) to any rating agency when required by it, provided that, prior to any such disclosure, such rating agency shall undertake to preserve the confidentiality of any Confidential Information relating to the Loan Parties received by it from such Lender, (e) in connection with any litigation or proceeding to which such Agent or such Lender or any of its Affiliates may be a party or (f) in connection with the exercise of any right or remedy under this

Agreement or any other Loan Document. In addition, neither any Agent or any Lender shall use any Confidential Information other than in connection with the transactions contemplated hereby and by the other Loan Documents including, without limitation, in connection with any proposed assignment or participation (subject to the limitations in clause (a) above) or in connection with the exercise of any right or remedy under this Agreement or any other Loan Document.

SECTION 10.10. Release of Collateral. (a) Upon the sale, lease, transfer or other disposition of any item of Collateral of any Loan Party (including, without limitation, as a result of the sale, in accordance with the terms of the Loan Documents, of the Loan Party that owns such Collateral) in accordance with the terms of the Loan Documents, the Collateral Agent will, at the Borrower's expense, execute and deliver to such Loan Party such documents as such Loan Party may reasonably request to evidence the release of such item of Collateral from the assignment and security interest granted under the Collateral Documents in accordance with the terms of the Loan Documents.

(b) The Collateral Agent will, at the Borrower's expense, execute and deliver to such Loan Party such documents as such Loan Party may reasonably request to release any Subsidiary Guarantor from its obligations under the Subsidiary Guarantor if such Person ceases to be a Subsidiary as a result of a transaction permitted hereunder.

(c) The Lenders hereby authorize the Administrative Agent, upon the written request of the Borrower, to subordinate the Security Interests created by the Collateral Documents with respect to any property or assets subject to a Permitted Encumbrance described in subparagraph (p) of the definition thereof or release such Security Interests from any property or assets subject to a Permitted Encumbrance described in subparagraph (p) of the definition thereof; provided that, notwithstanding the foregoing, no Security Interests created by the Collateral Documents shall be subordinated or released by the Administrative Agent on, to or with respect to any P&NG Rights or P&NG Leases. Z

SECTION 10.11. Patriot Act Notice. Each Lender and each Agent (for itself and not on behalf of any Lender) hereby notifies the Loan Parties that pursuant to any requirements it may have under the Patriot Act, it may be required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of such Loan Party and other information that will allow such Lender or such Agent, as applicable, to identify such Loan Party in accordance with the Patriot Act. The Borrower shall, and shall cause each of its Subsidiaries to, provide to the extent commercially reasonable, such information and take such actions as are reasonably requested by any Agents or any Lender in order to assist the Agents and the Lenders in maintaining compliance with the Patriot Act.

SECTION 10.12. Jurisdiction, Etc. (a) Each of the parties hereto hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any of the other Loan Documents to which it is a party, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in any such New York State court or, to the fullest extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that any party may otherwise have to bring any action or proceeding relating to this Agreement or any of the other Loan Documents in the courts of any jurisdiction.

(b) Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying

of venue of any suit, action or proceeding arising out of or relating to this Agreement or any of the other Loan Documents to which it is a party in any New York State or Federal court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

SECTION 10.13. Governing Law. Article VI of this Agreement shall be governed by, and construed in accordance with, the laws of the Province of Alberta and the remainder of this Agreement and the Notes shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 10.14. Waiver of Jury Trial. Each of the Borrower, the Agents and the Lenders irrevocably waives all right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to any of the Loan Documents, the Advances or the actions of any Agent or any Lender in the negotiation, administration, performance or enforcement thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

TRIDENT EXPLORATION CORP., as
Borrower

By PE OLF
Title:

FENERGY CORP.

By PE OLF
Title:

FORT ENERGY CORP.

By PE OLF
Title:

981384 ALBERTA LTD.

By PE OLF
Title:

981405 ALBERTA LTD.

By PE OLF
Title:

CREDIT SUISSE, TORONTO BRANCH,
as Administrative Agent, Collateral Agent
and Lender

By  Alain Desautels
Title: Director

By 
Title: Bruce F. Wetherly
Director,
CREDIT SUISSE, TORONTO BRANCH

**AMENDMENT NO. 1 TO THE
CREDIT AGREEMENT**

Dated as of October 12, 2006

AMENDMENT NO. 1 TO THE CREDIT AGREEMENT among TRIDENT EXPLORATION CORP., a Nova Scotia unlimited liability company (the "*Borrower*"), the banks, financial institutions and other institutional lenders parties to the Credit Agreement referred to below (collectively, the "*Lenders*") and CREDIT SUISSE, TORONTO BRANCH, as administrative agent and collateral agent (the "*Agent*") for the Lenders.

PRELIMINARY STATEMENTS:

(1) The Borrower, the Guarantors, the Lenders and the Agent have entered into an Amended and Restated Credit Agreement dated as of April 25, 2006 (the "*Credit Agreement*"). Capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Credit Agreement.

(2) The Borrower desires to borrow \$50,000,000 of advances (the "*Additional Advances*") under the Credit Agreement, the proceeds of which shall be used by the Borrower to pay transaction fees and for general corporate purposes of the Borrower.

(3) CS has agreed to be the sole lead arranger and book running manager for the Additional Advances; certain Lenders (the "*Additional Lenders*") have agreed to provide the Additional Advances under the Credit Agreement.

(4) The Borrower has requested further changes and modifications to the Credit Agreement as hereinafter set forth.

(5) The Required Lenders are, on the terms and conditions stated below, willing to grant the request of the Borrower and the Borrower and the Required Lenders have agreed to amend the Credit Agreement as hereinafter set forth.

SECTION 1. Amendments to Credit Agreement with respect to Additional Advances. The Credit Agreement is, effective as of the Additional Advance Effective Date (as hereinafter defined) and subject to the satisfaction of the conditions precedent set forth in Section 4, hereby amended as follows:

(a) Section 1.01 of the Credit Agreement is amended to add the following definitions in the appropriate alphabetical position:

"Additional Advance" has the meaning specified in Section 2.01(c).

"Additional Advance Effective Date" has the meaning specified in Amendment No. 1.

"Additional Borrowing Notice" has the meaning specified in Section 2.14(a).

"*Additional Lender*" has the meaning specified in Amendment No. 1.

"*Additional Commitment*" means, as to each Additional Lender, its obligation to make an Additional Advance to the Borrower pursuant to Section 2.01(c) in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender's name on Schedule I hereto under the caption "Additional Commitment" or, if such Lender has entered into one or more Assignment and Acceptances, set forth for such Lender in the Register maintained by the Administrative Agent pursuant to Section 10.07(e) as such Lender's "Additional Commitment."

"*Amendment No. 1*" means Amendment No. 1 to the Credit Agreement dated as of October 12, 2006 among the Borrower, the Lenders and the Administrative Agent.

"*Moody's*" means Moody's Investor Services, Inc., or its successor.

"*S&P*" means Standard & Poor's Ratings Group, a division of The McGraw Hill Corporation, or its successor.

(b) Section 1.01 of the Credit Agreement is hereby further amended by adding at the end of the definition of "Advance" the following language:

"Unless the context shall otherwise require, the term "*Advance*" shall also include Additional Advance."

(c) Section 1.01 of the Credit Agreement is hereby further amended by adding at the end of the definition of "Commitment" the following language:

"Unless the context shall otherwise require, after the effectiveness of the Additional Commitment, the term "*Commitment*" shall also include Additional Commitment."

(d) Section 1.01 of the Credit Agreement is hereby further amended by amending in full the definition of "Facility" to read as follows:

"*Facility*" means, at any time, the aggregate amount of the Existing Lenders' Existing Lender Commitments at such time *plus* the aggregate amount of the Term Lenders' Term Commitments at such time *plus* the aggregate amount of the Additional Lenders' Additional Commitments at such time.

(e) Section 1.01 of the Credit Agreement is hereby further amended by amending in full the definition of "Maturity Date" to read as follows:

"*Maturity Date*" means, (a) with respect to the Existing Term Advances and the Term Advances, April 26, 2011 and (b) with respect to the Additional Advances, April 26, 2012.

(f) Section 1.01 of the Credit Agreement is hereby further amended by adding at the end of the definition of "Lender" the following language:

"Unless the context shall otherwise require, the term "*Lender*" shall also include Additional Lenders."

(g) Section 1.01 of the Credit Agreement is hereby further amended by adding at the end of the definition of "Note" the following language:

"Unless the context shall otherwise require, the term "Note" shall also include such promissory notes evidencing indebtedness of the Borrower in respect of the Additional Advances."

(h) Section 1.01 of the Credit Agreement is hereby further amended by deleting its entirety the definition of "Other Advances" therein.

(i) Article II of the Credit Agreement is hereby amended by adding the following new Section 2.01(c):

"(c) The Additional Advances. Subject to the terms and conditions set forth in Section 2.14(a), each Additional Lender severally agrees to make a single advance (an "Additional Advance") to the Borrower on the Additional Advance Effective Date, in an aggregate amount not to exceed such Lender's Additional Commitment at such time. Amounts borrowed under this Section 2.01(c) and repaid or prepaid may not be reborrowed. The Additional Advances may be Base Rate Loans or Eurodollar Rate Loans, as further provided herein. Any unused Additional Commitments existing after the Additional Advance Effective Date shall automatically terminate."

(j) Article II of the Credit Agreement is hereby further amended by amending in full Section 2.03 to read as follows:

"SECTION 2.03. Repayment of Advances. On the Maturity Date with respect to the Existing Term Advances and the Term Advances, the Borrower shall repay to the Administrative Agent for the ratable account of the Lenders the aggregate principal amount of such Advances outstanding on such date. On the Maturity Date with respect to the Additional Advances, the Borrower shall repay to the Administrative Agent for the ratable account of the Additional Lenders the aggregate principal amount of such Advances outstanding on such date."

(k) Article II of the Credit Agreement is hereby further amended by adding at the end thereof a new Section 2.14 to read as follows:

"SECTION 2.14. Terms of Additional Advances. (a) Additional Commitments. The Borrower may by written notice (the "Additional Borrowing Notice") to the Administrative Agent request the Additional Advances to be made on the Additional Advance Effective Date in an amount not to exceed the aggregate Additional Commitments from the Additional Lenders, which Additional Advances shall have the same terms as the Advances except as otherwise set forth herein. The Additional Borrowing Notice shall set forth the amount of the Additional Borrowing Notice being requested and the effective date of the Additional Advances. The proceeds of the Additional Advances shall be used by the Borrower to pay transaction fees and for general corporate purposes of the Borrower.

(b) Interest Periods and Other Terms. Each of the parties hereto hereby agrees that the Additional Advances shall be deemed to be the Advances for all purposes hereunder and any and all terms and provisions in the Loan Documents that pertain to the

Advances shall be deemed to apply to the Additional Advances, unless the context otherwise requires.”

(l) Section 10.04(c) of the Credit Agreement is hereby further amended by replacing “2.07(b)(i), 2.08(d) or 2.14(d)” with “2.07(b)(i) or 2.08(d)” in the third and fourth lines thereof.

(m) Schedule I to the Credit Agreement is hereby supplemented with Annex I hereto.

SECTION 2. Other Amendments to Credit Agreement. The Credit Agreement is, effective as of the Additional Advance Effective Date and subject to the satisfaction of the conditions precedent set forth in Section 4, hereby amended as follows:

(a) The definition of “*Debt*” in Section 1.01 of the Credit Agreement is amended by adding the following new clause (j) after existing clause (i) and immediately prior to the list of exclusions from “*Debt*”:

“(j) Financial Instrument Obligations; *provided* that solely for purposes of determining compliance with Section 5.03, Financial Instrument Obligations shall not constitute Debt;”

(b) The last sentence in the definition of “*Distribution*” in Section 1.01 of the Credit Agreement is amended in full to read as follows:

“For the avoidance of doubt, any prepayment, redemption, purchase, defeasance or other satisfaction prior to the scheduled maturity thereof in any manner of any principal amount associated with any Debt under the Unsecured Credit Agreement by the Borrower and its Subsidiaries shall be deemed a Distribution by the Borrower and its Subsidiaries; *provided* that the issuance of warrants representing the right to purchase shares of common stock of Parent pursuant to that certain Amendment No. 1 to the Credit Agreement dated as of October 12, 2006 among Parent, the Borrower, the other subsidiary guarantors party thereto, CS, as administrative agent thereto and the lenders under the Unsecured Credit Agreement, shall not be deemed a Distribution.”

(c) The definition of “*EBITDA*” in Section 1.01 of the Credit Agreement is amended to replace the period at the end thereof with the following new proviso:

“; *provided* that to the extent deducted or included in determining such net income for such period, any loss or gain from any sale of assets that are not Petroleum Substances, other than (x) out-of-pocket cash expenses incurred during or after the quarter ended December 31, 2006 in connection with any such sale and (y) any loss or gain from the sale of the interests of the Borrower and its Subsidiaries in Ammonite Assets Inc., shall be excluded from the determination of EBITDA by adding or subtracting, as applicable, the amount of such loss or gain to or from the sum of (a) and (b) above; *provided* further that any loss or gain described in clause (y) above shall be included in the determination of EBITDA solely for the purposes of determining compliance with Section 5.03.”

(d) The definition of “*First Lien Obligations*” in Section 1.01 of the Credit Agreement is amended to add at the end thereof the following sentence:

"For the avoidance of doubt, the definition of "First Lien Obligations" does not include any Lender Financial Instrument Obligations (as defined in the First Lien Credit Agreement in effect as of the date of Amendment No. 1)".

(e) The definition of "*Permitted Disposition*" in Section 1.01 of the Credit Agreement is amended (i) to delete clause (e) thereof in its entirety, (ii) to re-letter clause (f) thereof as clause (e) thereof and (iii) to insert "and" at the end of clause (d) thereof.

(f) Clause (x) of the definition of "*Permitted Encumbrances*" in Section 1.01 of the Credit Agreement is amended in full to read as follows:

"(x) Security Interests resulting from the granting of security other than cash with respect to Permitted Hedging entered into with a Person that at the time of entering into such Permitted Hedging is a lender or an Affiliate of a lender under the First Lien Credit Agreement or a Lender or an Affiliate of a Lender hereunder;"

(g) The definition of "*Permitted Hedging*" in Section 1.01 of the Credit Agreement is amended in full to read as follows:

"*Permitted Hedging*" means Financial Instruments which are entered into in the ordinary course of business and for hedging purposes and not for speculative purposes (determined, where relevant, by reference to GAAP); *provided* that at all times: (a) the aggregate monthly production covered by all such contracts (determined, in the case of contracts that are not settled on a monthly basis, by a monthly proration acceptable to the Administrative Agent) for any single month does not in the aggregate exceed the volumes applicable for such month on Schedule IV and such contracts meet the requirements of Schedule IV with respect to pricing, (b) no such contract requires any Loan Party to put up money, assets or other security (excluding unsecured letters of credit and, to the extent expressly permitted under this Agreement, Collateral under the Collateral Documents or collateral under the First Lien Documents) against the event of its nonperformance prior to actual default by such Loan Party in performing its obligations thereunder and (c) each such contract is with a counterparty or has a guarantor of the obligation of the counterparty who at the time the contract is made is rated at least A- by S & P or A3 by Moody's.

(h) Section 5.01(s) of the Credit Agreement is amended in full to read as follows:

"(s) Additional Capital. The Borrower shall, after the date of Amendment No. 1 but on or prior to December 20, 2006, receive in the form of TRC Subordinated Loans or equity contributions from the Parent no less than \$75,000,000 of new capital that shall be raised after the date of Amendment No. 1."

(i) Section 5.01 of the Credit Agreement is amended to insert at the end thereof a new clause (v) to read as follows:

"(v) Permitted Hedging. The Borrower shall on or prior to November 10, 2006 enter into, and thereafter maintain in full force and effect, Permitted Hedging covering volumes, periods and prices described in part A of Schedule IV. In addition, the Borrower shall use commercially best efforts to enter into, and maintain in full force and effect, Permitted Hedging on commercially reasonable terms covering volumes, periods and prices described in part B of Schedule IV."

(j) Section 5.02(h)(i)(B) of the Credit Agreement is amended in full to read as follows:

“(B) in favor of the First Lien Agent, the lenders party to the First Lien Credit Agreement and the Hedging Affiliates (as defined in the First Lien Credit Agreement in effect as of the date of Amendment No. 1), for or in respect of the First Lien Obligations or Lender Financial Instrument Obligations (as defined in the First Lien Credit Agreement in effect as of the date of Amendment No. 1) or”.

(k) Section 7.01(b) of the Credit Agreement is amended to replace “Section 5.02” in the second line thereof with “Section 5.01(v), Section 5.02”.

(l) The Credit Agreement is amended by inserting immediately at the end of Schedule III thereto a new Schedule IV to read as Schedule IV attached hereto.

SECTION 3. Amendments to Intercreditor Agreement. Each party hereto agrees that effective as of the Additional Advance Effective Date and subject to the satisfaction of the conditions precedent set forth in Section 4, the Intercreditor Agreement shall be amended by an amendment in substantially the form of Exhibit A hereto.

SECTION 4. Conditions of Effectiveness. This Amendment shall become effective on the date (the “*Additional Advance Effective Date*”) when, and only when, the Administrative Agent shall have received (a) counterparts of this Amendment executed by the Borrower, the Additional Lenders, the Required Lenders or, as to any of the Additional Lenders or the Required Lenders, advice satisfactory to the Administrative Agent that such Lender has executed this Amendment, (b) the consent attached hereto (the “*Consent*”) executed by each Guarantor and (c) evidence that all of the following conditions shall have been satisfied:

(i) All accrued fees and expenses of the Administrative Agent (including the reasonable fees and expenses of Shearman & Sterling LLP, counsel for the Administrative Agent) shall have been paid and the Borrower (A) shall have paid to each Lender which has approved this Amendment as of the effectiveness thereof an amendment fee of 0.5% of the aggregate principal amount of Advances attributable to such Lender and (B) will pay such fee to each other Lender which thereafter (but on or prior to October 25, 2006) approves this Amendment.

(ii) The Administrative Agent shall have received a certificate of each Loan Party dated as of the Additional Advance Effective Date (x) certifying as to incumbency and certifying and attaching the resolutions adopted by such Loan Party approving or consenting to this Amendment or the Consent, as applicable, and (y) in the case of the Borrower, certifying that, before and after giving effect to the borrowing of the Additional Advances, (A) the representations and warranties contained in Article IV of the Credit Agreement and the other Loan Documents are true and correct in all material respects on and as of the Additional Advance Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date, and except that for purposes of this clause (A), the representations and warranties contained in Section 4.01(k) of the Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to clauses (ii) and (iii) of Section 5.01(e) of the Credit Agreement and (B) no Default exists.

(iii) The Administrative Agent shall have received on or before the Additional Advance Effective Date the following, each dated such day (unless otherwise specified), in form and substance reasonably satisfactory to the Administrative Agent (unless otherwise specified) and (except for the Notes) in sufficient copies for each Lender:

- (i) The Notes payable to the order of the Additional Lenders to the extent requested by the Lenders pursuant to the terms of Section 2.13;
- (ii) An amendment to the Intercreditor Agreement in substantially the form of Exhibit A hereto, duly executed by each of the parties thereto;
- (iii) An amendment to the First Lien Credit Agreement consenting to the transactions contemplated by this Amendment and in form and substance reasonably satisfactory to the Administrative Agent, duly executed by the Majority of Lenders (as defined in the First Lien Credit Agreement);
- (iv) A favorable opinion of Paul, Weiss, Rifkind, Wharton & Garrison LLP, U.S. counsel for the Loan Parties, in form and substance reasonably satisfactory to the Administrative Agent;
- (v) A favorable opinion of Blake, Cassels & Graydon LLP, Canadian counsel to the Loan Parties, in form and substance reasonably satisfactory to the Administrative Agent;
- (vi) A favorable opinion of McInnes Cooper, Nova Scotia counsel to the Loan Parties, in form and substance reasonably satisfactory to the Administrative Agent;
- (vii) A favorable opinion of MacLeod Dixon LLP, Canadian counsel to the Lenders, in form and substance reasonably satisfactory to the Administrative Agent;
- (viii) A confirmation of guarantee and security from the Borrower and each Subsidiary Guarantor, in form and substance satisfactory to the Administrative Agent, acting reasonably; and
- (ix) Such other approvals, documents, certificates and opinions relating to the Borrower as the Administrative Agent may reasonably request.

SECTION 5. Representations and Warranties of the Borrower. The Borrower represents and warrants as follows:

- (a) The Borrower and each of its Subsidiaries is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or is a partnership or trust validly existing under the laws of the Province of Alberta.
- (b) The Borrower and each of its Subsidiaries has taken all necessary corporate, partnership and other action (as applicable) of its directors, shareholders, partners, trustees and other Persons (as applicable) to authorize the execution, delivery and performance of this Amendment, the Consent and the Loan Documents, as modified hereby, to which it is a party and to observe and perform the provisions thereof in accordance with the terms therein contained.
- (c) None of the authorization, execution or delivery of this Amendment, the Consent and the Loan Documents, as modified hereby, or performance of any obligation pursuant thereto requires or will require, pursuant to applicable law now in effect, any approval or consent of any Governmental Authority having jurisdiction (except such as has already been obtained and are in full force and effect) nor is in conflict with or contravention of (i) the Borrower's or any

Subsidiary's articles, by-laws or other constating documents or any resolutions of directors or shareholders or the provisions of its partnership agreement or declaration of trust or trust indenture (as applicable) or (ii) the provisions of any other indenture, instrument, undertaking or other agreement to which the Borrower or any of its Subsidiaries is a party or by which they or their properties or assets are bound, the contravention of which would have or would reasonably be expected to have a Material Adverse Effect.

(d) This Amendment and the Consent have been duly executed and delivered by the Borrower and each Guarantor. This Amendment, the Consent and each of the other Loan Documents, as amended hereby, to which any Loan Party is a party are legal, valid and binding obligations of such Loan Party, enforceable against such Loan Party in accordance with their respective terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

SECTION 6. Reference to and Effect on the Credit Agreement. (a) On and after the effectiveness of this Amendment, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in each of the other Loan Documents to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement thereto, shall mean and be a reference to the Credit Agreement, as amended by this Amendment.

(b) The Credit Agreement, as specifically amended by this Amendment, is and shall continue to be in full force and effect and is hereby in all respects ratified and confirmed. Without limiting the generality of the foregoing, the Collateral Documents and all of the Collateral described therein do and shall continue to secure the payment of all Obligations of the Loan Parties under the Loan Documents, in each case as amended by this Amendment.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

SECTION 7. Assumption by Additional Lenders. Each Additional Lender that is not a Lender prior to the Additional Advance Effective Date agrees that from and after the Additional Advance Effective Date, it shall be a Lender under the Credit Agreement and shall be bound by the provisions thereof as a Lender thereunder and, to the extent of its Additional Commitment (as defined in Section 1), it shall have the obligations to provide an Additional Advance. Each Additional Lender that is a Lender prior to the Additional Advance Effective Date agrees that from and after the Additional Advance Effective Date, it shall continue to be a Lender under the Credit Agreement and shall continue to be bound by the provisions thereof as a Lender thereunder and, to the extent of its Additional Commitment (as defined in Section 1), it shall have the obligations to provide an Additional Advance.

SECTION 8. Costs, Expenses. The Borrower agrees to pay on demand within 15 days of written demand all reasonable and documented costs and expenses of the Agent in connection with the preparation, execution, delivery and administration, modification and amendment of this Amendment and the other instruments and documents to be delivered hereunder (including, without limitation, the reasonable and documented fees and expenses of counsel for the Agent) in accordance with the terms of Section 10.04 of the Credit Agreement.

SECTION 9. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 10. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

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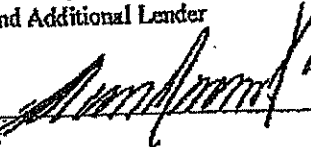
IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.


TRIDENT EXPLORATION CORP.

By


Title:

CREDIT SUISSE, TORONTO BRANCH,
as Agent and Additional Lender

By  Alain Daoust
Title: Director

By 
Title:

Bruce F. Wetherly
Director,
CREDIT SUISSE, TORONTO BRANCH

ADDITIONAL LENDERS AND LENDERS

Arrow Investment Partners
[please print or type name of institution]

By Dean R. Graves

Title: Dean R Graves

Sr VP
Grandview Capital Management, LLC for
Arrow Investment Partners

ADDITIONAL LENDERS AND LENDERS

BANK OF AMERICA, N.A.

By  _____
Title: Vice President

ADDITIONAL LENDERS AND LENDERS

BILL & MELINDA GATES FOUNDATION

By 
Michael Larson
Investment Manager

ADDITIONAL LENDERS AND LENDERS

BLT II LLC
[please print or type name of institution]

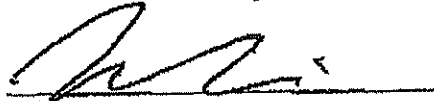
By [Signature]
Title:

**BARRY ZAMORE
MANAGING DIRECTOR**

ADDITIONAL LENDERS AND LENDERS

Boldwater CBNA Loan Funding LLC

By



Title:

**MIKUS N. KINS
Attorney-in-fact**

ADDITIONAL LENDERS AND LENDERS

Boldwater CRFI Loan Funding LLC

By 

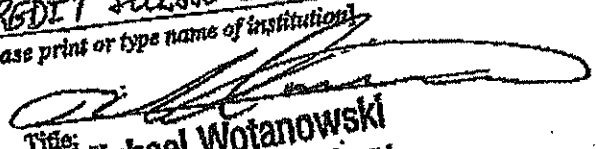
Title:

**MIKUS N. KINS
Attorney-in-fact**

ADDITIONAL LENDERS AND LENDERS

CREDIT SUESSSE CAPITAL LLC
(please print or type name of institution)

By



Title:

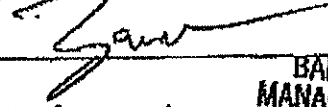
Michael Wotanowski
Authorized Signatory

ADDITIONAL LENDERS AND LENDERS

CREDIT SUISSE CAYMAN ISLANDS BRANCH
(please print or type name of institution)

By

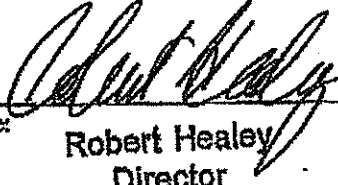
Title:



**BARRY ZAMORE
MANAGING DIRECTOR**

By

Title:

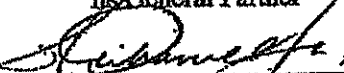


**Robert Healey
Director**

Date: October 24, 2006

FARALLON CAPITAL PARTNERS, L.P.
FARALLON CAPITAL INSTITUTIONAL PARTNERS, L.P.
FARALLON CAPITAL INSTITUTIONAL PARTNERS II, L.P.
FARALLON CAPITAL OFFSHORE INVESTORS II, L.P.
FARALLON CAPITAL INSTITUTIONAL PARTNERS III, L.P.
TINICUM PARTNERS, L.P.

By: Farallon Partners, L.L.C.
Its General Partner



By: William F. Duhamel
Managing Member

FARALLON CAPITAL OFFSHORE INVESTORS, INC.

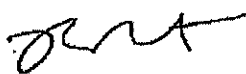
By: Farallon Capital Management, L.L.C.,
Its Manager and Attorney-in-Fact



By: William F. Duhamel
Managing Member

ADDITIONAL LENDERS AND LENDERS

FIELD POINT III, LTD.

By 
Title: Richard Pabell
Authorized Signatory

ADDITIONAL LENDERS AND LENDERS

FIELD POINT IV, LTD.

By 
Title: **Richard Petrilli**
Authorized Signatory

ADDITIONAL LENDERS AND LENDERS

Grand Central Asset Trust, CED Series

By Beata Konopko
Title:

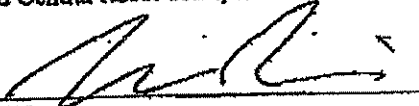
**Beata Konopko
Attorney-in-Fact**

ADDITIONAL LENDERS AND LENDERS

Grand Central Asset Trust, HLD Series

By

Title:


MIKUS N. KINS
Attorney-in-fact

ADDITIONAL LENDERS AND LENDERS

Grand Central Asset Trust, KMT Series

By Beta Korupko
Title: **Beta Korupko
Attorney-In-Fact**

ADDITIONAL LENDERS AND LENDERS

Grand Central Asset Trust, LMI Series

By Beata Koropko
Title: Beata Koropko
Attorney-in-Fact

ADDITIONAL LENDERS AND LENDERS



Gfeywolf Capital Management LP

By Michelle Lynd
Authorized Signatory

ADDITIONAL LENDERS AND LENDERS

Yarve Anderson Energy Development Corp.
(please print or type name of institution)

By MM
Title: Trader

ADDITIONAL LENDERS AND LENDERS

Kayne Anderson Energy Total Return Fund
[please print or type name of institution]

By [Signature]
Title: Trader

ADDITIONAL LENDERS AND LENDERS

KENAMONT SPECIAL OPPORTUNITIES MASTER FUND, L.P.

[please print or type name of institution]

By: KENAMONT INVESTMENTS MANAGEMENT, L.P.

By

J. T. Field

Title: MANAGING DIRECTOR & CFO

ADDITIONAL LENDERS AND LENDERS

Latigo Master Fund, Ltd., by Latigo Partners, L.P.,
Its Investment Manager

By

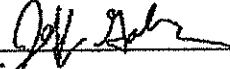


Title: Authorized Signatory

1

ADDITIONAL LENDERS AND LENDERS

MA Deep Event, LTD
(please print or type name of institution)

By 
Title:

**Jeffrey Golbus
Assistant Portfolio Manager**

ADDITIONAL LENDERS AND LENDERS

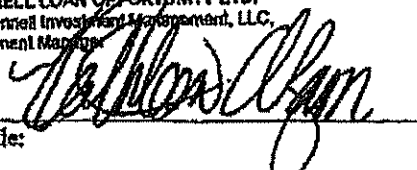
Man Mac Mission 106, Ltd
[please print or type name of institution]
By: Renant Investments Management, L.P.
By J. J. H. H.
Title: MANAGING DIRECTOR + CEO

ADDITIONAL LENDERS AND LENDERS

MCDONNELL LOAN OPPORTUNITY LTD.
By: McDonnell Investment Management, LLC,
as Investment Manager

By

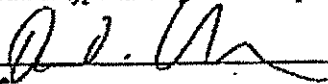
Title:



Kathleen A. Zani
Vice President

ADDITIONAL LENDERS AND LENDERS

Mulberry Master Fund Ltd
(please print or type name of institution)

By 
Title

ADDITIONAL LENDERS AND LENDERS

REE FOX FUNDING LLC

[please print or type name of institution]

By: *Anna M. Sallant*

Title: Assistant Vice President

ADDITIONAL LENDERS AND LENDERS

Redmond Master Fund Ltd.
[please print or type name of institution]

By Jan W.
Title Director

ADDITIONAL LENDERS AND LENDERS



SIL Loan Funding LLC

By Stephen A. Gloria
Title: Officer

ADDITIONAL LENDERS AND LENDERS

Special Situations Investing Group, Inc.
[please print or type name of institution]

By RGF
Title:

ROBERT G. FRAHM III
AUTHORIZED SIGNATORY

ADDITIONAL LENDERS AND LENDERS

Stonchill Institutional Partners, L.P.

By: 
Title: General Partner

ADDITIONAL LENDERS AND LENDERS

Stonehill Offshore Partners LLC

By:


Title: Managing Member

ADDITIONAL LENDERS AND LENDERS



(please print or type name of institution)

The Drake offshore Master Fund, Ltd.

By

Ben Bresnahan
Managing Director

Title:

LENDERS

280 FUNDING I

By: 

Name:

Title: **GEORGE FAN**
AUTHORIZED SIGNATORY

ADDITIONAL LENDERS AND LENDERS



Wachovia Bank, National Association

By Lisa S. Schmitt
Title: Vice President

Trident Second Lien Amendment No. 1
NYDOCS33107105

TO: Shearman Sterling LLP P. 3/3

OCT-10-2006 13:32 FROM: WACHOVIA SECURITIES 704 440 0727

**AMENDMENT NO. 2 TO THE
CREDIT AGREEMENT**

Dated as of April 12, 2007

AMENDMENT NO. 2 TO THE CREDIT AGREEMENT among TRIDENT EXPLORATION CORP., a Nova Scotia unlimited liability company (the "*Borrower*"), the banks, financial institutions and other institutional lenders parties to the Credit Agreement referred to below (collectively, the "*Lenders*") and CREDIT SUISSE, TORONTO BRANCH, as administrative agent and collateral agent (the "*Agent*") for the Lenders.

PRELIMINARY STATEMENTS:

(1) The Borrower, the Guarantors, the Lenders and the Agent have entered into an Amended and Restated Credit Agreement dated as of April 25, 2006 (the "*Original Credit Agreement*"), as amended by Amendment No. 1 to the Credit Agreement dated as of October 12, 2006 (the "*Amendment No. 1*") (the Original Credit Agreement, as so amended and as otherwise heretofore amended or modified, the "*Credit Agreement*"). Capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Credit Agreement.

(2) The Required Lenders and the Borrower have each requested further changes and modifications to the Credit Agreement as hereinafter set forth.

(3) The Required Lenders and the Borrower are, on the terms and conditions stated below, willing to grant the requests made and the Borrower and the Required Lenders have agreed to amend the Credit Agreement as hereinafter set forth.

SECTION 1. Amendments to Credit Agreement

Subject to the satisfaction of the conditions precedent set forth in Section 2, the Credit Agreement is hereby amended as follows (such amendments as set forth in clauses (e), (f) and (l) below to be given retroactive effect as if it had been made as of the date of the Original Credit Agreement and such amendment set forth in clause (z) below to be given retroactive effect as if it had been made as of the date of Amendment No. 1):

(a) Section 1.01 of the Credit Agreement is amended to add the following definitions in the appropriate alphabetical position:

"*DIP Financing*" means a financing of one or more of the Borrower, its Subsidiaries or the Parent to be advanced at the commencement of or during the course of any

proceedings pursuant to any Bankruptcy Law with respect to any of them, but excluding an Excluded Parent DIP Financing.

"Excluded Parent DIP Financing" means a financing of the Parent to be advanced at the commencement of or during the course of any proceedings pursuant to any Bankruptcy Law with respect to the Parent and which is not secured against any of the assets of the Borrower or any of its Subsidiaries and for which none of the Borrower and any of its Subsidiaries are liable as co-borrowers, guarantors, indemnifiers or otherwise.

"Properties" means the P&NG Rights and the P&NG Leases of the Borrower and its Subsidiaries (and all related tangibles) located in any geographic area of Canada or the United States of America, including without limitation the Core Horseshoe Canyon Properties and the WCSB Properties.

"Specified Particulars" means with respect to any DIP Financing, any Excluded Parent DIP Financing or any proposal to provide a DIP Financing, the particulars of the amount, of the term, of the interest rates, fees and any other compensation, of the use of the funds to be advanced, of the nature and structure of the facilities, of the nature and priority of any security, of any guarantees and of all other material covenants, terms and conditions.

- (b) Section 1.01 of the Credit Agreement is hereby further amended by deleting in full the definition of *"Allowable Excess"*.
- (c) Section 1.01 of the Credit Agreement is hereby further amended by amending in full the definition of *"Bankruptcy Law"* to read as follows:

"Bankruptcy Law" means Title 11, U.S. Code, the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other federal, provincial, state or foreign bankruptcy, insolvency, analogous or any other law for the relief of debtors or the compromise or arrangement of indebtedness.
- (d) Section 1.01 of the Credit Agreement is hereby further amended by amending the definition of *"Permitted Hedging"* by replacing the words "does not in the aggregate exceed the volumes" with "is not (i) less than the sum of (x) the required volumes under Amendment No. 1 and (y) the minimum required additional volumes under Amendment No. 2 and (ii) is not greater than the sum of (x) the required volumes under Amendment No. 1 and (y) the maximum additional allowed volumes under Amendment No. 2" in the sixth line of the definition thereof.
- (e) Section 1.01 of the Credit Agreement is hereby further amended by amending the definition of *"Petroleum Substances"* by inserting the words "coal bed methane" between the words "natural gas liquids" and "related hydrocarbons.." in the second line thereof.
- (f) Section 1.01 of the Credit Agreement is hereby further amended by amending in full the definition of *"PV-10 Value to Debt Ratio"* to read as follows:

"PV-10 Value to Debt Ratio" means, at any time of determination, the ratio of (a) PV-10 Value to (b) Consolidated Debt of the Borrower and its Subsidiaries at such date minus cash and Cash Equivalents of the Parent and the Borrower and its Subsidiaries at such date minus Obligations of up to and a limit of \$150,000,000 of the Borrower and its Subsidiaries under their Guarantees of the Unsecured Credit Agreement at such date.

- (g) Section 1.01 of the Credit Agreement is hereby further amended by amending the definition of "Security Interest" by inserting the words "deemed trust," between the words "encumbrances," and "security interests," in the third line of the first paragraph of the definition thereof.
- (h) Section 1.03 of the Credit Agreement is hereby amended by replacing "3.01(a)(vii)" with "3.01(a)(vi)" in the last line thereof.
- (i) Article IV of the Credit Agreement is hereby amended by adding in the new Section 4.01(x):

"(x) Center of Main Interests. The principal place of business and the center of main interests of each Loan Party is located in Alberta, Canada."

- (j) Article V of the Credit Agreement is hereby amended by adding in the new Section 5.01(e)(x):

"(x) Permitted Hedging Reporting: Notwithstanding footnote (2) in Schedule IV hereto, from the Additional Advance Effective Date until November 10, 2006 and from the date on which Amendment No. 2 becomes effective until June 30, 2007, the Borrower shall provide weekly reports to the Administrative Agent by the end of the first Business Day following the week in respect of which the weekly report is to be made reflecting the Borrower's executed transactions (including transaction pricing) in furtherance of the Borrower's compliance with Schedule IV hereto, such reports to be in form and substance acceptable to the Administrative Agent."

- (k) Article V of the Credit Agreement is hereby amended by amending in full Section 5.01(l) to read as follows:

"(l) Payment of Preferred Claims. The Borrower shall, and shall cause its Subsidiaries to, from time to time pay when due or cause to be paid when due all material amounts related to wages, source deductions, workers' compensation obligations, government royalties or pension fund obligations and any other amount which may result in a lien, charge, Security Interest or similar encumbrance against any or all of the assets of the Borrower or such Subsidiary arising under statute or regulation, which ranks or may rank in priority to all or any part of the Security Interest in favour of the Collateral Agent for the benefit of the Secured Parties, except when and so long as the validity of any such material amounts or other obligations is being contested by the Borrower or its Subsidiaries by a Permitted Contest."

- (l) Article V of the Credit Agreement is hereby amended by amending in full Section 5.01(u) to read as follows:

"(u) Parent's Cash and Leverage Ratio. The Borrower shall, within 5 Business Days after (i) any determination of the Leverage Ratio pursuant to Section 5.03(a) in which, in

order for the Borrower to comply with Section 5.03(a), or (ii) any determination of the PV-10 Value to Debt Ratio pursuant to Section 5.03(c) in which, in order for the Borrower to comply with Section 5.03(c), the Parent's cash and Cash Equivalents must be taken into account in the calculation of Leverage Ratio or the PV-10 Value to Debt Ratio, as applicable, receive in the form of TRC Subordinated Loans or equity contributions from the Parent cash proceeds in an amount equal to the lesser of (i) the greater of (A) 110% of the minimum amount of cash and Cash Equivalents of the Parent needed as of the date of determination in order for the Leverage Ratio at such date of determination to be less than the maximum Leverage Ratio set forth for such date in Section 5.03(a) in accordance with the definition of "Leverage Ratio" and (B) 110% of the minimum amount of cash and Cash Equivalents of the Parent needed as of the date of determination in order for the PV-10 Value to Debt Ratio at such date of determination to be greater than the minimum PV-10 Value to Debt Ratio set forth for such date in Section 5.03(c) in accordance with the definition of "PV-10 Value to Debt Ratio", and (ii) the amount of all cash and Cash Equivalents of the Parent as such date of determination, minus \$10,000,000."

- (m) Article V of the Credit Agreement is hereby amended by amending in full Section 5.01(v) to read as follows

"(v) Permitted Hedging. The Borrower shall on or prior to November 10, 2006 enter into, and thereafter maintain in full force and effect, Permitted Hedging covering volumes, periods and prices described in the section of Part A of Schedule IV titled "Required Under Amendment No. 1". The Borrower shall on or prior to April 30, 2007, enter into, and thereafter maintain in full force and effect, Permitted Hedging covering the periods ending May 31, 2007 and June 30, 2007 and applicable volumes and applicable prices for such periods described in the section of Part A of Schedule IV titled "Required Under Amendment No. 2". The Borrower shall on or prior to June 30, 2007 enter into, and thereafter maintain in full force and effect, Permitted Hedging covering periods from and after July 31, 2007 and applicable volumes and applicable prices for such periods described in Part A of Schedule IV titled "Required Under Amendment No. 2". In addition, the Borrower shall use commercially best efforts to enter into, and maintain in full force and effect, Permitted Hedging on commercially reasonable terms covering volumes, periods and prices described in part B of Schedule IV."

- (n) Article V of the Credit Agreement is hereby amended by amending Section 5.01 of the Credit Agreement by inserting at the end of that section thereof a new clause (w) to read as follows:

"(w) DIP Financing

If any request is made for one or more proposals to provide DIP Financing or an Excluded Parent DIP Financing, the Borrower shall within 1 Business Day of the making of the request give written notice thereof to the Agent with full particulars of each such request including without limitation the Specified Particulars. If a proposal to provide DIP Financing or an Excluded Parent DIP Financing is received by the Borrower, the Parent or any of the Borrower's Subsidiaries, the Borrower shall within 1 Business Day provide written notice thereof to the Agent, but shall not be obliged to give particulars thereof at that time. The Borrower shall provide the Agent with at least 7 Business Days written notice (a "DIP Notice") before any DIP Financing proposal is accepted or any application for court approval thereof is filed or served. At the same

time any DIP Notice is given, the Borrower shall provide the Agent with full particulars of all proposals made for DIP Financing, including the proposal sought to be accepted or approved, such particulars to include without limitation the Specified Particulars, the identity of the proposed lenders and copies of the material proposal or commitment documents. After the giving of a DIP Notice with respect to any DIP Financing proposal, the Borrower shall, within 1 Business Day of receiving any amendment to such proposal, any new proposals for DIP Financing or any amendments to any such new proposals, give written notice thereof to the Agent with full particulars including without limitation the Specified Particulars, the identity of the lenders and copies of the material proposal or commitment documents. Nothing in this provision is intended or is to be construed as implying the consent of the Agent or of any of the Lenders to any DIP Financing.”

- (o) Article V of the Credit Agreement is hereby amended by replacing in full Section 5.02(d)(ii) to read as follows:

“(ii) sales, transfers or other dispositions of any Properties for fair market value, in an aggregate amount not to exceed Cdn. \$50,000,000 in any Fiscal Year or Cdn. \$100,000,000 during the term of this Agreement.

- (p) Article V of the Credit Agreement is hereby amended by deleting in full Section 5.02(d)(iii).

- (q) Article V of the Credit Agreement is hereby amended by renumbering Section 5.02(d)(iv) to Section 5.02(d)(iii).

- (r) Article V of the Credit Agreement is hereby amended by amending in full Section 5.02(f)(iii) to read as follows:

“Investments in P&NG Rights located in the United States of America or Canada; provided that all such P&NG Rights in which the Investment is made or is to be made becomes subject to a Security Interest in favour of the Collateral Agent for the benefit of the Secured Parties upon and at the time of the making of the Investment.”

- (s) Article V of the Credit Agreement is hereby amended by amending in full Section 5.02(f)(iv) to read as follows:

(i) “Investments in (including acquisitions of all or any property, assets or undertakings of) Persons (A) whose property, assets or undertakings, or in the case of an acquisition of property, assets or undertakings, such acquired property, assets or undertakings, are principally located in the United States of America or Canada and (B) whose property, assets or undertakings, or in the case of an acquisition of property, assets or undertakings, such property, assets or undertakings, are principally in the Oil and Gas Business; provided that all such property, assets or undertakings in which the Investment is made or is to be made becomes subject to a Security Interest in favour of the Collateral Agent for the benefit of the Secured Parties upon and at the time of the making of the Investment.”

- (t) Article V of the Credit Agreement is hereby amended by amending in full Section 5.02(g)(iii) to read as follows:

“(g)...

(iii) the Borrower may make Distributions to the Parent for corporate, administrative and overhead expenses of the Parent (including, without limitation, payments to management approved by the compensation committee or board of directors of the Parent) incurred in the ordinary course of business; provided that for as long as a Default exists, Distributions to the Parent for any fees and expenses, including without limitation, legal, investment banking and advisory fees, in connection with or relating to any proceeding under Bankruptcy Law or other restructuring efforts shall only be permitted hereunder to a maximum aggregate amount of \$5,000,000."

(u) Article VII of the Credit Agreement is hereby further amended by amending in full Section 7.01(e) to read as follows:

"(e) Involuntary Insolvency: a decree or order of a court of competent jurisdiction is entered adjudging the Borrower, Parent or a Material Subsidiary bankrupt or insolvent under any Bankruptcy Law or ordering the winding up or liquidation of its affairs;"

(v) Article VII of the Credit Agreement is hereby further amended by inserting ", Parent" after the word "Borrower" in each of the second, sixth and seventh lines in Section 7.01(f) thereof and replacing the words "bankruptcy or insolvency law" with "Bankruptcy Law" in the last line immediately before clause (i) of Section 7.01(f) thereof.

(w) Article VII of the Credit Agreement is hereby further amended by amending in full Section 7.01(g) to read as follows:

"(g) Voluntary Insolvency: the Borrower, Parent or any Material Subsidiary generally does not pay its debts as such debts become due, admits in writing its inability to pay its debts generally, makes any assignment in bankruptcy or makes any other assignment for the benefit of creditors, makes any proposal or seeks relief under any Bankruptcy Law, files a petition or proposal to take advantage of any act of insolvency, consents to or acquiesces in the appointment of a trustee in bankruptcy, receiver, receiver and manager, interim receiver, custodian, sequestrator or other Person with similar powers of itself or of all or any substantial portion of its assets, or files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition, administration or readjustment under any applicable Bankruptcy Law or under any moratorium, reorganization or other similar law affecting creditors' rights or consents to, or acquiesces in, the filing of such assignment, proposal, relief, petition, proposal, appointment or proceeding;"

(x) Article VII of the Credit Agreement is hereby further amended by amending the section immediately following Section 7.01(f) by inserting the following phrase "(including an amount equal to the premium that is payable pursuant to Section 2.04 calculated as if the Borrower has given notice of a voluntary prepayment of all such Advances on the date of the Agent's notice)" between the words "Agreement" and "and the..." at the end of the fifth line and the beginning of the sixth line thereof.

(y) Article IX of the Credit Agreement is hereby further amended by replacing the words "foreign, federal or state" with "federal, provincial, state or foreign" in the fifth line in Section 9.01(b) thereof.

- (z) Article X of the Credit Agreement is hereby amended by amending Section 10.07 of the Credit Agreement by inserting at the end of that section thereof a new clause (n) to read as follows:

"(n) For the avoidance of doubt, notwithstanding anything to the contrary contained herein, the Additional Advances shall for purposes under this Section 10.07 (and solely for such purposes) be treated as a tranche separate and apart from the Advances such that an assignment or participation in respect of the Additional Advances may be made by any Lender pursuant to this Section 10.07 without a concurrent assignment or participation, as the case may be, in respect of the Advances, or vice versa."

- (aa) Article X of the Credit Agreement is hereby amended by amending in full Section 10.12 to read as follows:

"SECTION 10.12. Jurisdiction, Etc. Each of the parties hereto hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any court sitting in Alberta, Canada and any appellate court therefrom, in any action or proceeding arising out of or relating to this Agreement or any of the other Loan Documents to which it is a party, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in any such court of Alberta, Canada. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that any party may otherwise have to bring any action or proceeding relating to this Agreement or any of the other Loan Documents in the courts of any jurisdiction.

(b) Each of the parties hereto irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any of the other Loan Documents to which it is a party in any court in Alberta, Canada. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court."

- (bb) Schedule IV to the Credit Agreement is amended by amending Schedule IV in full to read as Schedule IV attached hereto.

SECTION 2. Conditions of Effectiveness. This Amendment shall become effective on the date when, and only when, the Agent shall have received (a) counterparts of this Amendment executed by the Borrower and the Required Lenders; and (b) the consent attached hereto (the "Consent") executed by each Guarantor. This Amendment is subject to the provisions of Section 10.01 of the Credit Agreement.

SECTION 3. Representations and Warranties of the Borrower. The Borrower represents and warrants as follows:

- (a) The Borrower and each of its Subsidiaries is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or is a partnership or trust validly existing under the laws of the Province of Alberta.
- (b) The Borrower and each of its Subsidiaries has taken all necessary corporate, partnership and other action (as applicable) of its directors, shareholders, partners, trustees and other Persons (as applicable) to authorize the execution, delivery and performance of this Amendment, the Consent and the Loan Documents, as modified hereby, to which it is a party and to observe and perform the provisions thereof in accordance with the terms therein contained.
- (c) None of the authorization, execution or delivery of this Amendment and the Consent and the Loan Documents, as modified hereby, or performance of any obligation pursuant thereto requires or will require, pursuant to applicable law now in effect, any approval or consent of any Governmental Authority having jurisdiction (except such as has already been obtained and are in full force and effect) nor is in conflict with or contravention of (i) the Borrower's or any Subsidiary's articles, by-laws or other constituting documents or any resolutions of directors or shareholders or the provisions of its partnership agreement or declaration of trust or trust indenture (as applicable) or (ii) the provisions of any other indenture, instrument, undertaking or other agreement to which the Borrower or any of its Subsidiaries is a party or by which they or their properties or assets are bound, the contravention of which would have or would reasonably be expected to have a Material Adverse Effect.
- (d) This Amendment and the Consent have been duly executed and delivered by the Borrower and each Guarantor. This Amendment, the Consent and each of the other Loan Documents, as amended hereby, to which any Loan Party is a party are legal, valid and binding obligations of such Loan Party, enforceable against such Loan Party in accordance with their respective terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

SECTION 4. Reference to and Effect on the Credit Agreement. (a) On and after the effectiveness of this Amendment, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in each of the other Loan Documents to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement thereto, shall mean and be a reference to the Credit Agreement, as amended by this Amendment.

(b) The Credit Agreement, as specifically amended by this Amendment, is and shall continue to be in full force and effect and is hereby in all respects ratified and confirmed. Without limiting the generality of the foregoing, the Collateral Documents and all of the Collateral described therein do and shall continue to secure the payment of all Obligations of the Loan Parties under the Loan Documents, in each case as amended by this Amendment.

(e) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

SECTION 5. Costs, Expenses. The Borrower agrees to pay on demand within 15 days of written demand all reasonable and documented costs and expenses of the Agent in connection with the preparation, execution, delivery and administration, modification and amendment of this Amendment and the other instruments and documents to be delivered hereunder (including, without limitation, the reasonable and documented fees and expenses of counsel for the Agent) in accordance with the terms of Section 10.04 of the Credit Agreement.

SECTION 6. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts; each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier or other electronic delivery (e.g. "PDF") shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 7. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

TRIDENT EXPLORATION CORP.


By


Title:

Paul K. O'Donoghue
Vice-President, Corporate
& Strategic Development

CREDIT SUISSE, TORONTO BRANCH,
as Agent

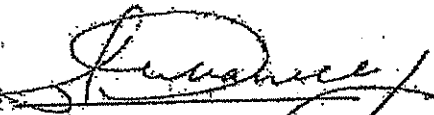
By 
Title: Alain Daoust
Director

By 
Title: Steve W. Fuh
Vice-President

LENDERS

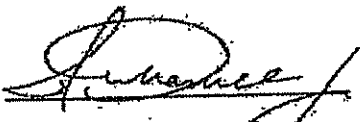
Farallon Capital Partners, L.P.
Farallon Capital Institutional Partners, L.P.
Farallon Capital Institutional Partners II, L.P.
Farallon Capital Institutional Partners III, L.P.
Epicum Partners, L.P.
Farallon Capital Offshore Investors II, L.P.

By: Farallon Partners, L.L.C., its General Partner

By: 
William F. Duhamel, Managing Member

Farallon Capital Offshore Investors, Inc.

By: Farallon Capital Management, L.L.C., its Manager
and Attorney-in-Fact

By: 
William F. Duhamel, Managing Member

LENDERS


Special Situations Investing Group, Inc.
(please print or type name of institution)


By RTA
Title:

ROBERT G. FRAHM III
AUTHORIZED SIGNATORY

LENDERS

UBS AG, Stamford Branch

By 
 Title: **Douglas Cervellini**
Associate Director
Banking Products
Services, US

By 
 Title: **Toba Lumbantobing**
Associate Director
Banking Products
Services, US

CONSENT

Dated as of April 12, 2007

Each of the undersigned, as Guarantor under the Subsidiary Guaranty referred to in the Credit Agreement dated as of April 25, 2006, as amended by Amendment No. 1 to the Credit Agreement dated as of October 12, 2006 (as amended, the "Credit Agreement") among TRIDENT EXPLORATION CORP., the Subsidiary Guarantors named therein, the Lenders and agents named therein, and CREDIT SUISSE, TORONTO BRANCH, as administrative agent, hereby consents to the foregoing Amendment No. 2 to the Credit Agreement (the "Amendment No. 2") and hereby confirms and agrees that (a) notwithstanding the effectiveness of the Amendment, the Guaranty is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects, except that, on and after the effectiveness of the Amendment, each reference in the Guaranty to the "Credit Agreement", "thereunder", "thereof" or words of like import shall mean and be a reference to the Credit Agreement, as amended by the Amendment and (b) the Collateral Documents and all of the Collateral described therein do and shall continue to secure the payment of all Obligations of the Loan Parties under the Loan Documents, in each case as amended by this Amendment.

FENERGY CORP.

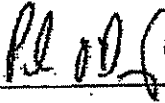
By
Title:



Paul K. O'Donoghue
Secretary & Treasurer

FORT ENERGY CORP.

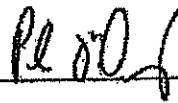
By
Title:



Paul K. O'Donoghue
Secretary & Treasurer

981384 ALBERTA LTD.

By
Title:



Paul K. O'Donoghue
Secretary & Treasurer

981405 ALBERTA LTD.

By
Title:



Paul K. O'Donoghue
Secretary & Treasurer

AMENDMENT AND WAIVER NO. 3 TO THE
CREDIT AGREEMENT

Dated as of August 20, 2007

AMENDMENT AND WAIVER NO. 3 TO THE CREDIT AGREEMENT ("*this Amendment*") among TRIDENT EXPLORATION CORP., a Nova Scotia unlimited liability company (the "*Borrower*"), the banks, financial institutions and other institutional lenders parties to the Credit Agreement referred to below (collectively, the "*Lenders*") and CREDIT SUISSE, TORONTO BRANCH, as administrative agent and collateral agent (the "*Agent*") for the Lenders.

PRELIMINARY STATEMENTS:

- (1) The Borrower, the Guarantors, the Lenders and the Agent have entered into an Amended and Restated Credit Agreement dated as of April 25, 2006 (the "*Original Credit Agreement*"), as amended by Amendment No. 1 to the Credit Agreement dated as of October 12, 2006 (the "*Amendment No. 1*") and as amended by Amendment No. 2 to the Credit Agreement dated as of April 12, 2007 (the "*Amendment No. 2*") (the Original Credit Agreement, as so amended and as otherwise heretofore amended or modified, the "*Credit Agreement*"). Capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Credit Agreement, as amended by this Amendment.
- (2) The Parent desires to incur new Debt and, together with the Subsidiary Guarantors, other Obligations, under a subordinated unsecured loan agreement, the associated initial aggregate principal amount of which shall be Cdn\$120,000,000 on the Amendment No. 3 Effective Date.
- (3) In connection with the closing of the Subordinated Unsecured Loan Agreement, the Borrower has requested certain changes and modifications to the Credit Agreement as hereinafter set forth.
- (4) Subject to the terms and conditions stated below, the Required Lenders and the Borrower are willing to grant the requests made and the Required Lenders, the Agent and the Borrower have agreed to amend the Credit Agreement as hereinafter set forth.

SECTION 1. Amendments to Credit Agreement

Subject to the satisfaction of the conditions precedent set forth in Section 3, the Credit Agreement is hereby amended as follows:

- (a) Section 1.01 of the Credit Agreement is amended to add the following definitions in the appropriate alphabetical position:

"*Amendment No. 3*" means Amendment and Waiver No. 3 to the Credit Agreement, dated as of August 20, 2007, among the Borrower, the Lenders party thereto and the Agent.

"*Amendment No. 3 Effective Date*" means August 20, 2007.

"Prohibited Secured Hedging" means Financial Instruments which would be in effect beyond December 31, 2007 and that are secured on, to or against the assets, property or undertakings of the Borrower or its Subsidiaries with the First Lien Lenders or any other party that has been granted Security Interests on, to or against the assets, property or undertakings of the Borrower or its Subsidiaries by the Borrower to secure obligations that rank in priority to the Security Interests in favour of the Lenders or the Administrative Agent on, to or against the assets, property and undertakings of the Borrower or its Subsidiaries granted by the Borrower to secure the Obligations, provided that Financial Instruments entered into prior to August 20, 2007 shall not be Prohibited Secured Hedging unless extended or renewed on or after that date.

"Qualified Initial Public Offering" means the issuance by the Parent of its common Equity Interests in an underwritten primary public offering (other than a public offering pursuant to a registration statement on Form S-3) pursuant to an effective registration statement filed with the SEC in accordance with the Securities Act of 1933, as amended (whether alone or in connection with a secondary public offering).

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"Second Lien Additional Financial Support" means the potential additional financial support that the Lenders may, but have not committed to nor are obligated to, provide to the Borrower, provided that if such additional potential financial support is provided it shall be provided on terms and conditions consistent with those set out in Exhibit A to Amendment No. 3 with such other terms and conditions acceptable to the Lenders and the Borrower, to be set forth in a further amendment to this Agreement.

"Stockholders Agreement" means the Parent's Fourth Amended and Restated Stockholders Agreement dated as of August 20, 2007.

"Subordination Agreement" means the subordination and postponement agreement dated as of the Amendment No. 3 Effective Date executed by the Subordinated Unsecured Loan Agent, the Agent and the Borrower, attached as Exhibit "C" hereto, and as further amended, amended and restated, supplemented or otherwise modified from time to time in accordance with its terms.

"Subordinated Unsecured Lender" means any of the lenders under the Subordinated Unsecured Loan Agreement.

"Subordinated Unsecured Facility" means the subordinated unsecured interest accrued on interest loans incurred by the Parent pursuant to the Subordinated Unsecured Loan Agreement or any refinancing or replacement thereof established from time to time.

"Subordinated Unsecured Loan Agent" means Wells Fargo Bank, N.A., in its capacity as agent for the Subordinated Unsecured Lenders, any successor agent for the Subordinated Unsecured Lenders under the Subordinated Unsecured Loan Documents currently in effect and any agent under a Subordinated Unsecured Facility.

"Subordinated Unsecured Loan Agreement" means the subordinated loan agreement, dated as of August 20, 2007, among the Parent, certain of its Subsidiaries, the Subordinated Unsecured Lenders and the Subordinated Unsecured Loan Agent (as

amended, modified, supplemented, amended, restated, refinanced, restructured or replaced, including a replacement with a new agent and lenders, from time to time).

"Subordinated Unsecured Loan Documents" means the Subordinated Unsecured Loan Agreement and all documents delivered pursuant thereto (including all guarantees and warrants) and all intercreditor agreements and subordination agreements delivered by the Parent and its Subsidiaries pursuant thereto, and all certificates, notices, instruments and other documents delivered by the Parent and its Subsidiaries or otherwise to any agent or lender pursuant thereto, and any other agreements, documents or instruments entered into in connection with a refinancing of the Subordinated Unsecured Facility.

"Unsecured Agent" means Credit Suisse, Toronto Branch, in its capacity as agent for the Unsecured Lenders, any successor agent for the Unsecured Lenders under the Unsecured Loan Documents currently in effect and any agent under a Unsecured Credit Facility.

"Unsecured Credit Facility" means the credit facility incurred by the Parent pursuant to the Unsecured Credit Agreement or any refinancing or replacement thereof established from time to time.

"Unsecured Lenders" means any of the lenders under the Unsecured Credit Agreement.

"Unsecured Loan Documents" means the Unsecured Credit Agreement and all documents delivered pursuant thereto (including all guarantees and warrants) and all intercreditor agreements and subordination agreements delivered by the Parent and its Subsidiaries pursuant thereto, and all certificates, notices, instruments and other documents delivered by the Parent and its Subsidiaries or otherwise to any agent or lender pursuant thereto, and any other agreements, documents or instruments entered into in connection with a refinancing of the Unsecured Credit Facility.

"Unsecured Subordination Agreement" means the subordination and postponement agreement dated as of the Amendment No. 3 Effective Date executed by the Unsecured Agent, the Subordinated Unsecured Loan Agent and the Borrower, attached as Exhibit "D" hereto, and as further amended, amended and restated, supplemented or otherwise modified from time to time in accordance with its terms.

- (b) Section 1.01 of the Credit Agreement is hereby further amended by amending the definition of **"Collateral Documents"** as follows: (i) deleting the words "floating charge" in the fourth line of the definition thereof; (ii) inserting the phrase "including without limitation, each of the floating charge demand debenture and the fixed charge demand debenture" between "debenture" and ";" in the fifth line of the definition thereof; (iii) inserting the phrase ", J-1.1" between "J-1" and ";" in the sixth line of the definition thereof; (iv) deleting the words "floating charge" in the eighth line of the definition of the definition thereof; (v) inserting the phrase "including without limitation, each of the floating charge demand debenture and the fixed charge demand debenture" between "debenture" and ";" in the eighth line of the definition thereof; (vi) inserting the phrase ", J-4.1" between "J-4" and ";" in the ninth line of the definition thereof.
- (c) Section 1.01 of the Credit Agreement is hereby further amended by (i) deleting "and" at the end of clause (g) thereof and inserting "and" at the end of clause (h) thereof; and (ii) adding the following clause to the list of exclusions contained in

the definition of "*Debt*" immediately before the proviso at the end of that definition:

"(i) Obligations that arise in connection with employee incentive programs to a maximum aggregate amount of \$5,000,000 outstanding at any time."

(d) Section 1.01 of the Credit Agreement is hereby further amended by replacing the last sentence of the definition of "*Distribution*" in full to read as follows:

"For the avoidance of doubt, any prepayment, redemption, purchase, defeasance or other satisfaction prior to the scheduled maturity thereof in any manner of any principal amount associated with any Debt under the Unsecured Credit Agreement or the Subordinated Unsecured Loan Agreement by the Borrower and its Subsidiaries shall be deemed a Distribution by the Borrower and its Subsidiaries; provided that for the avoidance of doubt (i) the issuance of warrants representing the right to purchase shares of common stock of the Parent pursuant to that certain Amendment No. 1 to the Unsecured Credit Agreement dated as of October 12, 2006, as further amended pursuant to the amendment to the Unsecured Credit Agreement dated as of August 20, 2007, (ii) the issuance of warrants representing the right to purchase shares of common stock of the Parent pursuant to the Subordinated Unsecured Loan Agreement, (iii) the repurchase of such warrants in connection with the Syndication (as defined in the Subordinated Unsecured Loan Agreement as of the date hereof and the Syndication Letter attached as Exhibit T to the Subordinated Unsecured Loan Agreement as of the date hereof), so long as the funds used to make such a repurchase are Syndication Advance Amounts (as defined in the Subordinated Unsecured Loan Agreement as of the date hereof) and not other cash or property of the Borrower, (iv) the issuance of warrants representing the right to purchase shares of common stock of the Parent in connection with the redemption of the Parent's Series A Cumulative Preferred Stock and Series B Cumulative Preferred Stock pursuant to the Certificate of Designation with respect to the Preferred Stock, and (v) the prepayment of the Subordinated Unsecured Facility in connection with the Syndication (as defined in the Subordinated Unsecured Loan Agreement as of the date hereof) so long as the funds used to make such prepayment are Syndication Advance Amounts (as defined in the Subordinated Unsecured Loan Agreement as of the date hereof) and not other cash or property of the Borrower, in each case shall not be a Distribution."

(e) Section 1.01 of the Credit Agreement is hereby further amended by amending in full the definition of "*Existing Shareholders*" to read as follows:

"*Existing Shareholders*" means the common and preferred shareholders and warrant holders of the Parent and the Borrower as of Amendment No. 3 Effective Date, as set forth on Schedule V to Amendment No. 3, and their respective Affiliates.

(f) Section 1.01 of the Credit Agreement is hereby further amended by amending in full the definition of "*First Lien Cap Amount*" to read as follows:

"*First Lien Cap Amount*" means Cdn \$10,000,000, provided that such amount may be increased to a maximum of Cdn \$25,000,000 but only to the extent that any accommodations under the First Lien Credit Agreement in excess of Cdn \$10,000,000 are provided only in respect of Letters of Credit to support obligations under Permitted Hedging transactions.

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- (g) Section 1.01 of the Credit Agreement is hereby further amended by amending the definition of "Interest Coverage Ratio" by adding "and other than the Obligations of the Borrower and its Subsidiaries under their Guarantees of the Subordinated Unsecured Loan Agreement" between "Agreement" and "," in the fourth line thereof.
- (h) Section 1.01 of the Credit Agreement is hereby further amended by amending the definition of "Leverage Ratio" by adding "minus Obligations of the Borrower and its Subsidiaries under their Guarantees of the Subordinated Unsecured Loan Agreement at such date" between the words "date" and "to" in the fourth line thereof.
- (i) Section 1.01 of the Credit Agreement is hereby further amended by amending the definition of "Loan Documents" by: (i) replacing the word "and" with "," after the phrase "the Intercreditor Agreement" in the third line of that definition thereof; and (ii) by adding the phrase "and (ix) the Subordination Agreement" in between "TRC Subordination Agreement" and "," in the third line of that definition thereof.
- (j) Section 1.01 of the Credit Agreement is further hereby amended by amending the definition of "Make Whole Premium" by replacing the phrase "Amendment No. 1 Effective Date" with "Amendment No. 3 Effective Date" in each of lines four and ten of that definition thereof.
- (k) Section 1.01 of the Credit Agreement is further hereby amended by amending the definition of "Measurement Period" by deleting the phrase "Total Interest Coverage Ratio," in the second and third lines of the definition thereof.
- (l) Section 1.01 of the Credit Agreement is hereby further amended by amending the definition of "Obligation" by inserting the phrase "make whole premiums, prepayment premiums," in between the words "interest," and "charges," in the eighth line of that definition thereof.
- (m) Section 1.01 of the Credit Agreement is further hereby amended by amending the definition of "Permitted Debt" by: (i) deleting the word "and" at the end of clause (k); (ii) replacing "." at the end of clause (l) with "; and"; and (iv) inserting a new clause "(m)" at the end of the definition as follows:

"(m) Obligations under the Guarantees by the Borrower and its Subsidiaries of the Subordinated Unsecured Loan Agreement the associated aggregate principal amount of which shall not exceed the sum of Cdn\$120,000,000 (including any loans made in connection with the Syndication, as such term is defined in the Subordinated Unsecured Loan Agreement as in effect on the Amendment No. 3 Effective Date), plus any interest that is capitalized as principal and not paid in cash under the terms of the Subordinated Unsecured Loan Agreement, provided that such debt, including, without limitation, any and all debts, liabilities and other obligations owed to any Subordinated Unsecured Lender by each Subsidiary Guarantor, remains subordinated to the Obligations to the Lender pursuant to the Subordination Agreement and remains subject to the Subordination Agreement."

- (n) Section 1.01 of the Credit Agreement is hereby further amended by amending the definition of "Permitted Disposition" by (i) deleting "and" at the end of clause (d) of that definition thereof; (ii) deleting "." at the end of clause (e) of that definition thereof, and inserting "; and" in lieu thereof and (iii) inserting the following clause (f) at the end of that definition thereof:

"(f) sales or other dispositions, made in the ordinary course of business of Petroleum Substances actually produced, for greater certainty, excluding any sale or other disposition: (i) through a transaction that creates an obligation to deliver Petroleum Substances out of future production or through a forward sale where the payment (or a substantial portion of the payment) in respect of the future delivery or forward sale of Petroleum Substances is paid in advance; (ii) that involves volumetric production payments; or (iii) made pursuant to Financial Instruments other than Permitted Hedging."

- (o) Section 1.01 of the Credit Agreement is hereby further amended by amending the definition of "Permitted Hedging" as follows:

"Permitted Hedging" means Financial Instruments which are entered into in the ordinary course of business and for hedging purposes and not for speculative purposes (determined, where relevant, by reference to GAAP); provided that at all times: (a) the aggregate monthly production covered by all such contracts (determined, in the case of contracts that are not settled on a monthly basis, by a monthly production acceptable to the Administrative Agent) for any single month is not (i) less than the sum of (x) the required volumes under Amendment No. 1, (y) the minimum required additional volumes under Amendment No. 2; and (z) the minimum required additional volumes under Amendment No. 3 and (ii) is not greater than the sum of: (x) the required volumes under Amendment No. 1; (y) the maximum allowed additional volumes under Amendment No. 2; and (z) the maximum allowed additional volumes under Amendment No. 3 applicable for such month on Schedule IV and such contracts meet the requirements of Schedule IV with respect to pricing, (b) no such contract requires any Loan Party to put up money, assets or other security (excluding unsecured letters of credit and letters of credit issued under the First Lien Facility and, to the extent expressly permitted under this Agreement, Collateral under the Collateral Documents or collateral under the First Lien Documents) against the event of its nonperformance prior to actual default by such Loan Party in performing its obligations thereunder and (c) each such contract is with a counterparty or has a guarantor of the obligation of the counterparty who at the time the contract is made is rated at least A- by S & P or A3 by Moody's but shall not include Prohibited Secured Hedging.

- (p) Section 1.01 of the Credit Agreement is hereby further amended by amending the definition of "FV-10 Value to Debt Ratio" by inserting the following phrase before "." in the last line of the definition thereof as follows:

"and minus Obligations of the Borrower and its Subsidiaries under their Guarantees of the Subordinated Unsecured Loan Agreement at such date".

- (q) Section 1.01 of the Credit Agreement is hereby further amended by amending the definition of "Total Leverage Ratio" by deleting the words "Percent and the" in the beginning of the third line of the definition thereof.

- (t) Section 1.01 of the Credit Agreement is hereby further amended by deleting in full the definition of "Total Interest Coverage Ratio".
- (s) Section 1.01 of the Credit Agreement is hereby further amended by amending the definition of the "TRC Subordination Agreement" by: (i) replacing " " with "25" in the second line of that definition thereof; and (ii) inserting before " " in the last line of the definition thereof, the following phrase "and as amended and restated as of August 20, 2007 and attached hereto as Exhibit "E".
- (r) Article II of the Credit Agreement is hereby amended by amending in full Section 2.04 to read as follows:

"Section 2.04. Prepayment and Reductions. The Borrower may, upon at least five Business Days' notice to the Administrative Agent stating the proposed date and aggregate principal amount of the prepayment, and if such notice is given the Borrower shall, prepay the outstanding aggregate principal amount of the Advances in whole or ratably in part, together with (i) accrued interest to the date of such prepayment on the aggregate principal amount prepaid and (ii) (A) in the case of any such prepayment on or prior to the first anniversary of the Amendment No. 3 Effective Date, the Make Whole Premium, (B) in the case of any such prepayment after the first anniversary of the Amendment No. 3 Effective Date, but on or prior to the second anniversary of the Amendment No. 3 Effective Date, a premium of 2.0% of the aggregate principal amount so prepaid, and (C) in the case of any such prepayment after the second anniversary of the Amendment No. 3 Effective Date, no premium; *provided, however*, that (x) each partial prepayment shall be in an aggregate principal amount of \$5,000,000 or an integral multiple of \$1,000,000 in excess thereof and (y) if any prepayment of a Eurodollar Rate Advance is made on a date other than the last day of an Interest Period for such Advance, the Borrower shall also pay any amounts owing pursuant to Section 10.04(e)."

- (u) Section 5.01(e)(iv) of the Credit Agreement is amended by adding at the end of that Section thereof, the following phrase:

"provided, however, that the Compliance Certificate to be provided pursuant to this Section 5.01(e)(iv) for the fiscal quarter ending on June 30, 2008 shall be provided by no later than September 30, 2008;"
- (v) Section 5.01(e)(vi) of the Credit Agreement is amended by amending the Section 5.01(e)(vi) in full to read as follows:

"Semi Annual Independent Engineering Reports. within (A) 90 days after the end of each of its Fiscal Years and (B) 60 days after the end of the second quarter of each of its Fiscal Years, an Engineering Report, effective as of the immediately preceding December 31 or June 30, as applicable, prepared by an Independent Engineer;"

- (w) Section 5.01(e)(vii) of the Credit Agreement is amended by: (i) replacing the term "90" with "60" in the first line of that Section thereof; and (b) by adding the following phrase before " " in the last line of that Section thereof as follows:

"and delivered by the Borrower in connection with Section 5.01(e)(vi); provided that the Borrower will not have to deliver an Engineering Report in accordance with this Section for the third quarter of its Fiscal Year ending December 31, 2007 and for the first quarter of its Fiscal Year ending December 31, 2008".

- (x) Section 5.01(e)(viii) of the Credit Agreement is amended by amending Section 5.01(e)(viii) in full to read as follows:

"Asset Dispositions. (A) within 10 Business Days after the end of each fiscal quarter, any sale, transfer or other disposition of any Core Horseshoe Canyon Property or any WCSB Property, provided, however, with respect to the Borrower's fiscal quarter ended on June 30, 2007, the Borrower shall deliver such report within 10 Business Days of the date hereof; and (B) within 10 Business Days of any sale, transfer or other disposition of any Core Horseshoe Canyon Property or WCSB Property, if such disposition, in the aggregate with all other Core Horseshoe Canyon Property or WCSB Property sales, transfers or dispositions since the date of the immediately preceding quarterly report provided pursuant to this Section ("Last Quarterly Report Date") exceeds Cdn \$1,500,000, a report listing all sales, transfers or dispositions of any Core Horseshoe Canyon Property or any WCSB Property since the Last Quarterly Report Date; and".

- (y) Section 5.01(h) of the Credit Agreement is amended by: (i) renumbering "(iii)" in the fifth line of that Section thereof with "(v)" and; (ii) inserting between "Agreement" and "or" in the fifth line of that Section thereof the following:

" (iii) a "Default" or "Event of Default" as defined in the Unsecured Credit Agreement, (iv) a "Default" or "Event of Default" as defined in the Subordinated Unsecured Loan Agreement".

- (z) Section 5.01(g) of the Credit Agreement is amended by: (i) inserting "(i)" between "to" and "the First Lien Facility" in the third line of that Section thereof; (ii) replacing the word "or" between "Facility" and "the" with ", (ii)" in the third line of that Section thereof; and (iii) inserting between "Agreement," and "promptly" in the third line of that Section thereof the following:

"(iii) the Unsecured Credit Facility, (iv) the Unsecured Credit Agreement, (v) the Subordinated Unsecured Facility or (vi) the Subordinated Unsecured Loan Agreement, in each case,".

- (aa) Section 5.01(v) of the Credit Agreement is amended by amending Section 5.01(v) in full to read as follows:

"(v) Permitted Hedging. The Borrower shall on or prior to November 10, 2006 enter into, and thereafter maintain in full force and effect, Permitted Hedging covering volumes, periods and prices described in the section of Part A of Schedule IV titled "Required Under Amendment No. 1". The Borrower shall on or prior to April 30, 2007, enter into, and thereafter maintain in full force and effect, Permitted Hedging covering the periods ending May 31, 2007 and June 30, 2007 and applicable volumes and applicable prices for such periods described in the section of Part A of Schedule IV titled "Required Under Amendment No. 2". The Borrower shall on or prior to June 30, 2007 enter into, and thereafter maintain in full force and effect, Permitted Hedging covering periods from and after July 31, 2007 and applicable volumes and applicable prices for such periods described in Part A of Schedule IV titled "Required Under Amendment No. 2". The Borrower shall on or prior to October 15, 2007 enter into, and thereafter maintain in full force and effect, Permitted Hedging covering volumes, periods and prices described in the section of Part A of Schedule IV titled "Required Under Amendment No. 3". In addition, the Borrower shall use commercially best efforts to enter into, and

maintain in full force and effect, Permitted Hedging on commercially reasonable terms covering volumes, periods and prices described in part B of Schedule IV. "

- (bb) Article V of the Credit Agreement is hereby amended by amending Section 5.01 by inserting at the end of that Section thereof a new clause (c) at the end of Section 5.01 as follows:

"Proceeds of Subordinated Unsecured Loan Agreement. The Borrower shall forthwith, but in any event, within five Business Days after the initial funding under the Subordinated Unsecured Loan Agreement, receive in the form of TRC Subordinated Loans or equity contributions from the Parent all of the proceeds of the Cdn\$120,000,000 received under the Subordinated Unsecured Loan Agreement net of transaction costs incurred in connection with the Subordinated Unsecured Loan Agreement transaction, such proceeds to be used by the Borrower solely as working capital and for general corporate purposes, including without limitation, for the funding of the Borrower's drilling and development program consistent with the Borrower's business plan."

- (cc) Article V of the Credit Agreement is hereby amended by replacing in full Section 5.02(d)(ii) to read as follows:

"(ii) sales, transfers or other dispositions of any assets or properties, including without limitation, the Properties, which meet all of the following conditions: (a) for no less than the fair market value of such asset at the time of such sale, transfer or other disposition; (b) the consideration for which shall be paid solely in cash, Cash Equivalents and/or securities received by the Borrower or such Subsidiary that are converted by the Borrower or such Subsidiary into cash or Cash Equivalents within 30 days following the closing of such sale, transfer or other disposition; (c) which do not in an aggregate amount exceed Cdn \$50,000,000 in any Fiscal Year; and (d) which do not in an aggregate amount exceed Cdn \$100,000,000 during the term of this Agreement; and"

- (dd) Section 5.02(f)(iv) of the Credit Agreement is amended by deleting "(i)" from the first line of that Section thereof.

- (ee) Section 5.02(g)(iii) of the Credit Agreement is hereby amended by inserting between "business" and ";" in the fourth line of that Section thereof the following:

"to a maximum aggregate amount of \$5,000,000 per fiscal quarter".

- (ff) Section 5.02(g)(v) of the Credit Agreement is hereby amended by inserting between the words "that" and "such" in the fourth line of the Section thereof the following:

"(i) prior to such a Distribution, the Borrower shall deliver to the Administrative Agent a certificate signed by any one of the president, chief financial officer, vice president finance or treasurer of the Borrower stating that the Total Leverage Ratio is equal to or less than 4:1; and (ii)"

- (gg) Section 5.02(h)(i) of the Credit Agreement is hereby amended by: (i) replacing the word "or" with ";" in the fourth line of the Section thereof and (ii) inserting before ";" in the last line of that Section thereof, the following phrase:

"(D) in favor of the Subordinated Unsecured Loan Agent and the Subordinated Unsecured Lenders for or in respect of the Obligations of the Parent and the Subsidiary Guarantors named in the Subordinated Unsecured Loan Agreement or"

(kh) Section 5.02(f) of the Credit Agreement is hereby amended by replacing the word "or" with "and" in the seventh line of that Section thereof and by inserting the words "and the Subordinated Unsecured Loan Agreement (and in each case, all" in lieu of the words "(and" in the last line of that Section thereof.

(il) Article V of the Credit Agreement is hereby amended by adding in the new clause (m) at the end of Section 5.02 as follows:

"(m) No Amendments. Amend, modify, change or waive any provision under or supplement or enter into any other agreement regarding (i) the Subordination Agreement; (ii) the Unsecured Subordination Agreement; or (iii) the Subordinated Unsecured Loan Agreement and any other Loan Documents (as defined in the Subordinated Unsecured Loan Agreement) without the prior written consent of the Agent, other than amendments, modifications or changes that are of a purely administrative nature which could not be reasonably expected to have an adverse effect on the rights, interests and remedies of the Lenders."

(ij) Article V of the Credit Agreement is hereby further amended by amending in full Section 5.03 to read as follows:

"Section 5.03. Financial Covenants. So long as any Advance or any other Obligation of any Loan Party under any Loan Document shall remain unpaid, or any Lender shall have any Commitment hereunder, the Borrower will:

(a) Leverage Ratio. Maintain at the end of each Measurement Period set forth below, that ends on or after June 30, 2008, a Leverage Ratio of less than the amount set forth below for such Measurement Period:

Measurement Period Ending	Ratio
June 30, 2008	6.00:1.0
September 30, 2008	5.75:1.0
December 31, 2008	5.50:1.0
March 31, 2009	5.25:1.0
June 30, 2009	5.00:1.0
September 30, 2009	4.50:1.0
December 31, 2009	4.25:1.0
March 31, 2010	3.75:1.0
June 30, 2010	3.50:1.0
September 30, 2010 and each quarter end thereafter	3.25:1.0

(b) Interest Coverage Ratio. Maintain for each Measurement Period set forth below, that ends on or after June 30, 2008, an Interest Coverage Ratio of greater than the amount set forth below for such Measurement Period:

Measurement Period Ending	Ratio
June 30, 2008	1.30:1.0
September 30, 2008	1.38:1.0
December 31, 2008	1.43:1.0
March 31, 2009	1.55:1.0
June 30, 2009	1.65:1.0
September 30, 2009	1.75:1.0
December 31, 2009	1.85:1.0
March 31, 2010	2.00:1.0
June 30, 2010	2.20:1.0
September 30, 2010	2.30:1.0
December 31, 2010 and each quarter end thereafter	2.50:1.0

(c) FV-10 Value to Debt Ratio. Maintain at the end of each Measurement Period set forth below, that ends on or after June 30, 2008, a FV-10 Value to Debt Ratio of greater than the amount set forth below for such Measurement Period:

Measurement Period Ending	Ratio
June 30, 2008	1.10:1.0
September 30, 2008	1.15:1.0
December 31, 2008	1.20:1.0
March 31, 2009	1.25:1.0
June 30, 2009	1.30:1.0
September 30, 2009	1.40:1.0
December 31, 2009	1.50:1.0
March 31, 2010	1.70:1.0
June 30, 2010	1.90:1.0
September 30, 2010 and each quarter end thereafter	2.00:1.0

Notwithstanding the foregoing, the Measurement Period ending June 30, 2008 set forth in subsections (a) through (c) above will not be tested until September 30, 2008, with no remedy or cure periods, such that any breach of the covenants under the Measurement

Period ending June 30, 2008 contained in subsections (a) through (c) above will constitute an immediate Event of Default, without regard to the remedy and cure periods specified in Section 7.01(c) herein."

- (kk) Section 6.01(b) of the Credit Agreement is hereby amended by: (i) inserting the phrase "J-1.1" between "J-1" and "." in the second line of the Section thereof; and (ii) inserting the phrase "J-4.1" between "J-4" and ";" in the third line of the Section thereof.
- (ll) Article VI of the Credit Agreement is hereby amended by amending in full Section 6.01(e) to read as follows:

"In addition to the Collateral Documents described in subsections (a) and (b) of this Section 6.01, subject to the terms of the Intercreditor Agreement, the Borrower shall execute and deliver, or shall cause to be executed and delivered, all such guarantees and mortgages, debentures, supplemental fixed charge debentures, pledge agreements, assignments, other security agreements or any other documentation or forms as may be required at any time and from time to time by the Administrative Agent (each in form and substance satisfactory to the Required Lenders) in order to, or to more effectively, charge in favor of the Collateral Agent or grant or register Security Interests in favor of the Collateral Agent on and against all of the undertaking, assets and property (real or personal, tangible or intangible, present or future and of whatsoever nature and kind) of the Borrower and its Material Subsidiaries as continuing collateral security for the payment and performance by the Borrower of all Obligations. For greater certainty, the Borrower and its Subsidiaries shall be obligated by this Section 6.01(e) to provide fixed and specific charges on and against all of the undertaking, assets and property (tangible or intangible, present or future of whatsoever nature and kind) of the Borrower and its Subsidiaries, including on or against the P&NG Rights and P&NG Leases of the Borrower and its Subsidiaries, in addition to any floating charge provided on or against such P&NG Rights and P&NG Leases in the jurisdiction in which such P&NG Rights and P&NG Leases are located or held."

- (mm) Article VI of the Credit Agreement is hereby amended by amending in full Section 6.02 to read as follows:

"(a) The Borrower shall, at its expense, five Business Days after receiving a copy of the notice provided to the First Lien Agent by the Administrative Agent pursuant to the Intercreditor Agreement register, file or record or submit for registration, filing or recordation, as applicable, the Collateral Documents in all offices where such registration, filing or recording is necessary or of advantage to the creation, perfection and preserving of the security applicable to it (including, with respect to real property, as a fixed and specific mortgage); provided that the Borrower shall not be obligated to register, file or record, or to submit the Collateral Documents for registration, filing or recordation, at any land registry offices (including any mines and minerals registries or any registries maintained in respect of Petroleum Substances) unless and until the Administrative Agent requests such registration in writing.

(b) In addition to the above clause, the Borrower agrees that, subject to the Intercreditor Agreement, the Agent shall be entitled to register, file or record the Collateral Documents in all applicable land registry offices (including any mines and minerals registries or any registries maintained in respect of Petroleum Substances) with respect to the properties,

leases and interests of the Borrower or any of its Subsidiaries, in its sole discretion and at its option, at any time (including, with respect to real property, as a fixed and specific mortgage). The Borrower shall be responsible to pay for all registrations, recordings and filings of the Collateral Documents at the applicable land registry offices (including mines and minerals registries or any registries maintained in respect of Petroleum Substances) and shall reimburse the Agent and its counsel for all costs, fees and disbursements incurred by the Agent or its counsel with respect to such registrations, filings or recordings of the Collateral Documents in any applicable land registry offices (including mines and minerals registries or any registries maintained in respect of Petroleum Substances) with respect to the properties, leases and interests of the Borrower or any of its Subsidiaries. In the event the Agent decides to make any registration against a freehold interest, it will consult with the Borrower in an effort to afford the Borrower an opportunity to facilitate a reduction in registration costs through the prompt provision by the Borrower of valuation information and affidavits or statutory declarations to be utilized in the registration.

(c) The Borrower shall update and maintain, on a quarterly basis, all information (including land schedules in the form attached to any fixed charge debenture and information regarding surface facilities) reasonably required to register, record or file (including, with respect to real property, as a fixed and specific mortgage) the Collateral Documents against all of the Borrower's and Material Subsidiaries' PNG Rights and PNG Leases then owned, in all applicable land registry offices (including mines and minerals registries or any registries maintained in respect of Petroleum Substances) and deliver to the Agent, together with the asset disposition report pursuant to Section 5.01(e)(viii), all such information; provided that in any event the Borrower shall update and deliver to the Agent all such information within 5 Business Days of the receipt of a written request by the Agent. The Borrower shall execute or cause to be executed any documents reasonably required to register, record or file the Collateral Documents (including, with respect to real property, as a fixed and specific mortgage) upon the request of the Agent.

(d) The Borrower shall make, amend and renew such registrations, filings and recordings from time to time as and when required to keep them in full force and effect or to preserve the priority established by any prior registration, filing or recording thereof (including, with respect to real property, as a fixed and specific mortgage)."

(m) The preamble of Section 6.03 of the Credit Agreement is hereby amended by: (i) inserting the phrase "British Columbia" between the words "Canada" and "and" in the second line of the preamble of that Section thereof; and (ii) replacing Section 6.03(d) in full to read as follows:

"(d) the Borrower and its Subsidiaries execute and deliver to the Administrative Agent, in form and substance reasonably satisfactory to the Administrative Agent, such other and further debentures, supplemental fixed charge debentures, mortgages, trust deeds, assignments, security agreements and any other documents as may be reasonably required to ensure the Collateral Agent at all times holds, subject to Permitted Encumbrances, perfected Security Interests on, to and against all of the property, assets and undertakings of the Borrower and each of its Material Subsidiaries (including, with respect to real property, fixed and specific mortgages), second in priority only to the Security Interests in favor of the lenders or the First Lien Agent under the First Lien Facility on, to and against such property, assets and undertakings of the Borrower and

each such Material Subsidiary granted by the Borrower to secure the First Lien Obligations;

(oo) Section 7.01(h) of the Credit Agreement is hereby amended by inserting between the words "in" and "Sections" in the second line of that Section thereof the phrase "Section 5.01(e)(iii), (iv), (v) or (vi) but only as Section 5.01(e)(iii), (iv), (v) or (vi) apply in respect of the financial statements, the financial instruments and the Engineering Report to be furnished for the fiscal quarter ending June 30, 2008 and in respect of the Compliance Certificate to be furnished no later than September 30, 2008 in respect of the Measurement Period ending on June 30, 2008;"

(pp) Section 7.01(k) of the Credit Agreement is hereby further amended by inserting the phrase "Parent or any of its Material Subsidiaries or the" between "the" and "Borrower" in the first line of that Section thereof.

(qq) Section 7.01(l) of the Credit Agreement is hereby further amended by inserting the phrase "Parent or any of its Material Subsidiaries or the" between "the" and "Borrower" in the third line of that Section thereof.

(rr) Section 7.01(n) of the Credit Agreement is hereby amended by adding the following phrase to the end of the last line of the Section thereof:

"provided, however, that if the Parent completes a Qualified Initial Public Offering, such a Qualified Initial Public Offering will not constitute a Change of Control;"

(ss) Section 7.01(q) of the Credit Agreement is hereby amended by: (i) adding the phrase "the Subordination Agreement" between "Intercreditor Agreement" and "any" in the third line of the Section thereof; and (ii) deleting the word "or" in the last line of the Section thereof.

(tt) Section 7.01(r) of the Credit Agreement is hereby amended by adding the word "or" at the end of the last line of that Section.

(uu) Section 7.01 of the Credit Agreement is hereby further amended by inserting at the end of that Section thereof a new clause (s) to read as follows:

"Subordinated Unsecured Facility: (i) the Subordinated Unsecured Facility shall cease to be subject to the Subordination Agreement or (ii) any Subordinated Unsecured Lender fails to observe or perform any covenant or obligation in the Subordination Agreement required on its part to be observed or performed;"

(vv) Article VII of the Credit Agreement is hereby further amended by amending in full the section immediately following Section 7.01(a) to read as follows:

"then, and in any such event, the Administrative Agent at the request, or may with the consent, of the Required Lenders, by notice to the Borrower, (i) declare the Commitments of each Lender Party and the obligation of each Lender Party to make Advances to be terminated, whereupon the same shall forthwith terminate and (ii) shall at the request, or may with the consent, of the Required Lenders, by notice to the Borrower, declare the Advances, all interest thereon and all other amounts payable under this Agreement

(including an amount equal to the premium that is payable pursuant to Section 2.04 calculated as if the Borrower has given notice of a voluntary prepayment of all such Advances on the date of the Agent's notice) and the other Loan Documents to be forthwith due and payable, whereupon the Advances, all such interest and all such amounts shall become and be forthwith due and payable, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower; *provided, however*, that in the event of an actual or deemed entry of an order for relief with respect to the Borrower under any Bankruptcy Law the Advances, all such interest and all such amounts (including an amount equal to the premium that is payable pursuant to Section 2.04 calculated as if the Borrower has given notice of a voluntary prepayment of all such Advances on the date of the Agent's notice) shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by the Borrower. For the avoidance of doubt, if an Event of Default occurs, then, upon acceleration of the Advances, a premium equivalent to the prepayment premium that would be payable by the Borrower pursuant to Section 2.04 hereof upon the date of such prepayment shall also become and be immediately due and payable, anything in this Agreement to the contrary notwithstanding."

- (ww) Article VIII of the Credit Agreement is amended to add a new paragraph to the end of Section 8.01 thereof, the following new paragraph:
- "(d) The Required Lenders shall be entitled to authorize and direct the Agent to issue a Purchase Notice (as defined in the Intercreditor Agreement) to exercise the Purchase Option (as defined in the Intercreditor Agreement), at any time and the Agent shall as directed by the Required Lenders specify the purchasers of the First Lien Loan Documents and related documents and rights, such purchasers may be Lenders or Required Lenders but are not required to be Lenders or Required Lenders. No Lender has any recourse against the purchasers, the Agent, the Lenders or the Required Lenders as a result of not having been provided with the opportunity to be included as a purchaser."
- (xx) The Credit Agreement is further amended by adding in full the new Exhibit J-1.1 and the new Exhibit J-4.1 thereto.
- (yy) Schedule IV to the Credit Agreement is amended by amending Schedule IV in full to read as Schedule IV attached hereto.

SECTION 2. Waivers. Subject to the satisfaction of the conditions precedent set forth in Section 3, the Required Lenders hereby waive any Default or Event of Default that has arisen from the Borrower's failure to comply with (a) Section 5.02(k) of the Credit Agreement with respect to the execution, delivery or performance from time to time of the Subordinated Unsecured Loan Agreement and related documents (including the issuance of warrants related thereto) and the consummation of the transactions contemplated thereby, (b) Section 5.03 of the Credit Agreement with respect to any Measurement Period ended on or prior to this date hereof and (c) Section 7.01(n) of the Credit Agreement with respect to any Change of Control on or prior to the Amendment No. 3 Effective Date or arising out of the issuance of the warrants issued pursuant to the Subordinated Unsecured Loan Documents and Amendment No. 1 to the Unsecured Credit Agreement or the exercise of such warrants by the original recipients thereof, in each case including without limitation warrants issued in connection with the Syndication (as such term is defined in the Subordinated Unsecured Loan Agreement in effect as of the date hereof).

SECTION 3. Conditions of Effectiveness. This Amendment shall become effective on the date when, and only when, the Agent shall have received: (a) counterparts of this Amendment executed by the Borrower and the Required Lenders; (b) the Collateral Document duly executed and authorized in the form of Exhibit J-1.1 executed by the Borrower; (c) the Collateral Document duly executed and authorized in the form of Exhibit J-4.1 executed by each Material Subsidiary that owns PN&G Leases and PN&G Rights (such Collateral Documents collectively with the Collateral Document listed in (b), the "Fixed Charge Debentures"); (d) evidence reasonably satisfactory to the Agent that the Fixed Charge Debentures have been registered, filed or recorded in the applicable land registry offices in British Columbia against the properties, leases or land interests specified by the Agent and that financing statements have been registered, recorded or filed in the applicable personal property registry systems in British Columbia against the Material Subsidiaries in favour of the Lenders; (e) the consent attached hereto (the "Consent") executed by each Subsidiary Guarantor; and (f) evidence that all of the following conditions have been satisfied:

- I. The Agent shall have received on or before the Amendment No. 3 Effective Date the following, each dated such day (unless otherwise specified), in form and substance reasonably satisfactory to the Agent (unless otherwise specified) in sufficient copies for each Lender:
 - (i) an amendment to the Intercreditor Agreement in substantially the form of Exhibit "F" hereto (the "Fourth Amendment to the Intercreditor Agreement"), duly executed by each of the parties thereto;
 - (ii) an amendment to the First Lien Credit Agreement, consenting to the terms of this Amendment No. 3 to the Credit Agreement and consenting to the other documents and agreements to be delivered in connection with such amendment, duly executed by the Majority of Lenders (as defined in the First Lien Credit Agreement);
 - (iii) an amendment to the Unsecured Credit Agreement, consenting to among other terms, the terms of the Second Lien Additional Financial Support (as defined in Section 1(a) above), duly executed by the Required Lenders (as defined in the Unsecured Credit Agreement);
 - (iv) a certified copy of the Subordinated Unsecured Loan Agreement, which shall include terms consenting to the terms of the Second Lien Additional Financial Support, duly executed by each of the parties thereto, together with all agreements, instruments and other documents delivered in connection therewith as the Agent shall request (including the Unsecured Subordination Agreement);
 - (v) a copy of the Subordination Agreement in substantially the form of Exhibit "C" hereto, duly executed by each of the parties thereto;
 - (vi) a copy of the amendment to the TRC Subordination Agreement;
 - (vii) the Stockholders Agreement duly executed by each of the parties thereto;
 - (viii) an amendment to the Certificates of Designation with respect to the Preferred Stock, which shall include terms consenting to the terms of the Second Lien Additional Financial Support;

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- (ix) a copy of the Parent's amended Certificate of Incorporation demonstrating an increase in the number of authorized shares of capital stock to 2,490,000,000 shares of common stock;
 - (x) a confirmation of guarantee and security from the Borrower and each Subsidiary Guarantor, in form and substance satisfactory to the Agent, acting reasonably;
 - (xi) evidence reasonably satisfactory to the Agent that the funding of Cdn \$120,000,000 to be provided to the Parent by the Subordinated Unsecured Lenders under the Subordinated Unsecured Loan Agreement has been received by the Parent;
 - (xii) a favourable opinion of Blake, Cassels & Graydon, Canadian counsel to the Borrower and its Subsidiaries with respect to the due execution, authorization and delivery of the Fixed Charge Debentures, the Consent executed by each of the Material Subsidiaries, the Confirmation of Security executed by the Borrower and the Confirmation of Security and Guarantee executed by each of the Material Subsidiaries;
 - (xiii) a favourable opinion of MacLeod Dixon LLP, Alberta counsel to the Agent;
 - (xiv) a favourable opinion of Goodmans LLP, British Columbia counsel to the Agent; and
 - (xv) such other approvals, documents, certificates and opinions relating to the Borrower as the Agent may reasonably request.
2. The Borrower shall have paid: (i) all reasonable and accrued fees and expenses of the Agent and counsel to the Agent (including all local counsel to the Agent); and (ii) all reasonable and accrued fees and expenses of the counsel representing a majority of the Lenders, in each case, to the date of closing.

3. Other than as set forth on Schedule III to this Amendment No. 3, no Default has occurred or is continuing, or would result from the execution of this Amendment No. 3 to the Credit Agreement, and the other documents and agreements contemplated to be executed under this Section (it being understood that the Lenders have not waived any default or events of default with regard to such items except as explicitly set forth in Section 2).

This Amendment is subject to the provisions of Section 10.01 of the Credit Agreement.

SECTION 4. Representations and Warranties of the Borrower. The Borrower represents and warrants as follows:

- (a) The Borrower and each of its Subsidiaries is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or is a partnership or trust validly existing under the laws of the Province of Alberta.

- (b) The Borrower and each of its Subsidiaries has taken all necessary corporate, partnership and other action (as applicable) of its directors, shareholders, partners, trustees and other Persons (as applicable) to authorize the execution, delivery and performance of this Amendment, the Loan Documents, the Consent, the Confirmation of Security and the Confirmation of Guarantee and Security, as modified hereby, to which it is a party and to observe and perform the provisions thereof in accordance with the terms therein contained.
- (c) None of the authorization, execution or delivery of this Amendment, the Loan Documents, the Consent, the Confirmation of Security and the Confirmation of Guarantee and Security, as modified hereby, or performance of any obligation pursuant thereto requires or will require, pursuant to applicable law now in effect, any approval or consent of any Governmental Authority having jurisdiction (except such as has already been obtained and are in full force and effect) nor is in conflict with or contravention of (i) the Borrower's or any Subsidiary's articles, by-laws or other constituting documents or any resolutions of directors or shareholders or the provisions of its partnership agreement or declaration of trust or trust indenture (as applicable) or (ii) the provisions of any other indenture, instrument, undertaking or other agreement to which the Borrower or any of its Subsidiaries is a party or by which they or their properties or assets are bound, the contravention of which would have or would reasonably be expected to have a Material Adverse Effect.
- (d) This Amendment, the Loan Documents, the Consent, the Confirmation of Security and the Confirmation of Guarantee and Security have been duly executed and delivered by the Borrower and each Guarantor. This Amendment, the Loan Documents, the Consent, the Confirmation of Security and the Confirmation of Guarantee and Security, as amended hereby, to which any Loan Party is a party are legal, valid and binding obligations of such Loan Party, enforceable against such Loan Party in accordance with their respective terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.
- (e) Each of the representations and warranties made by the Loan Parties in the Loan Documents are true and correct in all material respects on and as of the Amendment No. 3 Effective Date as if made on and as of such date (except that any representation or warranty which by its terms is made as of an earlier date shall be true and correct in all material respects as of such earlier date) other than as set forth on Schedule III (it being understood that the Lenders have not waived any default or events of default with regard to such items except as explicitly set forth in Section 2); and
- (f) All of the TRC Subordinated Unsecured Loan Documents in effect as of the Amendment No. 3 Effective Date are set forth on Exhibit B as attached hereto.

SECTION 5. Reference to and Effect on the Credit Agreement. (a) On and after the effectiveness of this Amendment, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in each of the other Loan Documents to "the Credit Agreement", "thereunder", "thereof" or words of like

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import referring to the Credit Agreement thereto, shall mean and be a reference to the Credit Agreement, as amended by this Amendment.

(b) The Credit Agreement, as specifically amended by this Amendment, is and shall continue to be in full force and effect and is hereby in all respects ratified and confirmed. Without limiting the generality of the foregoing, the Collateral Documents and all of the Collateral described therein do and shall continue to secure the payment of all Obligations of the Loan Parties under the Loan Documents, in each case as amended by this Amendment.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

SECTION 6. Costs, Expenses. The Borrower agrees to pay on demand within 15 days of written demand all reasonable and documented costs and expenses of the Agent (including counsel to the Agent and all local counsel to the Agent) and counsel representing the majority of the Lenders in connection with the preparation, execution, delivery and administration, modification and amendment of this Amendment and the other instruments and documents to be delivered hereunder.

SECTION 7. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier or other electronic delivery (e.g. "PDF") shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 8. The amendments to the Credit Agreement effected pursuant to this Amendment shall be governed by, and construed in accordance with, the laws of the Province of Alberta and the remainder of this Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

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AUG-16-2007 09:48 PM SUSAN & STEVE

416 229 4888

P.02

EXHIBITION COPY

CREDIT SUISSE, TORONTO BRANCH,
as Agent

By

Title

Alexis Desautels
Partner

By

Title

Steve H. King
Vice-President

NO. 2767 P. 2

CREDIT SUISSE FIRST BOSTON

AUG. 16, 2007 8:45PM

AUG-17-2007 09:25 From:

To: Goldman Sachs Co P.1/1

EXECUTION COPY

LENDERS

Special Situations Investing Group, Inc.
(Please print or type name of institution)

By [Signature]
Title: Authorized Signatory

LENDERS

**Farallon Capital Partners, L.P.
Farallon Capital Institutional Partners, L.P.
Farallon Capital Institutional Partners II, L.P.
Farallon Capital Institutional Partners III, L.P.
Tinicum Partners, L.P.
Farallon Capital Offshore Investors II, L.P.**

By: Farallon Partners, L.L.C., its General Partner

By: 

Rajiv Patel, Managing Member

Farallon Capital Offshore Investors, Inc.

**By: Farallon Capital Management, L.L.C., its Manager
and Attorney-in-Fact**

By: 

Rajiv Patel, Managing Member



AMENDMENT NO. 4 TO THE
CREDIT AGREEMENT

Dated as of February 29, 2008

AMENDMENT NO. 4 TO THE CREDIT AGREEMENT (this "Amendment") among TRIDENT EXPLORATION CORP., a Nova Scotia unlimited liability company (the "Borrower"), the Subsidiary Guarantors, the banks, financial institutions and other institutional lenders parties to the Credit Agreement referred to below (collectively, the "Lenders") and CREDIT SUISSE, TORONTO BRANCH, as administrative agent and collateral agent for the Lenders.

PRELIMINARY STATEMENTS:

(1) The Borrower, the Subsidiary Guarantors, the Lenders and the Agents have entered into an Amended and Restated Credit Agreement dated as of April 25, 2006 (as amended by the Amendment No. 1 thereto dated as of October 12, 2006, the Amendment No. 2 thereto dated as of April 12, 2007, and the Amendment No. 3 thereto dated as of August 20, 2007, the "Credit Agreement"). Capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Credit Agreement, as amended by this Amendment.

(2) In connection with a proposed sale by Fort Energy Corp., a Subsidiary Guarantor ("Fort"), of all of its right, title and interest in the assets described in Appendix A hereto (including legal title to any such assets as may be held by any Subsidiary of the Borrower), to Brigantine Energy Inc. ("Brigantine"), pursuant to an asset exchange agreement dated December 12, 2007 between Fort and Brigantine, in consideration of the payment by Brigantine to Fort of the amount of CDN\$394,240 and the transfer by Brigantine to Fort of all of its right, title and interest in the assets described in Appendix B hereto (the "Fort Asset Exchange"), which sale of assets is conditional upon the sale by Fort to Brigantine of all its right, title and interest in the assets described in Appendix C hereto (including legal title to any such assets as may be held by any Subsidiary of the Borrower) in consideration of the payment by Brigantine to Fort of the amount of CDN\$1,000,000, the Borrower has requested that the Lenders agree to amend certain provisions of the Credit Agreement as hereinafter set forth.

(3) The Required Lenders are, on the terms and conditions stated below, willing to grant the request of the Borrower, and the Borrower, the Agents and the Required Lenders have agreed to amend the Credit Agreement as hereinafter set forth.

Section 1. Amendment to Section 1.01 of the Credit Agreement.

(a) Section 1.01 of the Credit Agreement is hereby amended by adding the following definitions in alphabetical order:

"Amendment No. 4" means the Amendment No. 4 dated as of February 29, 2008 to this Agreement, among the Borrower, the Subsidiary Guarantors, the Agents and the Required Lenders party thereto.

"Fort Asset Exchange" has the meaning attributed to it in the Preliminary Statements to Amendment No. 4.

(b) The definition of "Debt" in Section 1.01 of the Credit Agreement is hereby amended by (i) deleting "and" at the end of clause (h) thereof and inserting "and" after clause (i) thereof that immediately follows such clause (h) immediately before the list of exclusions, and (ii) deleting "Obligations" in clause (i) that is immediately before the proviso at the end of the definition and replacing it with the word "obligations".

(c) The definition of "Permitted Disposition" in Section 1.01 of the Credit Agreement is hereby amended by (i) deleting "and" immediately after clause (e) thereof, (ii) replacing the period at the end of clause (f) thereof with "; and" and (iii) adding at the end thereof a new clause (g) to read "(g) any sale, lease, transfer or other disposal of, and any granting of any option or other right to purchase, lease or otherwise acquire, any assets pursuant to the Fort Asset Exchange."

(d) The definition of "Petroleum Substances" in Section 1.01 of the Credit Agreement is hereby deleted and replaced with the following:

"Petroleum Substances" means any one or more of crude oil, crude bitumen, synthetic crude oil, petroleum, natural gas, natural gas liquids, coal bed methane, related hydrocarbons and any and all other substances, whether liquid, solid or gaseous, whether hydrocarbons or not, produced or producible in association with any of the foregoing, including hydrogen sulphide and sulphur."

(e) Section 5.01(e)(viii) is hereby amended by deleting the "and" at the end of such section.

(f) Section 5.01(e)(ix) is hereby amended by deleting the "." at the end of such section and replacing it with "; and".

(g) Section 5.02 (f)(iii) is hereby amended by replacing the "." at the end of such section and replacing it with ";".

(h) Section 5.02 (f)(iv) is hereby amended by replacing the "." at the end of such section and replacing it with ";".

(i) Section 5.02(h)(i)(B) is hereby deleted and replaced with the following:

"(B) in favor of the First Lien Agent, the lenders party to the First Lien Credit Agreement and the Hedging Affiliates (as defined in the First Lien Credit Agreement in effect as of the date of Amendment No. 1), for or in respect of the First Lien Obligations or Lender Financial Instrument Obligations (as defined in the First Lien Credit Agreement in effect as of the date of Amendment No. 1)."

(j) Section 10.12 is hereby amended by inserting "(a)" at the beginning of the first paragraph thereof.

Section 2. Consent

The Lenders hereby consent to the amendment of the Subordinated Unsecured Loan Agreement substantially in the form of Exhibit C hereto and to the release of the assets described in Appendices A and C hereto from the Security Interest granted under the Security and the First Lien Loan Documentation.

Section 3. Conditions of Effectiveness.

This Amendment shall become effective as of the date hereof when, and only when, the Administrative Agent shall have received:

- (a) executed copies of counterparts of this Amendment, duly executed and delivered by a duly authorized officer of the Borrower and the Subsidiary Guarantors;
- (b) a confirmation of security from the Borrower (the "Confirmation of Security") and a confirmation of guarantee and security from each Subsidiary Guarantor (each, a "Confirmation of Guarantee and Security") in form and substance satisfactory to the Agent, acting reasonably;
- (c) executed copies of a Lender consent letter (the "*Lender Consent Letter*"), substantially in the form of Exhibit A hereto, duly executed and delivered by the Required Lenders, or, as to any of the Required Lenders, advice satisfactory to the Administrative Agent that such Lender has executed this Amendment;
- (d) the Parent, each other loan party to the Unsecured Credit Agreement and the requisite lenders thereto, shall have entered into the amendment to the Unsecured Credit Agreement, substantially in the form of Exhibit B hereto, and the Administrative Agent shall have received evidence that such amendment is in full force and effect;
- (e) the Parent, each other loan party to the Subordinated Unsecured Loan Agreement and the requisite lenders thereto, shall have entered into the amendment to the Subordinated Unsecured Loan Agreement, substantially in the form of Exhibit C hereto, and the Administrative Agent shall have received evidence that such amendment is in full force and effect; and
- (f) evidence that all reasonable fees and expenses of the Administrative Agent (including the invoiced fees and expenses of counsel for the Administrative Agent) shall have been paid.

Section 4. Representations and Warranties.

The Borrower represents and warrants as follows:

- (a) The Borrower and each of its Subsidiaries is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or is a partnership or trust validly existing under the laws of the Province of Alberta.
- (b) The Borrower and each of its Subsidiaries has taken all necessary corporate, partnership and other action (as applicable) of its directors, shareholders, partners, trustees and other Persons (as applicable) to authorize the execution, delivery and performance of this Amendment, the Loan Documents, the Confirmation of Security and the Confirmations of Guarantee and Security, as modified hereby, to which it is a party and to observe and perform the provisions thereof in accordance with the terms therein contained.
- (c) None of the authorization, execution or delivery of this Amendment, the Loan Documents, the Confirmation of Security and the Confirmations of Guarantee and Security as modified hereby, or performance of any obligation pursuant thereto requires or will require, pursuant to applicable law now in effect, any approval or consent of any Governmental Authority having jurisdiction (except such as has already been obtained and are in full force and effect) nor is in conflict with or contravention of (i) the Borrower's or any Subsidiary's articles, by-laws or other constating documents or any

resolutions of directors or shareholders or the provisions of its partnership agreement or declaration of trust or trust indenture (as applicable) or (ii) the provisions of any other indenture, instrument, undertaking or other agreement to which the Borrower or any of its Subsidiaries is a party or by which they or their properties or assets are bound, the contravention of which would have or would reasonably be expected to have a Material Adverse Effect.

(d) Each of this Amendment, the Confirmation of Security and the Confirmations of Guarantee and Security has been duly executed and delivered by the Borrower and each Guarantor. This Amendment, the other Loan Documents and the Confirmation of Security and the Confirmation of Guarantee and Security as amended hereby, to which any Loan Party is a party are legal, valid and binding obligations of such Loan Party, enforceable against such Loan Party in accordance with their respective terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court.

(e) Other than as set forth on Schedule I hereto, in the waiver granted by the Administrative Agent on behalf of the Required Lenders to the Borrower dated February 29, 2008, or in the related waivers described therein, no Default or Event of Default has occurred and is continuing or upon this Amendment becoming effective would occur as a result of the Fort Asset Exchange.

(f) Each of the representations and warranties made by the Loan Parties in the Loan Documents are true and correct in all material respects on and as of the date hereof as if made on and as of such date (except that any representation or warranty which by its terms is made as of an earlier date shall be true and correct in all material respects as of such earlier date) other than as set forth Schedule I hereto, in the waiver granted by the Required Lenders to the Borrower dated February 29, 2008, or in the related waivers described therein (it being understood that the Lenders have not waived any default or events of default with regard to such items except as explicitly set forth in the waiver granted by the Required Lenders to the Borrower dated February 29, 2008).

Section 5. Reference to and Effect on the Credit Agreement.

(a) On and after the effectiveness of this Amendment, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in each of the other Loan Documents to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement, as amended by this Amendment.

(b) The Credit Agreement, as specifically amended by this Amendment, and all other Loan Documents, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed. Without limiting the generality of the foregoing, the Collateral Documents and all of the Collateral described therein do and shall continue to secure the payment of all Obligations of the Loan Parties under the Loan Documents, as amended by this Amendment.

(c) This Amendment is not a novation. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

(d) Each Subsidiary Guarantor acknowledges and agrees that although it has been informed of the matters set forth herein and has acknowledged and agreed to same, it understands that the Administrative Agent and the Required Lenders have no obligations to inform it of such matters in the

future or to seek its acknowledgement to any further amendments or any waivers, and nothing herein shall create such a duty.

Section 6. Costs, Expenses.

The Borrower agrees to pay on demand within 15 days of written demand all reasonable and documented costs and expenses of the Administrative Agent (including counsel to the Administrative Agent and counsel representing the Required Lenders) in connection with the preparation, execution, delivery and administration, modification and amendment of this Amendment and the other instruments and documents to be delivered hereunder.

Section 7. No Course of Dealing

The Required Lenders have entered into this Amendment on the express understanding with the Borrower that in entering into this Amendment the Required Lenders are not establishing any course of dealing with the Borrower. The Agents' and the Lenders' rights to require strict performance with all the terms and conditions of the Credit Agreement as amended by this Amendment and the other Loan Documents shall not in any way be impaired by the execution of this Amendment. Neither the Agents nor any Lender shall be obligated in any manner to execute any further amendments or waivers, and if any such further amendments or waivers are requested in the future, assuming the terms and conditions thereof are acceptable to them, the Agents and the Lenders may require the payment of fees in connection therewith.

Section 8. Execution in Counterparts.

This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier or electronic transmission shall be effective as delivery of a manually executed counterpart of this Amendment.

Section 9. Governing Law.

This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York without giving effect to conflicts of law principles.

Section 10. Miscellaneous.

The execution and delivery of the Lender Consent Letter by any Lender shall be binding upon each of its successors and assigns (including assignees of Loans in whole or in part prior to effectiveness hereof).

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective proper and duly authorized officers as of the day and year first above written.

TRIDENT EXPLORATION CORP., as Borrower

By: T. A. Dillabough
Name: Todd A. Dillabough
Title: President & CEO

CREDIT SUISSE, TORONTO BRANCH,
as Administrative Agent, and Collateral Agent

By: _____
Name: _____
Title: _____

GUARANTORS:

FORT ENERGY CORP.

By: T. A. Dillabough
Name: Todd A. Dillabough
Title: President & CEO

FENERGY CORP.

By: T. A. Dillabough
Name: Todd A. Dillabough
Title: President & CEO

981384 ALBERTA LTD.

By: T. A. Dillabough
Name: Todd A. Dillabough
Title: President & CEO

981405 ALBERTA LTD.

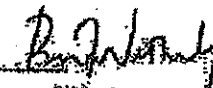
By: T. A. Dillabough
Name: Todd A. Dillabough
Title: President & CEO

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective proper and duly authorized officers, as of the day and year first above written.

TRIDENT EXPLORATION CORP., as Borrower

By: _____
Name:
Title:

CREDIT SUISSE, TORONTO BRANCH,
as Administrative Agent, and Collateral Agent

By:  
Name: Aldo De Luca Bruce F. Welton
Title: Director Director
CREDIT SUISSE, TORONTO BRANCH

GUARANTORS:

FORT ENERGY CORP.

By: _____
Name:
Title:

FENERGY CORP.

By: _____
Name:
Title:

081384 ALBERTA LTD.

By: _____
Name:
Title:

081405 ALBERTA LTD.

By: _____
Name:
Title:



AMENDMENT NO. 5 TO THE
CREDIT AGREEMENT

Dated as of December 31, 2008

AMENDMENT NO. 5 TO THE CREDIT AGREEMENT ("*this Amendment*") among TRIDENT EXPLORATION CORP., a Nova Scotia unlimited liability company (the "*Borrower*"), the banks, financial institutions and other institutional lenders parties to the Credit Agreement referred to below (collectively, the "*Lenders*") and CREDIT SUISSE, TORONTO BRANCH, as administrative agent and collateral agent (the "*Agent*") for the Lenders.

PRELIMINARY STATEMENTS:

- (1) The Borrower, the Guarantors, the Lenders and the Agent have entered into an Amended and Restated Credit Agreement dated as of April 25, 2006 (the "*Original Credit Agreement*"), as amended by Amendment No. 1 to the Credit Agreement dated as of October 12, 2006 (the "*Amendment No. 1*"), as amended by Amendment No. 2 to the Credit Agreement dated as of April 12, 2007 (the "*Amendment No. 2*"), as amended by Amendment and Waiver No. 3 to the Credit Agreement dated as of August 20, 2007 (the "*Amendment No. 3*") and as amended by Amendment No. 4 to the Credit Agreement dated as of February 29, 2008 (the "*Amendment No. 4*") (the Original Credit Agreement, as so amended and as otherwise heretofore amended or modified, the "*Credit Agreement*"). Capitalized terms not otherwise defined in this Amendment have the same meanings as specified in the Credit Agreement, as amended by this Amendment.
- (2) The Borrower has requested certain amendments to the Credit Agreement in relation to Permitted Hedging as hereinafter set forth, including amending Schedule IV of the Credit Agreement.
- (3) Subject to the terms and conditions stated below, the Required Lenders are willing to grant the requests made and the Required Lenders, the Agent and the Borrower have agreed to amend the Credit Agreement as hereinafter set forth.

SECTION 1. Amendments to Credit Agreement

Subject to the satisfaction of the conditions of effectiveness set forth in Section 2, the Credit Agreement is hereby amended as follows:

- (a) Section 1.01 of the Credit Agreement is amended to add the following definitions in the appropriate alphabetical position:

"*Amendment No. 5*" means Amendment No. 5 to the Credit Agreement, dated as of December 31, 2008, among the Borrower, the Lenders party thereto and the Agent.

"*Amendment No. 5 Effective Date*" means December 31, 2008.

- (b) Section 1.01 of the Credit Agreement is hereby further amended by amending and restating the definition of "*Permitted Hedging*" as follows:

"Permitted Hedging" means Financial Instruments which are entered into in the ordinary course of business and for hedging purposes and not for speculative purposes (determined, where relevant, by reference to GAAP); provided that at all times: (a) the aggregate monthly production covered by all such contracts (determined, in the case of contracts that are not settled on a monthly basis, by a monthly proration acceptable to the Administrative Agent) for any single month is not (i) less than the sum of (x) the required volumes under Amendment No. 1, (y) the minimum required additional volumes under Amendment No. 2, (z) the minimum required additional volumes under Amendment No. 3, and (z.1) the minimum required additional volumes under Annex A to Schedule IV, and (ii) is not greater than the sum of (x) the required volumes under Amendment No. 1, (y) the maximum additional allowed volumes under Amendment No. 2, (z) the maximum allowed additional volumes under Amendment No. 3, and (z.1) the maximum allowed additional volumes under Annex A to Schedule IV, applicable for such month on Schedule IV and such contracts meet the requirements of Schedule IV with respect to pricing, (b) no such contract requires any Loan Party to put up money, assets or other security (excluding unsecured letters of credit and letters of credit issued under the First Lien Facility and to the extent expressly permitted under this Agreement, Collateral under the Collateral Documents or collateral under the First Lien Documents) against the event of its nonperformance prior to actual default by such Loan Party in performing its obligations thereunder and (c) each such contract is with a counterparty or has a guarantor of the obligation of the counterparty who at the time the contract is made is rated at least A- by S & P or A3 by Moody's but shall not include Prohibited Secured Hedging.

- (c) Section 5.01(e)(x) of the Credit Agreement is amended by amending and restating Section 5.01(e)(x) in full to read as follows:

"(x) Permitted Hedging Reporting: Notwithstanding any footnotes within Schedule IV, until the earlier of January 30, 2009 or the date upon which the minimum required additional volumes under Annex A are met, the Borrower shall provide weekly reports to the Administrative Agent by the end of the first Business Day following the week in respect of which the weekly report is to be made reflecting the Borrower's executed transactions (including transaction pricing) in furtherance of the Borrower's compliance with Schedule IV, such reports to be in form and substance acceptable to the Administrative Agent."

- (d) Section 5.01(v) of the Credit Agreement is amended by amending and restating Section 5.01(v) in full to read as follows:

"(v) Permitted Hedging. The Borrower shall on or prior to November 10, 2006 enter into, and thereafter maintain in full force and effect, Permitted Hedging covering volumes, periods and prices described in the section of Part A of Schedule IV titled "Required Under Amendment No. 1". The Borrower shall on or prior to April 30, 2007, enter into, and thereafter maintain in full force and effect, Permitted Hedging covering the periods ending May 31, 2007 and June 30, 2007 and applicable volumes and applicable prices for such periods described in the section of part A of Schedule IV titled "Required Under Amendment No. 2". The Borrower shall on or prior to June 30, 2007 enter into, and thereafter maintain in full force and effect, Permitted Hedging covering periods from and after July 31, 2007 and applicable volumes and applicable prices for such periods described in Part A of Schedule IV titled "Required Under Amendment No. 2". The Borrower shall on or prior to October 15, 2007 enter into, and thereafter maintain in full

force and effect, Permitted Hedging covering volumes, periods and prices described in the section of Part A of Schedule IV titled "Required Under Amendment No. 3". The Borrower shall, as soon as practicable, but in no event no later than January 30, 2009, or such later date as agreed to by the Required Lenders at their sole discretion, enter into, and thereafter maintain in full force and effect, Permitted Hedging covering volumes, periods and prices described in Annex A to Schedule IV titled "Required Under Amendment No. 5". In addition, the Borrower shall use commercially best efforts to enter into, and maintain in full force and effect, Permitted Hedging on commercially reasonable terms covering volumes, periods and prices described in Part B of Schedule IV.

- (e) Schedule IV attached to the Credit Agreement is amended by annexing to such schedule the Annex A annexed hereto, such that Annex A becomes a part thereof.

SECTION 2. Conditions of Effectiveness. This Amendment shall become effective on the date when, and only when, the Agent shall have received: (a) executed copies of a Lender consent letter, substantially in the form of Annex B hereto, duly executed and delivered by the Required Lenders, or, as to any of the Required Lenders, advice satisfactory to the Agent that such Lender has executed this Amendment; (b) counterparts of this Amendment executed by the Borrower and the Agent; (c) the consent attached hereto (the "Consent") executed by each Subsidiary Guarantor; (d) counterparts of the waiver and acknowledgement required under Section 10.1(s)(ii) of the First Lien Credit Agreement executed by the Borrower, the Lenders and the Hedging Affiliates (as such parties are defined in the First Lien Credit Agreement); and (e) the Borrower shall have paid: (i) all reasonable and accrued fees and expenses of the Agent and counsel to the Agent (including all local counsel to the Agent); and (ii) all previously invoiced fees and expenses of counsel representing the Required Lenders submitted by the Required Lenders to the Borrower for payment.

This Amendment is subject to the provisions of Section 10.01 of the Credit Agreement.

SECTION 3. Representations and Warranties of the Borrower. The Borrower represents and warrants as follows:

- (a) The Borrower and each of its Subsidiaries is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or is a partnership or trust validly existing under the laws of the Province of Nova Scotia and Alberta, as applicable.
- (b) The Borrower and each of its Subsidiaries has taken all necessary corporate, partnership and other action (as applicable) of its directors, shareholders, partners, trustees and other Persons (as applicable) to authorize the execution, delivery and performance of this Amendment, to which it is a party and to observe and perform the provisions thereof in accordance with the terms therein contained.
- (c) None of the authorization, execution or delivery of this Amendment, or performance of any obligation pursuant thereto requires or will require, pursuant to applicable law now in effect, any approval or consent of any Governmental Authority having jurisdiction (except such as has already been obtained and are in full force and effect) nor is in conflict with or contravention of (i) the Borrower's or any Subsidiary's articles, by-laws or other constating documents

or any resolutions of directors or shareholders or the provisions of its partnership agreement or declaration of trust or trust indenture (as applicable) or (ii) the provisions of any other indenture, instrument, undertaking or other agreement to which the Borrower or any of its Subsidiaries is a party or by which they or their properties or assets are bound, the contravention of which would have or would reasonably be expected to have a Material Adverse Effect.

- (d) This Amendment has been duly executed and delivered by the Borrower and each Guarantor. This Amendment, to which any Loan Party is a party, is a legal, valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with their respective terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to the fact that equitable remedies are only available in the discretion of the court;
- (e) That no Default or Event of Default has occurred or is continuing or will occur by virtue of entering into this Amendment and complying with its terms under any of the Loan Documents, the First Lien Credit Agreement, the Unsecured Credit Agreement or the Subordinated Unsecured Loan Agreement;
- (f) The Borrower agrees to use commercially reasonable efforts to propose to the Agent and the Required Lenders, by January 31, 2009, an amendment to Schedule IV to the Second Lien Credit Agreement in respect of Permitted Hedging and a mechanism for updating and modifying Schedule IV; and
- (g) Each of the representations and warranties made by the Loan Parties in the Loan Documents are true and correct in all material respects on and as of the date of this Amendment and the Amendment No. 5 Effective Date as if made on and as of such date.

SECTION 4. Reference to and Effect on the Credit Agreement. (a) On and after the effectiveness of this Amendment, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, and each reference in each of the other Loan Documents to "the Credit Agreement", "thereunder", "thereof" or words of like import referring to the Credit Agreement thereto, shall mean and be a reference to the Credit Agreement, as amended by this Amendment.

(b) The Credit Agreement, as specifically amended by this Amendment, is and shall continue to be in full force and effect and is hereby in all respects ratified and confirmed. Without limiting the generality of the foregoing, the Collateral Documents and all of the Collateral described therein do and shall continue to secure the payment of all Obligations of the Loan Parties under the Loan Documents, as amended by this Amendment.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of any Lender or the Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

SECTION 5. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier or

other electronic delivery (e.g. "PDF") shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 6. Costs, Expenses. The Borrower agrees to pay on demand within 15 days written demand all reasonable and documented costs and expenses of the Agent (including counsel to the Agent) and counsel representing the Required Lenders in connection with the preparation, execution, delivery and administration, modification and amendment of this Amendment and the other instruments and documents to be delivered hereunder.

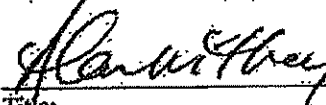
SECTION 7. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

TRIDENT EXPLORATION CORP.

By



Title:

Alan Withey
Chief Financial Officer

CREDIT SUISSE, TORONTO BRANCH,
as Agent

By

Title:

By

DEC. 31. 2008 2:00PM
DEC. 31. 2008 1:02PM

NO. 2455 P. 1
NO. 2424 P. 4

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

TRIDENT EXPLORATION CORP.

By _____
Title:

CREDIT SUISSE, TORONTO BRANCH,
as Agent

By *[Signature]*
Title: Alain Dackst
Director

By *[Signature]*
Title:

Bruce F. Wetherly
Director,
CREDIT SUISSE, TORONTO BRANCH

03022008 EAST 010224



CONSENT

Dated as of December 31, 2008.

Each of the undersigned, as Guarantor under the Subsidiary Guaranty ("the Guaranty") referred to in the Credit Agreement dated as of April 25, 2006, as amended by Amendment No. 1 to the Credit Agreement dated as of October 12, 2006, as further amended by Amendment No. 2 to the Credit Agreement dated as of April 12, 2007, as amended by Amendment and Waiver No. 3 to the Credit Agreement dated as of August 20, 2007 and as amended by Amendment No. 4 to the Credit Agreement dated as of February 29, 2008 (as so amended and otherwise heretofore amended or modified, the "Credit Agreement"; capitalized terms not defined herein have their meanings specified herein) among TRIDENT EXPLORATION CORP., the Subsidiary Guarantors named therein, the Lenders and agents named therein, and CREDIT SUISSE, TORONTO BRANCH, as administrative agent, hereby consents to the foregoing Amendment to the Credit Agreement (the "Amendment") and hereby confirms and agrees that (a) notwithstanding the effectiveness of the Amendment, the Guaranty is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects, except that, on and after the effectiveness of the Amendment, each reference in the Guaranty to the "Credit Agreement", "thereunder", "thereof" or words of like import shall mean and be a reference to the Credit Agreement, as amended by the Amendment and (b) the Collateral Documents and all of the Collateral described therein do and shall continue to secure the payment of all Obligations of the Loan Parties under the Loan Documents, in each case as amended by the Amendment.

FENERGY CORP.

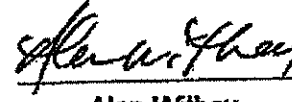
By
Title:



Alan Withey
Chief Financial Officer

FORT ENERGY CORP.

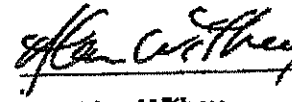
By
Title:



Alan Withey
Chief Financial Officer

981384 ALBERTA LTD.

By
Title:



Alan Withey
Chief Financial Officer

981405 ALBERTA LTD.

By
Title:



Alan Withey
Chief Financial Officer

This is Exhibit "B" referred to in the

Affidavit of Reema Kapoor

Sworn before me, this 1st day of

October, 2009.



Commissioner of Oaths

INTERCREDITOR AGREEMENT

This INTERCREDITOR AGREEMENT ("*Agreement*"), is dated as of April 26, 2005, and entered into by and among TRIDENT EXPLORATION CORP., an unlimited liability company organized under the laws of the province of Nova Scotia (the "*Borrower*"), THE TORONTO-DOMINION BANK ("*TD*"), in its capacity as Administrative Agent and Collateral Agent for the First Lien Lenders (as defined below), including its successors and assigns from time to time (the "*First Lien Collateral Agent*") and CREDIT SUISSE FIRST BOSTON TORONTO BRANCH ("*CSFB*"), in its capacity as Administrative Agent and Collateral Agent for the Second Lien Lenders (as defined below), including its successors and assigns from time to time (the "*Second Lien Collateral Agent*").

Capitalized terms used in this Agreement have the meanings assigned to them in Section 1 below.

RECITALS

The Borrower, the lenders party thereto, and TD, as Administrative Agent and Collateral Agent have entered into that Credit Agreement dated as of July 8, 2004 providing for revolving credit facilities (as amended to the date hereof and as further amended, restated, supplemented, modified, replaced or Refinanced from time to time, the "*First Lien Credit Agreement*");

The Borrower, the lenders party thereto, and CSFB, as Administrative Agent and Collateral Agent, have entered into that Second Lien Credit Agreement dated as of the date hereof providing for a term loan (as amended, restated, supplemented, modified, replaced or Refinanced from time to time, the "*Second Lien Credit Agreement*");

Pursuant to (i) those certain Guarantees dated as of July 8, 2004, the current Subsidiaries of the Borrower have guaranteed the First Lien Obligations; (ii) the First Lien Credit Agreement, the Borrower has agreed to cause certain future Subsidiaries to guarantee the First Lien Obligations pursuant to guarantees in a substantially similar form (in either case in clause (i) or (ii), collectively, the "*First Lien Guarantees*"); (iii) those certain guarantees contained in the Second Lien Credit Agreement, the current Subsidiaries of the Borrower have guaranteed the Second Lien Obligations (the "*Second Lien Guarantees*"), and (iv) the Second Lien Credit Agreement, the Borrower has agreed to cause certain future Subsidiaries to guarantee the Second Lien Obligations pursuant to guarantees in a substantially similar form (in either case in clause (iii) or (iv), collectively, the "*Second Lien Guarantees*");

The obligations of the Borrower under the First Lien Credit Agreement and any Hedge Agreements with the First Lien Lenders or any of their Affiliates (including Hedge Agreements with Former Lenders and their Affiliates) and the obligations of the Subsidiary guarantors under the First Lien Guarantees will be secured on a first priority basis by liens on all or substantially all the property of the Borrower and the Subsidiary guarantors (such current and future

Subsidiaries of the Borrower providing a guarantee thereof, the "*Subsidiary Guarantors*"), respectively, pursuant to the terms of the First Lien Collateral Documents;

The obligations of the Borrower under the Second Lien Credit Agreement and any Hedge Agreements with the Second Lien Lenders or any of their Affiliates (including Hedge Agreements with Former Lenders and their Affiliates) and the obligations of the Borrower and the Subsidiary Guarantors under the Second Lien Guarantees will be secured on a second priority basis by liens on all or substantially all the property of the Borrower and the Subsidiary Guarantors, respectively, pursuant to the terms of the Second Lien Collateral Documents;

The Second Lien Loan Documents provide, among other things, that the Second Lien Lenders shall set forth in this Agreement their respective rights and remedies with respect to the Collateral, and the First Lien Lenders have agreed to enter into this Agreement to do so; and

In order to induce the First Lien Collateral Agent and the First Lien Claimholders to consent to the Borrower and the other Grantors incurring the Second Lien Obligations and to induce the First Lien Claimholders to extend credit and other financial accommodations and lend monies to or for the benefit of the Borrower or any other Grantor, and to enter into Hedge Agreements for the benefit of the Borrower or any other Grantor, the Second Lien Collateral Agent on behalf of the Second Lien Claimholders has agreed to the intercreditor and other provisions set forth in this Agreement.

AGREEMENT

In consideration of the foregoing, the mutual covenants and obligations herein set forth and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

SECTION 1. Definitions.

1.1 Defined Terms. As used in the Agreement, the following terms shall have the following meanings:

"Affiliate" means any Person which, directly or indirectly, controls, is controlled by or is under common control with another Person; and, for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" or "under common control with") means the power to direct or cause the direction of the management and policies of any Person, whether through the ownership of shares or other economic interests, the holding of voting rights or contractual rights or otherwise.

"Agreement" means this Intercreditor Agreement, as amended, restated, renewed, extended, supplemented or otherwise modified from time to time.

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy," as now and hereafter in effect, or any successor statute.

"Bankruptcy Act" means the *Bankruptcy and Insolvency Act* (Canada) as now and hereafter in effect, or any successor statute.

"*Borrower*" has the meaning assigned to that term in the recitals to this Agreement.

"*Business Day*" means a day other than a Saturday, Sunday or other day on which commercial banks in Calgary, Alberta, Toronto, Ontario and New York City, New York, are authorized or required by law to close.

"*Cap. Amount*" means, on any date of determination, the greater of (a) Cdn. \$50,000,000 and (b) an amount equal to 50% of the PV-10 Value as in effect on such date.

"*CCAA*" means the *Companies' Creditors Arrangement Act* (Canada) as now and hereafter in effect, or any successor statute.

"*Collateral*" means the property of any Grantor, whether real, personal or mixed, constituting both First Lien Collateral and Second Lien Collateral.

"*Commodity Agreement*" means any agreement for the making or taking of delivery of any commodity (including, without limitation, Petroleum Substances), any commodity swap agreement, floor, cap or collar agreement or commodity future or option or other similar agreements or arrangements, or any combination thereof, entered into by the Borrower or a Subsidiary where the subject matter of the same is any commodity or the price, value or amount payable thereunder is dependent or based upon the price of any commodity or fluctuations in the price of any commodity, but shall not include any agreement for the physical sale of Petroleum Substances by the Borrower or a Subsidiary entered into in the ordinary course of business unless either (a) such agreement is with a bank, investment bank, securities dealer, insurance company, trust company, pension fund, institutional investor or any other financial institution or any Affiliate of any of the foregoing, or (b) such agreement is entered into for hedging purposes or otherwise for the purpose of eliminating or reducing the financial risk or exposure of the Borrower or a Subsidiary to fluctuations in the prices of Petroleum Substances (and, for certainty, any such agreement referred to in (a) or (b) of this definition shall constitute a "Commodity Agreement" for all purposes hereof).

"*Comparable Second Lien Collateral Document*" means, in relation to any Collateral subject to any Lien created under any First Lien Collateral Document, the Second Lien Loan Document which creates a Lien on the same Collateral, granted by the same Grantor.

"*Currency Hedging Agreement*" means any currency swap agreement, cross currency agreement, forward agreement, floor, cap or collar agreement, futures or options, insurance or other similar agreement or arrangement, or any combination thereof, entered into by the Borrower or a Subsidiary where the subject matter of the same is currency exchange rates or the price, value or amount payable thereunder is dependent or based upon currency exchange rates or fluctuations in currency exchange rates as in effect from time to time.

"*Debt*" means all Obligations that constitute "Debt" within the meaning of the First Lien Credit Agreement or the Second Lien Credit Agreement, as applicable, and includes, for certainty, in the case of the First Lien Credit Agreement, the aggregate face amount of bankers' acceptances and letters of credit issued thereunder.

"*DIP Financing*" has the meaning assigned to that term in Section 6.1(a)(4).

"Discharge of First Lien Obligations" means, except to the extent otherwise expressly provided in Sections 5.5 and 6.4, and without duplication:

- (a) payment in full and discharge of the principal of and interest (including interest accruing on or after the commencement of any Insolvency or Liquidation Proceeding, whether or not such interest would be allowed in such Insolvency or Liquidation Proceeding), on all Debt outstanding under the First Lien Loan Documents and constituting First Lien Obligations;
- (b) payment in full and discharge of all other First Lien Obligations that are due and payable or otherwise accrued and owing at or prior to the time such principal and interest are paid;
- (c) termination or expiration of all commitments, if any, to extend credit that would constitute First Lien Obligations; and
- (d) termination or cash collateralization (by first priority liens on such cash collateral and in an amount equal to 102% of the aggregate face amount) of all bankers' acceptances and letters of credit issued under the First Lien Loan Documents and constituting First Lien Obligations.

"Disposition" has the meaning assigned to that term in Section 5.1(b).

"First Lien Claimholders" means, at any relevant time, the holders of First Lien Obligations at that time, including the First Lien Lenders and their agents under the First Lien Loan Documents and Affiliates of First Lien Lenders under any Hedge Agreements (and including, for certainty, Former Lenders and their Affiliates under any Hedge Agreements).

"First Lien Collateral" means the property of any Grantor, whether real, personal or mixed, with respect to which a Lien is granted as security for any First Lien Obligations.

"First Lien Collateral Agent" has the meaning assigned to that term in the Recitals to this Agreement.

"First Lien Collateral Documents" means the Security (as defined in the First Lien Credit Agreement) and any other agreement, document or instrument pursuant to which a Lien is granted securing any First Lien Obligations or under which rights or remedies with respect to such Liens are governed.

"First Lien Commitment Amount" means an amount equal to the aggregate "Commitments" under and as defined in the First Lien Credit Agreement as at the date hereof.

"First Lien Credit Agreement" has the meaning assigned to that term in the Recitals to this Agreement.

"First Lien Guarantees" has the meaning assigned to that term in the Recitals to this Agreement.

"*First Lien Lenders*" means the "Lenders" under and as defined in the First Lien Loan Documents.

"*First Lien Loan Documents*" means the First Lien Credit Agreement and the Documents (as defined in the First Lien Credit Agreement) and each of the other agreements, documents and instruments providing for or evidencing any other First Lien Obligation, and any other document or instrument executed or delivered at any time in connection with any First Lien Obligations, including any intercreditor or joinder agreement among holders of First Lien Obligations, to the extent such are effective at the relevant time, as each may be amended, restated, supplemented, modified, renewed or extended from time to time not in contravention of this Agreement.

"*First Lien Obligations*" means, subject to the last paragraph of this definition, all Obligations outstanding under the First Lien Credit Agreement and the other First Lien Loan Documents, including:

- (a) "Obligations" (as that term is defined in the First Lien Credit Agreement as at the date hereof) of the Grantors under the First Lien Credit Agreement and the other First Lien Loan Documents, plus
- (b) all Obligations under Hedge Agreements entered into with any First Lien Lender or any of its Affiliates (and including, for certainty, Hedge Agreements with any Former Lender and its Affiliates).

Such "First Lien Obligations" shall include all interest and fees accrued or accruing (or which would, absent commencement of an Insolvency or Liquidation Proceeding, accrue) after commencement of an Insolvency or Liquidation Proceeding in accordance with the rate specified in the relevant First Lien Loan Document whether or not the claim for such interest and fees is allowed as a claim in such Insolvency or Liquidation Proceeding.

If any First Lien Lender or any Affiliate of a First Lien Lender (and including, for certainty, any Former Lender and its Affiliates) enters into a Hedge Agreement at a time when it is also a Second Lien Lender or an Affiliate of a Second Lien Lender, all Obligations under such Hedge Agreement shall be deemed for all purposes to be "First Lien Obligations" hereunder, and all provisions of this Agreement shall be read and construed to give effect thereto.

Notwithstanding the foregoing, unless otherwise agreed to by the Second Lien Claimholders whose consent is so required under the Second Lien Credit Agreement, if the aggregate Debt outstanding under the First Lien Credit Agreement is in excess of the Cap Amount, then only (i) that portion of such Debt equal to the Cap Amount, and (ii) that portion of interest, bankers' acceptance fees and letter of credit fees with respect to such included Debt, shall be included in the First Lien Obligations; provided that if the aggregate Debt outstanding under the First Lien Credit Agreement exceeds the Cap Amount solely as a result of currency exchange rate fluctuations relevant to Debt outstanding under the First Lien Credit Agreement, then such excess shall nevertheless constitute First Lien Obligations notwithstanding the foregoing provisions of this paragraph or any other provision hereof to the contrary.

"Former Lender" has the meaning assigned to that term in the First Lien Credit Agreement or the Second Lien Credit Agreement (as applicable in the context used) as at the date hereof.

"Governmental Authority" means the government of Canada or any other nation, or of any political subdivision thereof, whether provincial, state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"Grantors" means the Borrower, each of the Subsidiary Guarantors and each other Person that has or may from time to time hereafter execute and deliver a First Lien Collateral Document or a Second Lien Collateral Document as a "debtor", "grantor" or "pledgor" (or the equivalent thereof).

"Hedge Agreements" means any Interest Hedging Agreement, Currency Hedging Agreement or Commodity Agreement.

"Insolvency Law" means the Bankruptcy Act, the Bankruptcy Code, the CCAA, the Winding-up and Restructuring Act (Canada), and any other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, receivership, insolvency, arrangement or similar laws of Canada or other applicable jurisdictions from time to time that have become applicable in connection with the insolvency of a Grantor and which affect the rights of creditors generally.

"Insolvency or Liquidation Proceedings" means:

- (a) any dissolution, winding-up, total or partial liquidation, adjustment or readjustment of debt, reorganization, compromise, arrangement with creditors, plan of arrangement, proposal or similar proceedings under any Insolvency Law of or with respect to any Grantor or its property or liabilities, in each case under any Insolvency Law;
- (b) any dissolution, winding-up, total or partial liquidation, adjustment or readjustment of debt, reorganization, compromise, arrangement with creditors, plan of arrangement or similar proceedings under the arrangement provisions of any applicable corporate law (in any case which involves the alteration, amendment, conversion, compromise, satisfaction or discharge of obligations of any or all creditors) of or with respect to any Grantor or its property or liabilities (but which, for certainty, shall exclude any dissolution, winding-up or liquidation of a solvent Grantor into another solvent Grantor permitted by the First Lien Credit Agreement as in effect on the date hereof);
- (c) any bankruptcy, insolvency, receivership, petition or assignment in bankruptcy, or assignment for the benefit of creditors under any Insolvency Laws of or with respect to any Grantor;

- (d) any marshalling of property and liabilities of any Grantor under any Insolvency Law;
- (e) any bulk sale of property by any Grantor; or
- (f) any proceedings in relation to any of the foregoing,

whether any of the foregoing is voluntary or involuntary, partial or complete, and includes any such proceedings initiated or consented to by any Grantor.

"Interest Hedging Agreement" means any interest swap agreement, forward rate agreement, floor, cap or collar agreement, futures or options, insurance or other similar agreement or arrangement, or any combination thereof, entered into by the Borrower or a Subsidiary where the subject matter of the same is interest rates or the price, value or amount payable thereunder is dependent or based upon the interest rates or fluctuations in interest rates in effect from time to time (but, for certainty, shall exclude conventional floating rate debt).

"Lien" means any lien, mortgage, pledge, assignment, security interest, charge or encumbrance of any kind (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement, and any lease in the nature thereof) and any option, trust or other preferential arrangement having the practical effect of any of the foregoing.

"New First Lien Debt Notice" has the meaning assigned to that term in Section 5.5.

"New Agent" has the meaning assigned to that term in Section 5.5.

"Obligations" means all obligations of every nature of each Grantor from time to time owed to the First Lien Claimholders, the Second Lien Claimholders, any agent or trustee, or any of them, or their respective Affiliates, under the First Lien Loan Documents, the Second Lien Loan Documents or Hedge Agreements, whether for principal, interest or payments for early termination of Hedge Agreements, fees, expenses, indemnification or otherwise and all guarantees of any of the foregoing.

"perfected, "perfection" and other derivations thereof:

- (a) with respect to a Lien against personal property to which the *Personal Property Security Act* (Alberta) or other personal property security legislation applies, have the meanings ascribed thereto in the *Personal Property Security Act* (Alberta); and
- (b) with respect to a Lien against real property or property to which the *Personal Property Security Act* (Alberta) or other personal property security legislation does not apply, means the registration, filing or recording (as the case may be) of such Lien or a notice with respect thereto in all offices of public record necessary to preserve, protect or establish such Lien or the priority of such Lien against the property in respect of which such registrations, filings or recordings are made.

"Person" means any natural person, corporation, limited liability company, trust, association, company, partnership, governmental authority or other entity.

"Petroleum Substances" means any one or more of crude oil, crude bitumen, synthetic crude oil, petroleum, natural gas, natural gas liquids, related hydrocarbons and any and all other substances, whether liquid, solid or gaseous, whether hydrocarbons or not, produced or producible in association with any of the foregoing, including hydrogen sulphide and sulphur.

"Pledged Collateral" has the meaning in Section 5.4(a)

"proceeds" means any property in any form derived, obtained, resulting or realized from any dealing with Collateral or the exercise of remedies under any First Lien Collateral Document or Second Lien Collateral Document.

"Priorities Laws" means the *Personal Property Security Act* (Alberta), the *Uniform Commercial Code* (as enacted in any applicable state of the United States of America), the *Law of Property Act* (Alberta), the *Land Titles Act* (Alberta), the *Mines and Minerals Act* (Alberta), the *Bank Act* (Canada) or any similar or equivalent legislation as in effect in any applicable jurisdiction governing the relative priority of or enforcement of, consensual Liens affecting the Collateral.

"PV-10 Value" has the meaning assigned to that term in the Second Lien Credit Agreement as at the date hereof.

"receiver" means receiver or receiver and manager and includes any liquidator or similar official lawfully appointed with respect to all or a portion of the Collateral.

"Recovery" has the meaning set forth in Section 6.4.

"Refinance" means, in respect of any Debt or other Obligations outstanding under the First Lien Credit Agreement or the Second Lien Credit Agreement, to refinance, extend, renew, defease, amend, modify, supplement, restructure, replace, refund or repay, or to issue other indebtedness, in exchange or replacement for, such Debt or other Obligations in whole or in part. "Refinanced" and "Refinancing" shall have correlative meanings.

"Restricted Enforcement Rights" has the meaning set forth in Section 3.1(a)(1).

"Second Lien Claimholders" means, at any relevant time, the holders of Second Lien Obligations at that time, including the Second Lien Lenders and their agents under the Second Lien Loan Documents and Affiliates of Second Lien Lenders under any Hedge Agreements (and including, for certainty, Former Lenders and their Affiliates under any Hedge Agreements).

"Second Lien Collateral" means the property of any Grantor, whether real, personal or mixed, with respect to which a Lien is granted as security for any Second Lien Obligations.

"Second Lien Collateral Agent" has the meaning assigned to that term in the Recitals to this Agreement.

"Second Lien Collateral Documents" means the Collateral Documents (as defined in the Second Lien Credit Agreement) and any other agreement, document or instrument pursuant to which a Lien is granted securing any Second Lien Obligations or under which rights or remedies with respect to such Liens are governed.

"Second Lien Credit Agreement" has the meaning assigned to that term in the Recitals to this Agreement.

"Second Lien Guarantees" has the meaning assigned to that term in the Recitals to this Agreement.

"Second Lien Lenders" means the "Lenders" under and as defined in the Second Lien Credit Agreement.

"Second Lien Loan Documents" means the Second Lien Credit Agreement and the Documents (as defined in the Second Lien Credit Agreement) and each of the other agreements, documents and instruments providing for or evidencing any other Second Lien Obligation, and any other document or instrument executed or delivered at any time in connection with any Second Lien Obligations, including any intercreditor or joinder agreement among holders of Second Lien Obligations to the extent such are effective at the relevant time, as each may be amended, restated, supplemented, modified, renewed or extended from time to time not in contravention of this Agreement.

"Second Lien Obligations" means all Obligations outstanding under the Second Lien Credit Agreement and the other Second Lien Loan Documents, including:

- (a) "Obligations" (as that term is defined in the Second Lien Credit Agreement as at the date hereof) of the Grantors under the Second Lien Credit Agreement and the other Second Lien Loan Documents, plus
- (b) all Obligations under Hedge Agreements entered into with any Second Lien Lender or any of its Affiliates (and including, for certainty, Hedge Agreements with any Former Lender and its Affiliates).

Such "Second Lien Obligations" shall include all interest and fees accrued or accruing (or which would, absent commencement of an Insolvency or Liquidation Proceeding, accrue) after commencement of an Insolvency or Liquidation Proceeding in accordance with the rate specified in the relevant Second Lien Loan Document whether or not the claim for such interest and fees is allowed as a claim in such Insolvency or Liquidation Proceeding.

"Standstill Period" has the meaning set forth in Section 3.1(a)(1).

"Subsidiary" means, with respect to any Person, any corporation, limited liability company, partnership, trust, association or other business entity of which more than 50% of the total voting power of shares of stock or other ownership interests entitled (without regard to the occurrence of any contingency) to vote in the election of the Person or Persons (whether directors, managers, trustees or other Persons performing similar functions) having the power to direct or cause the direction of the management and policies thereof is at the time owned or

controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof.

"Subsidiary Guarantors" has the meaning set forth in the Recitals to this Agreement.

1.2 Terms Generally. The definitions of terms in this Agreement shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise:

- (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented, modified, renewed or extended;
- (b) any reference herein to any Person shall be construed to include such Person's permitted successors and assigns;
- (c) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof;
- (d) all references herein to Sections shall be construed to refer to Sections of this Agreement; and
- (e) the word "property" shall refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

1.3 Certain Currency Translations. For purposes of this Agreement, where the permissibility of a transaction depends upon compliance with an amount limitation stated in Canadian Dollars, any requisite currency translation shall be based on the Bank of Canada exchange rate in effect on the date of incurrence of any amounts to be tested against the limitation and shall not be affected by subsequent fluctuations in exchange rates.

SECTION 2. Lien Priorities.

2.1 Relative Priorities. Notwithstanding the date, time, method, manner or order of grant, attachment or perfection of any Liens securing the Second Lien Obligations granted on the Collateral or of any Liens securing the First Lien Obligations granted on the Collateral and notwithstanding any provision of a Priority Law, or any other applicable law or the Second Lien Loan Documents or any defect or deficiencies in, or failure to perfect, the Liens securing the First Lien Obligations or any other circumstance whatsoever, the Second Lien Collateral Agent, on behalf of itself and the Second Lien Claimholders, hereby agrees that:

- (a) any Lien on the Collateral securing any First Lien Obligations now or hereafter held by or on behalf of the First Lien Collateral Agent or any First Lien

Claimholders or any agent or trustee therefor; regardless of how acquired or created, whether by grant, possession, statute, operation of law, subrogation or otherwise, shall be senior in all respects and prior to any Lien on the Collateral securing any Second Lien Obligations; and

- (b) any Lien on the Collateral securing any Second Lien Obligations now or hereafter held by or on behalf of the Second Lien Collateral Agent, any Second Lien Claimholders or any agent or trustee therefor regardless of how acquired or created, whether by grant, possession, statute, operation of law, subrogation or otherwise, shall be junior and subordinate in all respects to, and are hereby fully subordinated to, all Liens on the Collateral securing any First Lien Obligations.

All Liens on the Collateral securing any First Lien Obligations shall be and remain senior in all respects and prior to all Liens on the Collateral securing any Second Lien Obligations for all purposes, whether or not such Liens securing any First Lien Obligations are subordinated to any Lien securing any other obligation of the Borrower, any other Grantor or any other Person.

The Lien subordination provisions in this SECTION 2 shall be enforceable directly by the First Lien Collateral Agent for the benefit of the First Lien Claimholders, and the First Lien Claimholders shall be deemed to have acquired the First Lien Obligations, whether now existing or hereafter arising, in reliance upon the provisions of this SECTION 2.

2.2 Prohibition on Contesting Liens and Enforcement Actions. Each of the Second Lien Collateral Agent, for itself and on behalf of each Second Lien Claimholder, and the First Lien Collateral Agent, for itself and on behalf of each First Lien Claimholder, agrees that it will not (and hereby waives any right to) contest or challenge, or support or join any other Person in contesting or challenging, in any action, suit or proceeding (including in any Insolvency or Liquidation Proceeding or otherwise):

- (a) the priority (in the case of the Second Lien Collateral Agent or any Second Lien Claimholder), perfection, validity or enforceability of a Lien held by or on behalf of any of the First Lien Claimholders in the First Lien Collateral or by or on behalf of any of the Second Lien Claimholders in the Second Lien Collateral, as the case may be, or
- (b) any provision of this Agreement,

provided that nothing in this Agreement shall be construed to prevent or impair the rights of the First Lien Collateral Agent or any First Lien Claimholder to enforce this Agreement, including the provisions of this Agreement relating to the priority of the Liens securing the First Lien Obligations as provided in Sections 2.1 and 3.1.

The foregoing provisions of this Section 2.1 and the other provisions of this Agreement (other than Section 5.1(c)) shall not be interpreted or construed to suggest or imply any intent on the part of the Second Lien Collateral Agent or the Second Lien Claimholders to subordinate the Liens securing the Second Lien Obligations to any Liens other than those securing the First Lien Obligations, and nothing in this Agreement shall be construed to suggest or imply that the

Second Lien Obligations (as opposed to the Liens on the Collateral securing the Second Lien Obligations) are subordinated to the First Lien Obligations.

2.3 No New Liens. So long as the Discharge of First Lien Obligations has not occurred, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against the Borrower or any other Grantor, the parties hereto agree that the Borrower shall not, and shall not permit any other Grantor to:

- (a) grant or permit any additional Liens on any property to secure any Second Lien Obligation unless it has granted or concurrently grants a Lien (which shall be registered first in priority) on such property to secure the First Lien Obligations; or
- (b) grant or permit any additional Liens on any property to secure any First Lien Obligations unless it has granted or concurrently grants a Lien on such property to secure the Second Lien Obligations (which shall be registered second in priority).

To the extent that the foregoing provisions are not complied with for any reason, without limiting any other rights and remedies available to the First Lien Collateral Agent and/or the First Lien Claimholders, the Second Lien Collateral Agent, on behalf of Second Lien Claimholders, agrees that any amounts received by or distributed to any of them pursuant to or as a result of Liens granted in contravention of this Section 2.3 shall be subject to Section 4.2.

2.4 Similar Liens and Agreements. The parties hereto agree that it is their intention that the First Lien Collateral and the Second Lien Collateral be identical. In furtherance of the foregoing and of Section 8.10, the parties hereto agree, subject to the other provisions of this Agreement:

- (a) upon request by the First Lien Collateral Agent or the Second Lien Collateral Agent, to cooperate in good faith (and to direct their counsel to cooperate in good faith) from time to time in order to determine the specific items included in the First Lien Collateral and the Second Lien Collateral and the steps taken to perfect their respective Liens thereon and the identity of the respective parties obligated under the First Lien Loan Documents and the Second Lien Loan Documents; and
- (b) that the documents and agreements creating or evidencing the First Lien Collateral and the Second Lien Collateral and guarantees for the First Lien Obligations and the Second Lien Obligations, subject to Section 5.3(d), shall be in all material respects the same forms of documents other than with respect to the first lien and the second lien nature of the Obligations thereunder.

2.5 Notice of Registration. Each of the Second Lien Collateral Agent, for itself and on behalf of each Second Lien Claimholder, and the First Lien Collateral Agent, for itself and on behalf of each First Lien Claimholder, agrees to provide the other with prior written notice of its intention to effect any registrations of the First Lien Collateral Documents in any jurisdiction other than Alberta, British Columbia and Nova Scotia (being the jurisdictions of registration as at the date hereof), or any specific registrations of the First Lien Collateral Documents against any individual parcels or leases of petroleum and/or natural gas rights or other real property. In all

events, the Second Lien Collateral Agent, for itself and on behalf of each Second Lien Claimholder, agrees that the First Lien Collateral Documents are intended to be registered prior to the registration of the Second Lien Collateral Documents; provided that the Second Lien Collateral Agent shall be entitled to register the Second Lien Collateral Documents prior to the First Lien Collateral Documents:

- (a) after providing to the First Lien Collateral Agent reasonable prior written notice (having regard to the then prevailing circumstances) of the Second Lien Collateral Agent's intention to effect any registration of the Second Lien Collateral Documents; and
- (b) so long as, in any such case, upon registration of the First Lien Collateral Documents, the Second Lien Collateral Agent postpones the registrations of the Second Lien Collateral Documents to the registrations of the First Lien Collateral Documents, and takes all such steps and actions, and executes and delivers all such financing statements, financing change statements, postponements and other documents as may be reasonably requested by the First Lien Collateral Agent (in each case, at the sole expense of the Borrower) to record, evidence or give effect to the foregoing or the other provisions hereof.

SECTION 3. Enforcement.

3.1 Exercise of Remedies.

- (a) Until the Discharge of First Lien Obligations has occurred, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against the Borrower or any other Grantor, the Second Lien Collateral Agent and the Second Lien Claimholders:

- (1) will not:

- (A) exercise or seek to exercise any rights or remedies with respect to any Collateral (including the exercise of any rights or remedies under or pursuant to the Second Lien Collateral Documents and including the exercise of any right of setoff or any right under any lockbox agreement, account control agreement, landlord waiver or bailee's letter or similar agreement or arrangement to which the Second Lien Collateral Agent or any Second Lien Claimholder is a party), or

- (B) institute or commence, or join with any Person in instituting or commencing, (i) any action or proceeding with respect to any such right or remedy with respect to the Collateral, whether under or pursuant to any Second Lien Loan Documents or under or pursuant to any Second Lien Collateral Documents, including any action of enforcement, realization, foreclosure, collection, seizure or execution (in any case in respect of the

Collateral) and, for certainty, whether as a secured or unsecured creditor) or (ii) any Insolvency or Liquidation Proceeding;

(collectively, the "*Restricted Enforcement Rights*"), provided that the Second Lien Collateral Agent may exercise any or all Restricted Enforcement Rights after the passage of a period of at least 180 days has elapsed since the date on which the Second Lien Collateral Agent delivers a notice to the First Lien Collateral Agent that an Event of Default has occurred under the Second Lien Loan Documents and that repayment of all Debt under the Second Lien Credit Agreement has been accelerated (the "*Standstill Period*"); provided, further that, notwithstanding anything herein to the contrary:

- (I) in no event shall the Second Lien Collateral Agent or any Second Lien Claimholder exercise any Restricted Enforcement Rights with respect to the Collateral if, notwithstanding the expiration of the Standstill Period, the First Lien Collateral Agent or First Lien Claimholders shall have commenced and be diligently pursuing the exercise of their rights or remedies with respect to all or any material portion of the Collateral; and
 - (II) no Standstill Period shall apply (and any Standstill Period then running shall terminate) on and after the scheduled final maturity of all Debt under the Second Lien Credit Agreement and at such time the Second Lien Collateral Agent and the Second Lien Claimholders may exercise Restricted Enforcement Rights.
- (2) will not contest, challenge, protest or object to any foreclosure, enforcement or realization proceeding or action brought by the First Lien Collateral Agent or any First Lien Claimholder or any other exercise by the First Lien Collateral Agent or any First Lien Claimholder of any rights and remedies relating to the Collateral under the First Lien Loan Documents or otherwise, in each case, so long as the Liens granted to secure the Second Lien Obligations of the Second Lien Claimholders attach to the proceeds thereof subject to the relative priorities described in SECTION 2; and
- (3) subject to their rights under Section 3.1(a) above, will not contest, challenge, protest or object to the forbearance by the First Lien Collateral Agent or the First Lien Claimholders from bringing or pursuing any foreclosure, enforcement or realization proceeding or action or any other exercise of any rights or remedies relating to the Collateral, in each case so long as the Liens granted to secure the Second Lien Obligations of the Second Lien Claimholders attach to the proceeds thereof subject to the relative priorities described in SECTION 2.

- (b) Until the Discharge of First Lien Obligations has occurred, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against the Borrower or any other Grantor, the First Lien Collateral Agent and the First Lien Claimholders shall have the right to enforce rights, exercise remedies (including set-off) and make determinations regarding the release, disposition, or restrictions with respect to the Collateral without any consultation with or the consent of the Second Lien Collateral Agent or any Second Lien Claimholder. In exercising rights and remedies with respect to the Collateral, the First Lien Collateral Agent and the First Lien Claimholders may enforce the provisions of the First Lien Loan Documents and exercise remedies thereunder, all in such order and in such manner as they may determine in the exercise of their sole discretion. Such exercise and enforcement shall include the rights of a receiver or agent appointed by them to sell or otherwise dispose of Collateral upon enforcement or realization, to incur expenses in connection with such sale or disposition, and to exercise all the rights and remedies of a secured creditor under Priorities Laws of any applicable jurisdiction and of a secured creditor under Insolvency Laws of any applicable jurisdiction.
- (c) Notwithstanding Section 3.1(a)(1), the Second Lien Collateral Agent and any Second Lien Claimholder may:
- (1) accelerate the Obligations arising under the Second Lien Credit Documents;
 - (2) file any claim with respect to the Second Lien Obligations in an Insolvency or Liquidation Proceeding commenced by or against the Borrower or any other Grantor;
 - (3) take any action (not adverse to the prior Liens on the Collateral securing the First Lien Collateral or the rights of the First Lien Collateral Agent or the First Lien Claimholders to exercise remedies in respect thereof) in order to create, perfect, preserve or protect its Lien on the Collateral;
 - (4) file any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any Person objecting to or otherwise seeking the disallowance of the claims of the Second Lien Claimholders, including any claims secured by the Collateral, if any, in each case not in contravention of the terms of this Agreement;
 - (5) file any pleadings, objections, motions or agreements which assert rights or interests available to unsecured creditors of the Grantors arising under any Insolvency Law or other applicable law, so long as (i) no Restricted Enforcement Rights are commenced or exercised, (ii) no action or proceeding for enforcement, realization, foreclosure, collection, seizure or execution (in any case in respect of the Collateral) is instituted or

commenced, and (iii) no other terms of this Agreement are contravened thereby;

- (6) vote on any plan of reorganization, file any proof of claim, make other filings and make any arguments and motions that are, in each case, not in contravention of the terms of this Agreement, with respect to the Second Lien Obligations and the Collateral;
 - (7) enforce the terms of this Agreement; and
 - (8) exercise any of its rights or remedies with respect to the Collateral after the termination of the Standstill Period to the extent permitted by Section 3.1(a)(1).
- (d) The Second Lien Collateral Agent, on behalf of itself and the Second Lien Claimholders, agrees that it will not take or receive (whether from or on behalf of any Grantor or not, whether directly or indirectly, in cash or other property or by set-off, counterclaim or in any other manner and whether pursuant to any enforcement, collection, execution, levy, or other proceeding or otherwise) any Collateral or any proceeds of Collateral in connection with the exercise of any right or remedy (including set-off) with respect to any Collateral in its capacity as a creditor, unless and until the Discharge of First Lien Obligations has occurred. Without limiting the generality of the foregoing, unless and until the Discharge of First Lien Obligations has occurred, except as expressly provided in Sections 3.1 and 6.1, the sole right of the Second Lien Collateral Agent and the Second Lien Claimholders with respect to the Collateral is to hold a Lien on the Collateral pursuant to the Second Lien Collateral Documents and to receive a share of the proceeds thereof, if any, after the Discharge of First Lien Obligations has occurred.
- (e) Subject to Sections 3.1(a) and 3.1(c) and Section 6.1:
- (1) the Second Lien Collateral Agent, for itself and on behalf of the Second Lien Claimholders, agrees that the Second Lien Collateral Agent and the Second Lien Claimholders will not take any action that would hinder, delay, limit, impede, restrict or prohibit any exercise of rights or remedies under the First Lien Loan Documents or is otherwise prohibited hereunder, including any sale, lease, exchange, transfer or other disposition of the Collateral, whether by foreclosure, realization, enforcement or otherwise or that would limit, invalidate, avoid or set aside any Lien or First Lien Collateral Document securing or purporting to secure the First Lien Obligations or subordinate the priority of the First Lien Obligations to the Second Lien Obligations or grant the Liens securing the Second Lien Obligations equal ranking to the Liens securing the First Lien Obligations;

- (2) the Second Lien Collateral Agent, for itself and on behalf of the Second Lien Claimholders, hereby waives any and all rights the Second Lien Collateral Agent or the Second Lien Claimholders may have as a junior lien creditor or otherwise to object to the manner in which the First Lien Collateral Agent or the First Lien Claimholders seek to enforce or collect the First Lien Obligations or the Liens securing the First Lien Obligations granted in any of the First Lien Collateral, regardless of whether any action or failure to act by or on behalf of the First Lien Collateral Agent or First Lien Claimholders is adverse to the interest of the Second Lien Claimholders; and
- (3) the Second Lien Collateral Agent, for itself and on behalf of the Second Lien Claimholders, hereby acknowledges and agrees that no covenant, agreement or restriction contained in the Second Lien Collateral Documents or any other Second Lien Loan Document shall be deemed to restrict in any way the rights and remedies of the First Lien Collateral Agent or the First Lien Claimholders with respect to the Collateral as set forth in this Agreement and the First Lien Loan Documents.
- (f) For certainty, except as specifically set forth herein (including as specifically set forth in Sections 3.1(a) and 3.1(e) hereof), the Second Lien Collateral Agent and the Second Lien Claimholders may exercise rights and remedies as unsecured creditors against the Borrower or any other Grantor that has guaranteed or granted Liens to secure the Second Lien Obligations in accordance with the terms of the Second Lien Loan Documents and applicable law; provided that in the event that any Second Lien Claimholder is granted a judgment Lien in respect of Collateral as a result of its enforcement of its rights as an unsecured creditor with respect to the Second Lien Obligations, such judgment Lien shall be subject to the terms of this Agreement for all purposes (including in relation to the First Lien Obligations) as the other Liens securing the Second Lien Obligations are subject to this Agreement.

3.2 Scheduled Payments of Second Lien Obligations. The parties hereto agree that nothing in this Agreement or any First Lien Credit Document shall be construed to prohibit, restrict or otherwise limit the ability of the Borrower or any Guarantor to pay, and the ability of the Second Lien Claimholders to receive, scheduled principal and interest payments in accordance with the Second Lien Credit Agreement and the other Second Lien Credit Documents, so long as such receipt is not the direct or indirect result of the exercise by the Second Lien Collateral Agent or any Second Lien Claimholders of rights or remedies as a creditor (including set-off) or enforcement in contravention of this Agreement of any Lien held by any of them. Nothing in this Agreement impairs or otherwise adversely affects any rights or remedies the First Lien Collateral Agent or the First Lien Claimholders may have with respect to the First Lien Collateral.

3.3 Notice of Event of Default and Enforcement.

- (a) The First Lien Collateral Agent shall provide at least five (5) days' prior notice to the Second Lien Collateral Agent of its intent to exercise and enforce its rights and remedies with respect to the Collateral (for certainty, such notice to the Second Lien Collateral Agent may be given concurrently with or after any notice or notices required to be delivered to any of the Grantors pursuant to Section 244 of the Bankruptcy Act).
- (b) The First Lien Collateral Agent shall give the Second Lien Collateral Agent prompt (and, in any event, within five (5) Business Days) written notice of each of the following:
- (1) the occurrence of a Default or Event of Default under and as defined in the First Lien Credit Agreement of which it has actual knowledge; and
 - (2) any acceleration of the First Lien Obligations.
- (c) The Second Lien Collateral Agent shall give the First Lien Collateral Agent prompt (and, in any event, within five (5) Business Days) written notice of each of the following:
- (1) the occurrence of a Default or Event of Default under and as defined in the Second Lien Credit Agreement of which it has actual knowledge; and
 - (2) any acceleration of the Second Lien Obligations.
- (d) The failure to give the notices required pursuant to Section 3.3(b) or Section 3.3(c) shall not release, restrict or otherwise affect any of the obligations of the First Lien Claimholders or the Second Lien Claimholders, as the case may be, hereunder nor limit, derogate from or otherwise affect any of the other provisions hereof or the effect thereof.

SECTION 4. Payments.

4.1 Application of Proceeds. So long as the Discharge of First Lien Obligations has not occurred, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against the Borrower or any other Grantor, Collateral or proceeds thereof received in connection with the sale or other disposition of, or collection on, such Collateral upon the exercise of remedies by the First Lien Collateral Agent or First Lien Claimholders, shall be applied by the First Lien Collateral Agent to the First Lien Obligations in such order as specified in the relevant First Lien Loan Documents. Upon the Discharge of First Lien Obligations, the First Lien Collateral Agent shall, unless applicable law otherwise requires, deliver to the Second Lien Collateral Agent any Collateral and proceeds of Collateral held by it in the same form as received, with any necessary endorsements or as a court of competent jurisdiction may otherwise direct to be applied by the Second Lien Collateral Agent to the Second Lien Obligations in such order as specified in the Second Lien Collateral Documents.

4.2 Payments Over. So long as the Discharge of First Lien Obligations has not occurred, whether or not any Insolvency or Liquidation Proceeding has been commenced by or

against the Borrower or any other Grantor, any Collateral or proceeds thereof (including property or proceeds subject to Liens referred to in the final sentence of Section 2.3) received by the Second Lien Collateral Agent or any Second Lien Claimholders (including by way of set-off) shall be segregated and held in trust and forthwith paid over to the First Lien Collateral Agent for the benefit of the First Lien Claimholders in the same form as received, with any necessary endorsements or as a court of competent jurisdiction may otherwise direct. The First Lien Collateral Agent is hereby authorized to make any such endorsements as agent for the Second Lien Collateral Agent or any such Second Lien Claimholders. This authorization is limited to the specific matters described in the preceding sentence and is coupled with an interest and is irrevocable until the Discharge of First Lien Obligations.

SECTION 5. Other Agreements.

5.1 Releases.

- (a) If, in connection with the exercise of the First Lien Collateral Agent's remedies in respect of the Collateral, the First Lien Collateral Agent, for itself or on behalf of any of the First Lien Claimholders, releases any of its Liens on any part of the Collateral or releases any Guarantor Subsidiary from its obligations under its First Lien Guarantee, then the Liens, if any, of the Second Lien Collateral Agent, for itself or for the benefit of the Second Lien Claimholders, on such Collateral, and the obligations of such Guarantor Subsidiary under its Second Lien Guarantee, shall be automatically, unconditionally and simultaneously released, with no further consent or action of the Second Lien Collateral Agent or any Second Lien Claimholder. The Second Lien Collateral Agent, for itself or on behalf of any such Second Lien Claimholders, promptly shall execute and deliver to the First Lien Collateral Agent or such Guarantor Subsidiary such financing change statements, releases and other documents as the First Lien Collateral Agent or such Guarantor Subsidiary may request to effectively confirm such release.
- (b) If, in connection with any sale, lease, exchange, transfer or other disposition of any Collateral (collectively, a "*Disposition*"):
- (1) permitted under the terms of both the First Lien Loan Documents and the Second Lien Loan Documents (including, for certainty, pursuant to a valid waiver or consent),
 - (2) following the occurrence and during the continuation of an Event of Default (under and as defined in the First Lien Credit Agreement), or
 - (3) pursuant to the exercise of the First Lien Collateral Agent's remedies in respect of the Collateral provided for in Section 3.1,

the First Lien Collateral Agent, for itself or on behalf of any of the First Lien Claimholders, releases any of its Liens on any part of the Collateral, or releases any Guarantor Subsidiary from its obligations under its First Lien Guarantee (in each case other than in connection with the Discharge of First Lien Obligations), then (subject to Section 5.1(f)) the Liens, if any, of the Second Lien Collateral

Agent, for itself or for the benefit of the Second Lien Claimholders, on such Collateral, and the obligations of such Guarantor Subsidiary under its Second Lien Guarantee, shall be automatically, unconditionally and simultaneously released, with no further consent or action of the Second Lien Collateral Agent or any Second Lien Claimholder. The Second Lien Collateral Agent, for itself or on behalf of any such Second Lien Claimholders, promptly shall execute and deliver to the First Lien Collateral Agent or such Guarantor Subsidiary such financing change statements, releases and other documents as the First Lien Collateral Agent or such Grantor may request to effectively confirm such release.

- (c) If, prior to the Discharge of First Lien Obligations, a subordination of the First Lien Collateral Agent's Lien on any Collateral is permitted or required (or in good faith believed by the First Lien Collateral Agent to be permitted or required) under Section 11.7(2) of the First Lien Credit Agreement to a Lien described in subparagraph (q) of the definition of "Permitted Encumbrances" therein (as so permitted or required, and as so defined, on the date hereof, a "*Priority Lien*"), and the First Lien Collateral Agent executes and delivers a subordination of the Liens constituted by the First Lien Collateral Documents to the Priority Liens in form and substance satisfactory to it, then the Second Lien Collateral Agent, for itself and on behalf of the Second Lien Claimholders, agrees to promptly execute and deliver to the First Lien Collateral Agent or the relevant Grantor an identical agreement (with appropriate conforming changes) with respect to the Liens constituted by the Second Lien Collateral Documents and the Priority Lien.
- (d) Until the Discharge of First Lien Obligations occurs, the Second Lien Collateral Agent, for itself and on behalf of the Second Lien Claimholders, hereby constitutes and appoints the First Lien Collateral Agent and any officer or agent of the First Lien Collateral Agent, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Second Lien Collateral Agent or such holder or in the First Lien Collateral Agent's own name, from time to time in the First Lien Collateral Agent's discretion, for the purpose of carrying out the terms of this Section 5.1, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary to accomplish the purposes of this Section 5.1, including any endorsements or other instruments of transfer or release. This appointment is limited to the specific matters described in the preceding sentence and is coupled with an interest and is irrevocable until the Discharge of First Lien Obligations.
- (e) Until the Discharge of First Lien Obligations occurs, to the extent that the First Lien Collateral Agent or the First Lien Claimholders (i) have released any Lien on Collateral or any Guarantor Subsidiary from its obligation under its First Lien Guarantee and any such Liens or guarantee are later reinstated or (ii) obtain any new liens or additional guarantees from any Guarantor Subsidiary, then the Second Lien Collateral Agent, for itself and for the Second Lien Claimholders, shall be granted a Lien on any such Collateral, subject to the lien subordination

provisions of this Agreement, and an additional Second Lien Guarantee, as the case may be.

- (f) In the event that aggregate Debt under the First Lien Credit Agreement at any date of determination no longer constitutes at least 15% of the sum of Debt under the First Lien Credit Agreement and Debt under the Second Lien Credit Agreement, then any release of Liens or release of a Guarantor Subsidiary from its guarantee in connection with a Disposition referred to in Sections 5.1(b)(1) or 5.1(b)(2) shall require the consent of First Lien Claimholders and Second Lien Claimholders representing in the aggregate more than 50% of the sum of Debt under the First Lien Credit Agreement and Debt under the Second Lien Credit Agreement.

5.2 Insurance and Certain Other Exclusive Rights.

- (a) Unless and until the Discharge of First Lien Obligations has occurred, the First Lien Collateral Agent and the First Lien Claimholders shall have the sole and exclusive right, subject to the rights of the Grantors under the First Lien Loan Documents, to adjust settlement for any insurance policy covering the Collateral in the event of any loss thereunder and to approve any award granted in any condemnation or similar proceeding (or any deed in lieu of condemnation) affecting the Collateral. Unless and until the Discharge of First Lien Obligations has occurred, and subject to the rights of the Grantors under the First Lien Loan Documents, all proceeds of any such policy and any such award (or any payments with respect to a deed in lieu of condemnation) if in respect to the Collateral shall be paid to the First Lien Collateral Agent for the benefit of the First Lien Claimholders pursuant to the terms of the First Lien Loan Documents (including for purposes of cash collateralization of bankers' acceptances and letters of credit) and thereafter, to the extent no First Lien Obligations are outstanding, and subject to the rights of the Grantors under the Second Lien Loan Documents, to the Second Lien Collateral Agent for the benefit of the Second Lien Claimholders to the extent required under the Second Lien Collateral Documents and then, to the extent no Second Lien Obligations are outstanding, to the owner of the subject property, such other Person as may be entitled thereto or as a court of competent jurisdiction may otherwise direct. Until the Discharge of First Lien Obligations has occurred, if the Second Lien Collateral Agent or any Second Lien Claimholders shall, at any time, receive any proceeds of any such insurance policy or any such award or payment in contravention of this Agreement, it shall pay such proceeds over to the First Lien Collateral Agent in accordance with the terms of Section 4.2.
- (b) Until the Discharge of First Lien Obligations has occurred, the First Lien Collateral Agent, on behalf of the First Lien Claimholders, shall have the sole and exclusive right to do any of the following (i) prior to the commencement of, during, and until the expiry of the Standstill Period or (ii) if the First Lien Collateral Agent or First Lien Claimholders shall have commenced and have been diligently pursuing the exercise of their rights or remedies with respect to all or any material portion of the Collateral:

- (1) notify account debtors of any Grantor to make payments to the First Lien Collateral Agent and exercise other similar rights with respect to accounts and intangibles, including as set forth in the First Lien Loan Documents;
- (2) receive dividends and distributions, send notices or otherwise exercise any rights with respect to any Collateral;
- (3) exercise any registration and similar rights with respect to any Collateral; and
- (4) hold any instruments, certificates, chattel paper or other forms of Collateral where perfection is achieved or maintained by physical possession.

For certainty, if (in accordance herewith) the Second Lien Collateral Agent or Second Lien Claimholders have done any of the foregoing 5.2(b)(1) to 5.2(b)(4) prior to the exercise by the First Lien Collateral Agent or First Lien Claimholders of their rights or remedies with respect to all or any material portion of the Collateral and if the First Lien Collateral Agent or First Lien Claimholders subsequently commence such exercise and diligently pursue the same, then, in addition to their other obligations hereunder (including their obligations under Section 4.2), the Second Lien Collateral Agent and Second Lien Claimholders shall, upon written request of the First Lien Collateral Agent, cease to do the foregoing and shall take all steps and actions as may be reasonably requested by the First Lien Collateral Agent to allow the First Lien Collateral Agent and First Lien Claimholders to exclusively do and exercise the foregoing 5.2(b)(1) to 5.2(b)(4), including notification to the account debtors of any Grantor to make further payments to the First Lien Collateral Agent and the prompt delivery to the First Lien Collateral Agent of the Collateral referenced in Section 5.2(b)(4) above then held by the Second Lien Collateral Agent or any Second Lien Claimholder.

- (c) The First Lien Collateral Agent and First Lien Claimholders shall have the sole and exclusive right to do any of the following:
 - (1) exercise any rights with respect to deposit accounts under the First Lien Loan Documents; and
 - (2) exercise any other rights or remedies set forth in any First Lien Loan Document or as otherwise permitted by law to be exercised thereunder or in respect thereof.

5.3 Amendments to First Lien Loan Documents and Second Lien Loan Documents.

- (a) The First Lien Loan Documents may be amended, supplemented or otherwise modified in accordance with their terms and the First Lien Credit Agreement may be Refinanced, in each case, without notice to, or the consent of the Second Lien Collateral Agent or the Second Lien Claimholders, all without affecting the lien subordination or other provisions of this Agreement; provided that the holders of

such Refinancing debt bind themselves in a writing addressed to the Second Lien Collateral Agent and the Second Lien Claimholders to the terms of this Agreement, and any such amendment, supplement, modification or Refinancing shall not:

- (1) contravene the provisions of this Agreement;
- (2) increase the aggregate Debt under the First Lien Credit Agreement or any Refinancing thereof in excess of the Cap Amount;
- (3) increase the "Applicable Pricing Rate" or similar component of the interest rate by more than 3% per annum in the aggregate for all such amendments, supplements, modifications or Refinancings (excluding increases resulting from the accrual of interest at the default rate);
- (4) shorten the scheduled maturity of the First Lien Credit Agreement or any Refinancing thereof; or
- (5) modify (or have the effect of a modification of) the mandatory prepayment provisions of the First Lien Credit Agreement in a manner adverse in any material respect to the Second Lien Lenders (for certainty, excluding the operation of the Borrowing Base provisions contained in the First Lien Credit Agreement and subject to the operation of the other covenants and provisions contained in the First Lien Credit Agreement, including, for certainty, those relating to the acceleration of the First Lien Obligations).

(b) Without the prior written consent of the First Lien Collateral Agent, no Second Lien Loan Document may be amended, supplemented or otherwise modified or entered into to the extent such amendment, supplement or modification, or the terms of any new Second Lien Loan Document, would:

- (1) contravene the provisions of this Agreement;
- (2) increase the aggregate Debt under the Second Lien Credit Agreement or any Refinancing thereof in excess of U.S.\$200,000,000;
- (3) increase the "Applicable Margin" or similar component of the interest rate or yield provisions applicable to the Second Lien Obligations by more than 3% per annum in the aggregate for all such amendments, supplements or modifications (excluding increases resulting from the accrual of interest at the default rate);
- (4) change the financial covenants or definitions utilized therein in a manner so as to make any of the same less favourable to or more onerous or restrictive on the Borrower and its Subsidiaries;
- (5) change any default or Event of Default thereunder in a manner adverse in a material respect to the First Lien Lenders;

- (6) change (to earlier dates) any dates upon which payments of principal or interest are due thereon;
 - (7) change the redemption, prepayment or defeasance provisions thereof in manner adverse in a material respect to the Borrower and the Subsidiary Guarantors;
 - (8) change any Collateral securing the Second Lien Obligations (other than to release such Collateral);
 - (9) except to the extent provided in this Section 5.3(b), increase the obligations of the Grantors thereunder; or
 - (10) confer any additional rights on the Second Lien Lenders which would be adverse in a material respect to the First Lien Lenders.
- (c) The Second Lien Credit Agreement may be Refinanced to the extent that (A) the terms and conditions of such Refinancing debt are not materially less advantageous to the First Lien Lenders than those of the Second Lien Credit Agreement and the Second Lien Loan Documents being Refinanced and (B) such Refinancing debt shall not have the effect of an amendment or other modification to the terms of the Second Lien Credit Agreement that is prohibited by clauses (1) through (8) above; provided that the holders of such Refinancing debt bind themselves in a writing addressed to the First Lien Collateral Agent and the First Lien Claimholders to the terms of this Agreement.
- (d) The Borrower agrees that each Second Lien Collateral Document shall include the following language (or language to similar effect approved by the First Lien Collateral Agent):

"Notwithstanding anything herein to the contrary, the lien and security interest granted to the Second Lien Collateral Agent pursuant to this Agreement and the exercise of any right or remedy by the Second Lien Collateral Agent hereunder are subject to the provisions of the Intercreditor Agreement, dated as of April 26, 2005 (as amended, restated, supplemented or otherwise modified from time to time, the "*Intercreditor Agreement*"), among the Borrower, TD, as First Lien Collateral Agent, CSFB, as Second Lien Collateral Agent and certain other Persons party or that may become party thereto from time to time. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement, the terms of the Intercreditor Agreement shall govern and control."

In addition, the Borrower agrees that each Second Lien Collateral Document covering any Collateral shall contain such other language as the First Lien Collateral Agent may reasonably request to reflect the subordination of such

Second Lien Collateral Document to the First Lien Collateral Document covering such Collateral.

5.4 Bailee for Perfection.

- (a) The First Lien Collateral Agent agrees to hold that part of the Collateral that is in its possession or control (or in the possession or control of its agents or bailees), if any, to the extent that possession or control thereof is taken to perfect a Lien thereon under a Priorities Law (such Collateral being the "*Pledged Collateral*") as collateral agent for the First Lien Claimholders and as bailee for the Second Lien Collateral Agent (such bailment being intended, among other things, to satisfy the requirements of Section 24(1) of the *Personal Property Security Act* (Alberta) and equivalent legislation in other applicable jurisdictions) and any assignee solely for the purpose of perfecting the security interest granted under the First Lien Loan Documents and the Second Lien Loan Documents, respectively, subject to the terms and conditions of this Section 5.4.
- (b) The First Lien Collateral Agent shall have no obligation whatsoever to the First Lien Claimholders, the Second Lien Collateral Agent or any Second Lien Claimholder to ensure that the Pledged Collateral is genuine or owned by any of the Grantors or to preserve rights or benefits of any Person or to retain possession or control of any Pledged Collateral. For certainty, in addition to and without limiting the other provisions hereof, the First Lien Collateral Agent and the First Lien Claimholders shall be entitled to deal with the Pledged Collateral in accordance with the First Lien Loan Documents as if the Liens of or for the benefit of any Second Lien Claimholder under any applicable Second Lien Collateral Documents did not exist and having regard to those considerations as the First Lien Collateral Agent and First Lien Claimholders deem appropriate in their sole discretion.
- (c) The First Lien Collateral Agent acting pursuant to this Section 5.4 shall not have by reason of the First Lien Collateral Documents, the Second Lien Collateral Documents, this Agreement or any other document a fiduciary relationship in respect of the First Lien Claimholders, the Second Lien Collateral Agent or any Second Lien Claimholder, nor shall any First Lien Claimholder have any fiduciary relationship in respect of the Second Lien Collateral Agent or any Second Lien Claimholder.
- (d) Upon the Discharge of First Lien Obligations under the First Lien Loan Documents to which the First Lien Collateral Agent is a party, the First Lien Collateral Agent shall deliver the remaining Pledged Collateral in its possession or control (if any) together with any necessary endorsements, first, to the Second Lien Collateral Agent if Second Lien Obligations remain outstanding, and second, to the Borrower if no First Lien Obligations or Second Lien Obligations remain outstanding (in each case, so as to allow such Person to obtain possession or control of such Pledged Collateral). The First Lien Collateral Agent further agrees to take all other action reasonably requested by the Second Lien Collateral

Agent in connection with the Second Lien Collateral Agent obtaining a first-priority interest in the Collateral or as a court of competent jurisdiction may otherwise direct.

5.5 When Discharge of First Lien Obligations Deemed to Not Have Occurred. If, at any time after the Discharge of First Lien Obligations has occurred, the Borrower thereafter enters into any Refinancing of any First Lien Loan Document evidencing a First Lien Obligation which Refinancing is permitted by the Second Lien Loan Documents, then such Discharge of First Lien Obligations shall automatically be deemed not to have occurred for all purposes of this Agreement (other than with respect to any actions taken as a result of the occurrence of such first Discharge of First Lien Obligations), and, from and after the date on which the New First Lien Debt Notice is delivered to the Second Lien Collateral Agent in accordance with the next sentence, the obligations under such Refinancing of the First Lien Loan Document shall automatically be treated as First Lien Obligations for all purposes of this Agreement, including for purposes of the Lien priorities and rights in respect of Collateral set forth herein, and the First Lien Collateral Agent under such First Lien Loan Documents shall be the First Lien Collateral Agent for all purposes of this Agreement. Upon receipt of a notice (the "*New First Lien Debt Notice*") stating that the Borrower has entered into a new First Lien Loan Document (which notice shall include the identity of the new first lien collateral agent, such agent, the "*New Agent*"), the Second Lien Collateral Agent shall promptly

- (a) enter into such documents and agreements (including amendments or supplements to this Agreement) as the Borrower or such New Agent shall reasonably request in order to provide, evidence or confirm to the New Agent the rights contemplated hereby, in each case consistent in all material respects with the terms of this Agreement, and
- (b) deliver to the New Agent any Pledged Collateral held by it together with any necessary endorsements (or otherwise allow the New Agent to obtain control of such Pledged Collateral).

The New Agent shall agree in a writing addressed to the Second Lien Collateral Agent and the Second Lien Claimholders to be bound by the terms of this Agreement. If the new First Lien Obligations under the new First Lien Loan Documents are secured by property of the Grantors constituting Collateral that do not also secure the Second Lien Obligations, then the Second Lien Obligations shall be secured at such time by a second priority Lien on such property to the same extent provided in the Second Lien Collateral Documents and this Agreement.

5.6 Purchase Right. Without prejudice to the enforcement of the First Lien Claimholders remedies, the First Lien Claimholders agree that, at any time following the acceleration of the First Lien Obligations in accordance with the terms of the First Lien Credit Agreement or any Event of Default under the First Lien Credit Agreement in respect of which a sale of Collateral is proposed by the First Lien Claimholders, the First Lien Claimholders will, on request by the Second Lien Collateral Agent, offer the Second Lien Claimholders the option to purchase the entire aggregate amount (but not less than all) of outstanding First Lien Obligations, at par (but for certainty, including payment of any breakage costs or losses arising as a result of the timing of any such purchase and, in respect of any First Lien Obligations

denominated in other than Canadian dollars, converted at the rate of exchange specified in the relevant First Lien Loan Document or, otherwise, at such other conversion rate as may be selected by the First Lien Collateral Agent, acting reasonably), without warranty or representation or recourse (except, by each First Lien Claimholder, of its right to sell such First Lien Obligations and as to the absence of Liens thereon created by such First Lien Claimholder), on a *pro rata* basis across First Lien Claimholders. The Second Lien Claimholders shall irrevocably accept such offer within five (5) Business Days of the receipt thereof and the parties shall endeavor to close promptly thereafter. Such agreement shall be evidenced by documentation mutually acceptable to each of the First Lien Collateral Agent and the Second Lien Collateral Agent and all costs and expenses of closing any such purchase (including the costs and expenses relating to the preparation of the aforementioned documentation, including reasonable fees and expenses of counsel to the First Lien Claimholders) shall be paid by the Second Lien Claimholders as a condition precedent to the closing of any such purchase.

SECTION 6. Insolvency or Liquidation Proceedings.

6.1 Collateral and Financing Issues. In addition to the limitations on the exercise of remedies contained in Section 3.1, the Second Lien Collateral Agent, for itself and on behalf of the Second Lien Claimholders, agrees that if the Borrower or any other Grantor shall be subject to any Insolvency or Liquidation Proceeding:

- (a) neither the Second Lien Collateral Agent nor any other Second Lien Claimholder will contest, challenge, object to, or otherwise oppose or act in a manner that is inconsistent with (or join with any Person in contesting, challenging, objecting or opposing) any:
- (1) request, consent or objection by the First Lien Collateral Agent or any First Lien Claimholder to any Person receiving relief seeking to protect or replace the value of the Collateral;
 - (2) consent or objection by the First Lien Collateral Agent or any First Lien Claimholder to the use of cash collateral by the Borrower or any other Grantor;
 - (3) consent or objection by the First Lien Collateral Agent or any First Lien Claimholder to any sale of any of the Collateral, provided the Liens of the Second Lien Claimholders attach to the proceeds of any such sale; or
 - (4) consent or objection by the First Lien Collateral Agent or any First Lien Claimholder to the Borrower or any other Grantor obtaining debtor-in-possession financing, provided that the aggregate Debt issued under such financing plus the aggregate Debt under the First Lien Credit Agreement does not exceed the Cap Amount (a "*DIP Financing*");

provided further that the First Lien Collateral Agent, for itself and on behalf of the other First Lien Claimholders, agrees that in any Insolvency or Liquidation Proceeding, if any First Lien Claimholder is granted additional or replacement Liens or collateral in connection with any of the foregoing, then no First Lien

Claimholder will object to (and to the extent it may do so, it will support) the grant to the Second Lien Claimholders of additional or replacement Liens on the Collateral (including proceeds thereof arising after the commencement of any Insolvency or Liquidation Proceeding) or additional or replacement collateral to secure the Second Lien Obligations, as long as such Lien is subordinated to the Liens securing the First Lien Obligations to the same extent as the other Liens of the Second Lien Claimholders on the Collateral are subordinated hereunder to the Liens securing the First Lien Obligations.

In all events the Second Lien Collateral Agent and the Second Lien Claimholders retain the right to (i) object to any ancillary agreements or arrangements regarding cash collateral use or a DIP Financing that are materially prejudicial to their interests, (ii) object to any DIP Financing relating to any provision or content of a plan of reorganization or similar dispositive restructuring plan, and (iii) propose an alternative DIP Financing to the Borrower or Grantor or the court considering the DIP Financing.

- (b) To the extent the Liens securing the First Lien Obligations are subordinated to, or *pari passu* with, any DIP Financing, the Second Lien Collateral Agent shall subordinate its Liens on the Collateral to such DIP Financing and all Second Lien Obligations relating thereto on the same basis as the Liens securing the Second Lien Obligations are subordinated to the First Lien Obligations under this Agreement.

6.2 Other Relief. The Second Lien Collateral Agent, for itself and on behalf of each other Second Lien Claimholder, agrees that in any Insolvency or Liquidation Proceeding, without the prior written consent of the First Lien Collateral Agent, no Second Lien Claimholder shall seek (i) relief from any stay in respect of the Collateral, (ii) the appointment of a trustee, receiver, liquidator or other similar official, (iii) to terminate any Insolvency or Liquidation Proceeding or request a different proceeding, or (iv) any other relief in respect of the Collateral except as permitted by Section 6.1(a) above.

6.3 No Waiver. Except as provided in Section 6.1, nothing contained herein shall prohibit or in any way limit the First Lien Collateral Agent or any other First Lien Claimholder from objecting in any Insolvency or Liquidation Proceeding or otherwise to any action taken by the Second Lien Claimholders.

6.4 Preference. If any First Lien Claimholder is required in any Insolvency or Liquidation Proceeding or otherwise to turn over or otherwise pay to the estate of the Borrower or the estate of any Grantor, any amount (a "Recovery"), then the First Lien Obligations of such First Lien Claimholders shall be reinstated to the extent of such Recovery and such First Lien Claimholders shall be entitled to receive payment in full of all such recovered amounts. If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair or otherwise affect the obligations of the parties hereto. The Second Lien Claimholders agree that none of them shall be entitled to benefit from any avoidance action affecting or otherwise relating to any distribution or allocation made in accordance with this Agreement, whether by

preference or otherwise, it being understood and agreed that the benefit of such avoidance action otherwise allocable to them shall instead be allocated and turned over for application accordance with the priorities set forth in this Agreement.

6.5 Reorganization Securities. If, in any Insolvency or Liquidation Proceeding, debt obligations of the reorganized debtor secured by Liens upon any property of the reorganized debtor are distributed pursuant to a plan of reorganization or similar dispositive restructuring plan, both on account of First Lien Obligations and on account of Second Lien Obligations, then, to the extent the debt obligations distributed on account of the First Lien Obligations and on account of the Second Lien Obligations are secured by Liens upon the same property, the provisions of this Agreement will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect to the Liens securing such debt obligations.

6.6 Separate Grants of Security

In any Insolvency or Liquidation Proceedings which require the classification of creditors for voting purposes on any plan or reorganization, the parties hereto agree that the Grantors shall establish separate classes for the First Lien Claimholders and Second Lien Claimholders in recognition of their different interests. The Second Lien Collateral Agent, for itself and on behalf of each other Second Lien Claimholder, agrees that the grants of Liens on the Collateral pursuant to the First Lien Loan Documents and the Second Lien Loan Documents constitute two separate and distinct grants of Liens and the Second Lien Collateral Agent will not object to any such classification. If it is held that the claims of the First Lien Claimholders and the Second Lien Claimholders in respect of the Collateral constitute one secured claim or class of creditors, then the Second Lien Collateral Agent, for itself and on behalf of each other Second Lien Claimholder, agrees that all distributions shall be made as if there were separate classes of senior and junior claims against the Grantors in respect of the Collateral including, to the extent the aggregate value of the Collateral is sufficient (excluding the Second Lien Obligations), the payment to the First Lien Claimholders of post-filing interest in addition to the amounts distributed to the First Lien Claimholders in respect of principal, pre-filing interest and other claims prior to any distribution being made to the Second Lien Claimholders, and the Second Lien Collateral Agent, for itself and on behalf of each other Second Lien Claimholder, agrees to hold in trust and turn over to the First Lien Collateral Agent, for itself and on behalf of the First Lien Claimholders, amounts otherwise received or receivable by them to the extent necessary to effectuate the intent of this sentence, even if such turnover has the effect of reducing the claim or recovery of the Second Lien Claimholders.

SECTION 7. Reliance; Waivers; Etc.

7.1 Reliance. Other than any reliance on the terms of this Agreement, the First Lien Collateral Agent, on behalf of itself and the First Lien Claimholders under its First Lien Loan Documents, acknowledges that it and such First Lien Claimholders have, independently and without reliance on the Second Lien Collateral Agent or any Second Lien Claimholders, and based on documents and information deemed by them appropriate, made their own credit analysis and decision to enter into such First Lien Loan Documents and be bound by the terms of this Agreement and they will continue to make their own credit decision in taking or not taking any action under the First Lien Credit Agreement or this Agreement. The Second Lien Collateral

Agent, on behalf of itself and the Second Lien Claimholders, acknowledges that it and the Second Lien Claimholders have, independently and without reliance on the First Lien Collateral Agent or any First Lien Claimholder, and based on documents and information deemed by them appropriate, made their own credit analysis and decision to enter into each of the Second Lien Loan Documents and be bound by the terms of this Agreement and they will continue to make their own credit decision in taking or not taking any action under the Second Lien Loan Documents or this Agreement.

7.2 No Warranties or Liability. The First Lien Collateral Agent, on behalf of itself and the First Lien Claimholders under the First Lien Loan Documents, acknowledges and agrees that each of the Second Lien Collateral Agent and the Second Lien Claimholders have made no express or implied representation or warranty, including with respect to the execution, validity, legality, completeness, collectibility or enforceability of any of the Second Lien Loan Documents, the ownership of any Collateral or the perfection or priority of any Liens thereon. Except as otherwise provided herein, the Second Lien Claimholders will be entitled to manage and supervise their respective loans and extensions of credit under the Second Lien Loan Documents in accordance with law and as they may otherwise, in their sole discretion, deem appropriate. Except as otherwise provided herein, the Second Lien Collateral Agent, on behalf of itself and the Second Lien Obligations, acknowledges and agrees that the First Lien Collateral Agent and the First Lien Claimholders have made no express or implied representation or warranty, including with respect to the execution, validity, legality, completeness, collectibility or enforceability of any of the First Lien Loan Documents, the ownership of any Collateral or the perfection or priority of any Liens thereon. Except as otherwise provided herein, the First Lien Claimholders will be entitled to manage and supervise their respective loans and extensions of credit under their respective First Lien Loan Documents in accordance with law and as they may otherwise, in their sole discretion, deem appropriate. The Second Lien Collateral Agent and the Second Lien Claimholders shall have no duty to the First Lien Collateral Agent or any of the First Lien Claimholders, and the First Lien Collateral Agent and the First Lien Claimholders shall have no duty to the Second Lien Collateral Agent or any of the Second Lien Claimholders, in each case, to act or refrain from acting in a manner which allows, or results in, the occurrence or continuance of an event of default or default under any agreements with the Borrower or any other Grantor (including the First Lien Loan Documents and the Second Lien Loan Documents), regardless of any knowledge thereof which they may have or be charged with.

7.3 No Waiver of Lien Priorities.

- (a) No right of the First Lien Claimholders, the First Lien Collateral Agent or any of them to enforce any provision of this Agreement or any First Lien Loan Document shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of the Borrower or any other Grantor or by any act or failure to act by any First Lien Claimholder or the First Lien Collateral Agent, or by any noncompliance by any Person with the terms, provisions and covenants of this Agreement, any of the First Lien Loan Documents or any of the Second Lien Loan Documents, regardless of any knowledge thereof which the First Lien Collateral Agent or the First Lien Claimholders, or any of them, may have or be otherwise charged with.

(b) Without in any way limiting the generality of Section 7.3(a) (but subject to the rights of the Borrower and the other Grantors under the First Lien Loan Documents and subject to the provisions of Section 5.3(a)), the First Lien Claimholders, the First Lien Collateral Agent and any of them may, at any time and from time to time in accordance with the First Lien Loan Documents and/or applicable law, without the consent of, or notice to, the Second Lien Collateral Agent or any Second Lien Claimholders, without incurring any liabilities to the Second Lien Collateral Agent or any Second Lien Claimholders and without impairing or releasing the Lien priorities and other benefits provided in this Agreement (even if any right of subrogation or other right or remedy of the Second Lien Collateral Agent or any Second Lien Claimholders is affected, impaired or extinguished thereby) do any one or more of the following:

- (1) make loans and advances to any Grantor or issue, guarantee or obtain letters of credit for account of any Grantor or otherwise extend credit to any Grantor, in any amount and on any terms, whether pursuant to a commitment or as a discretionary advance and whether or not any default or event of default or failure of condition is then continuing;
- (2) change the manner, place or terms of payment or change or extend the time of payment of, or amend, renew, exchange, increase or alter, the terms of any of the First Lien Obligations or any Lien on any First Lien Collateral or guarantee thereof or any liability of the Borrower or any other Grantor, or any liability incurred directly or indirectly in respect thereof (including any increase in or extension of the First Lien Obligations, without any restriction as to the tenor or terms of any such increase or extension) or otherwise amend, renew, exchange, extend, modify or supplement in any manner any Liens held by the First Lien Collateral Agent or any of the First Lien Claimholders, the First Lien Obligations or any of the First Lien Loan Documents; provided that any such increase in the First Lien Obligations shall not increase the sum of the Debt under the First Lien Credit Agreement and the amount of the First Lien Commitment Amount that is undrawn to an amount in excess of the Cap Amount;
- (3) sell, exchange, release, surrender, realize upon, enforce or otherwise deal with in any manner and in any order any part of the First Lien Collateral or any liability of the Borrower or any other Grantor to the First Lien Claimholders or the First Lien Collateral Agent, or any liability incurred directly or indirectly in respect thereof;
- (4) settle or compromise any First Lien Obligation or any other liability of the Borrower or any other Grantor or any security therefor or any liability incurred directly or indirectly in respect thereof and apply any sums by whomsoever paid and however realized to any liability (including the First Lien Obligations) in any manner or order;

- (5) exercise or delay in or refrain from exercising any right or remedy against the Borrower or any security or any other Grantor or any other Person, elect any remedy and otherwise deal freely with the Borrower, any other Grantor or any First Lien Collateral and any security and any guarantor or any liability of the Borrower or any other Grantor to the First Lien Claimholders or any liability incurred directly or indirectly in respect thereof;
 - (6) take or fail to take any Lien securing the First Lien Obligations or any other collateral security for any First Lien Obligations or take or fail to take any action which may be necessary or appropriate to ensure that any First Lien Collateral Document or any other Lien upon any property is duly enforceable or perfected or entitled to priority as against any other Lien or to ensure that any proceeds of any property subject to any Lien are applied to the payment of any First Lien Obligation or any obligation secured thereby;
 - (7) release, discharge or permit the lapse of any or all Liens securing the First Lien Obligations or any other Liens upon any property at any time securing any First Lien Obligations; and
 - (8) release or discharge any First Lien Obligation or any guarantee thereof or any agreement or obligation of any Grantor or any other Person with respect thereto.
- (c) The Second Lien Collateral Agent, on behalf of itself and the Second Lien Claimholders, agrees that the First Lien Claimholders and the First Lien Collateral Agent shall have no liability to the Second Lien Collateral Agent or any Second Lien Claimholders for actions taken in compliance with the terms of this Agreement (excluding actions constituting the gross negligence or willful misconduct of the First Lien Collateral Agent or any First Lien Claimholder), and the Second Lien Collateral Agent, on behalf of itself and the Second Lien Claimholders, hereby waives any claim against any First Lien Claimholder or the First Lien Collateral Agent arising out of any and all actions which the First Lien Claimholders or the First Lien Collateral Agent may take or permit or omit to take in accordance with the terms of this Agreement (excluding actions or inactions constituting the gross negligence or willful misconduct of the First Lien Collateral Agent or any First Lien Claimholder) with respect to (i) the First Lien Loan Documents, (ii) the collection of the First Lien Obligations or (iii) the foreclosure upon, or sale, liquidation or other disposition of, any First Lien Collateral. The Second Lien Collateral Agent, on behalf of itself and the Second Lien Claimholders, agrees that the First Lien Claimholders and the First Lien Collateral Agent have no duty, express or implied, fiduciary or otherwise, to them in respect of the maintenance or preservation of the First Lien Collateral; the First Lien Obligations or otherwise.

- (d) The First Lien Collateral Agent, on behalf of itself and the First Lien Claimholders, agrees that the Second Lien Claimholders and the Second Lien Collateral Agent shall have no liability to the First Lien Collateral Agent or any First Lien Claimholders for actions taken in compliance with the terms of this Agreement (excluding actions constituting the gross negligence or willful misconduct of the Second Lien Collateral Agent or any Second Lien Claimholder), and the First Lien Collateral Agent, on behalf of itself and the First Lien Claimholders, hereby waives any claim against any Second Lien Claimholder or the Second Lien Collateral Agent arising out of any and all actions which the Second Lien Claimholders or the Second Lien Collateral Agent may take or permit or omit to take in accordance with the terms of this Agreement (excluding actions or inactions constituting the gross negligence or willful misconduct of the Second Lien Collateral Agent or any Second Lien Claimholder) with respect to (i) the Second Lien Loan Documents, (ii) the collection of the Second Lien Obligations or (iii) the foreclosure upon, or sale, liquidation or other disposition of, any Second Lien Collateral. Except as otherwise provided herein, the First Lien Collateral Agent, on behalf of itself and the First Lien Claimholders, agrees that the Second Lien Claimholders and the Second Lien Collateral Agent have no duty, express or implied, fiduciary or otherwise, to them in respect of the maintenance or preservation of the Second Lien Collateral, the Second Lien Obligations or otherwise.
- (e) Neither the First Lien Collateral Agent nor any other First Lien Claimholder nor any of their respective directors, officers, employees or agents will be liable to any Second Lien Claimholder for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so, or will be under any obligation to sell or otherwise dispose of any Collateral upon the request of the Borrower or any other Grantor or upon the request of the Second Lien Collateral Agent, any other Second Lien Claimholder or any other Person or to take any other action whatsoever with regard to the Collateral or any part thereof. Without limiting the foregoing, each Second Lien Claimholder by accepting the benefits of the Second Lien Loan Documents agrees that neither the First Lien Collateral Agent nor any other First Lien Claimholder (in directing the First Lien Collateral Agent to take any action with respect to the Collateral or otherwise) shall have any duty or obligation to realize first upon any type of Collateral or to sell, dispose of or otherwise liquidate all or any portion of the Collateral in any manner, including as a result of the application of the principles of marshalling or otherwise, that would maximize the return to any class of creditors holding Obligations of any type (whether First Lien Obligations or Second Lien Obligations), notwithstanding that the order and timing of any such realization, sale, disposition or liquidation may affect the amount of proceeds actually received by such class of creditors from such realization, sale, disposition or liquidation.
- (f) Until the Discharge of First Lien Obligations, the Second Lien Collateral Agent, on behalf of itself and the Second Lien Claimholders, agrees not to assert and hereby waives, to the fullest extent permitted by law, any right to demand, request, plead or otherwise assert or otherwise claim the benefit of, any

marshalling, appraisal, valuation or other similar right that may otherwise be available under applicable law with respect to the Collateral or any other similar rights a junior secured creditor may have under applicable law.

7.4 Obligations Unconditional. All rights, interests, agreements and obligations of the First Lien Collateral Agent and the First Lien Claimholders and the Second Lien Collateral Agent and the Second Lien Claimholders, respectively, hereunder shall remain in full force and effect irrespective of:

- (a) any lack of validity or enforceability of any First Lien Loan Documents or any Second Lien Loan Documents;
- (b) except as otherwise expressly set forth in this Agreement, any change in the time, manner or place of payment of, or in any other terms of, all or any of the First Lien Obligations or Second Lien Obligations, or any amendment or waiver or other modification, including any increase in the amount thereof, whether by course of conduct or otherwise, of the terms of any First Lien Loan Document or any Second Lien Loan Document;
- (c) except as otherwise expressly set forth in this Agreement, any exchange of any security interest in any Collateral or any other collateral, or any amendment, waiver or other modification, whether in writing or by course of conduct or otherwise, of all or any of the First Lien Obligations or Second Lien Obligations or any guarantee thereof;
- (d) any Insolvency or Liquidation Proceeding, or the commencement of any such proceeding, in respect of the Borrower or any other Grantor; or
- (e) any other circumstances which otherwise might constitute a defense available to, or a discharge of, the Borrower or any other Grantor in respect of the First Lien Collateral Agent, the First Lien Obligations, any First Lien Claimholder, the Second Lien Collateral Agent, the Second Lien Obligations or any Second Lien Claimholder in respect of this Agreement.

SECTION 8. Miscellaneous.

8.1 Complete Agreement; Conflicts. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior representations, negotiations, writings, memoranda and agreements. In the event of any conflict between the provisions of this Agreement and the provisions of the First Lien Loan Documents or the Second Lien Loan Documents, the provisions of this Agreement shall govern and control.

8.2 Effectiveness; Continuing Nature of this Agreement; Severability. This Agreement shall become effective when executed and delivered by the parties hereto. This is a continuing agreement of lien subordination and the First Lien Claimholders may continue, at any time and without notice to the Second Lien Collateral Agent or any Second Lien Claimholder subject to the Second Lien Loan Documents, to extend credit and other financial accommodations and lend monies to or for the benefit of the Borrower or any Grantor

constituting First Lien Obligations in reliance hereof. The Second Lien Collateral Agent, on behalf of itself and the Second Lien Claimholders, hereby waives any right it may have under applicable law to revoke this Agreement or any of the provisions of this Agreement. The terms of this Agreement shall survive, and shall continue in full force and effect, in any Insolvency or Liquidation Proceeding. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. All references to the Borrower or any other Grantor shall include the Borrower or such Grantor as debtor and debtor-in-possession and any receiver or trustee for the Borrower or any other Grantor (as the case may be) in any Insolvency or Liquidation Proceeding.

8.3. Termination. This Agreement shall terminate and be of no further force and effect:

- (a) with respect to the First Lien Collateral Agent, the First Lien Claimholders and the First Lien Obligations, upon the date of Discharge of First Lien Obligations, subject to the rights of the First Lien Claimholders under Section 6.4 and provided that Section 5.5 shall survive such termination; and
- (b) with respect to the Second Lien Collateral Agent, the Second Lien Claimholders and the Second Lien Obligations, upon the later of (1) the date upon which the obligations under the Second Lien Credit Agreement terminate if there are no other Second Lien Obligations outstanding on such date and (2) if there are other Second Lien Obligations outstanding on such date, the date upon which such Second Lien Obligations terminate, provided that the Second Lien Collateral Agent and Second Lien Claimholders (A) have paid over to the First Lien Collateral Agent all amounts required pursuant to Section 4.2 and (B) are otherwise then in compliance with this Agreement.

8.4. Amendments; Waivers. No amendment, modification or waiver of any of the provisions of this Agreement by the Second Lien Collateral Agent or the First Lien Collateral Agent shall be deemed to be made unless the same shall be in writing signed on behalf of each party hereto or its authorized agent and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the parties making such waiver or the obligations of the other parties to such party in any other respect or at any other time. Notwithstanding the foregoing, the Borrower shall not have any right to consent to or approve any amendment, modification or waiver of any provision of this Agreement except to the extent its rights are directly and adversely affected.

8.5. Information Concerning Financial Condition of the Borrower and its Subsidiaries. The First Lien Collateral Agent and the First Lien Claimholders, on the one hand, and the Second Lien Claimholders and the Second Lien Collateral Agent, on the other hand, shall each be responsible for keeping themselves informed of (a) the financial condition of the Borrower and its Subsidiaries and all endorsers and/or guarantors of the First Lien Obligations or the Second Lien Obligations and (b) all other circumstances bearing upon the risk of nonpayment of the First Lien Obligations or the Second Lien Obligations. The First Lien Collateral Agent and the First Lien Claimholders shall have no duty to advise the Second Lien Collateral Agent or any

Second Lien Claimholder of information known to it or them regarding such condition or any such circumstances or otherwise. The Second Lien Collateral Agent and the Second Lien Claimholders shall have no duty to advise the First Lien Collateral Agent or any First Lien Claimholder of information known to it or them regarding such condition or any such circumstances or otherwise. In the event the First Lien Collateral Agent or any of the First Lien Claimholders, or the Second Lien Collateral Agent or any of the Second Lien Claimholders, in its or their sole discretion, undertakes at any time or from time to time to provide any such information to the Second Lien Collateral Agent or any Second Lien Claimholder or the First Lien Collateral Agent or any First Lien Claimholder, as the case may be, it or they shall be under no obligation:

- (a) to make, and the First Lien Collateral Agent and the First Lien Claimholders or the Second Lien Collateral Agent and the Second Lien Claimholders, as the case may be, shall not make, any express or implied representation or warranty, including with respect to the accuracy, completeness, truthfulness or validity of any such information so provided;
- (b) to provide any additional information or to provide any such information on any subsequent occasion;
- (c) to undertake any investigation; or
- (d) to disclose any information, which pursuant to accepted or reasonable commercial finance practices, such party wishes to maintain confidential or is otherwise required to maintain confidential.

8.6 Subrogation. With respect to the value of any payments or distributions in cash or property that any of the Second Lien Claimholders or the Second Lien Collateral Agent pays over to the First Lien Collateral Agent or the First Lien Claimholders under the terms of this Agreement, the Second Lien Claimholders and the Second Lien Collateral Agent shall be subrogated to the rights of the First Lien Collateral Agent and the First Lien Claimholders; provided that the Second Lien Collateral Agent, on behalf of itself and the Second Lien Claimholders, hereby agrees not to assert or enforce all such rights of subrogation it may acquire as a result of any payment hereunder until the Discharge of First Lien Obligations has occurred. The Borrower, for itself and as agent for all of the Subsidiary Guarantors, acknowledges and agrees that the value of any payments or distributions in cash or property received by the Second Lien Collateral Agent or the Second Lien Claimholders that are paid over to the First Lien Collateral Agent or the First Lien Claimholders pursuant to this Agreement shall not reduce any of the Second Lien Obligations.

8.7 Application of Payments. All payments received by the First Lien Collateral Agent or the First Lien Claimholders may be applied, reversed and reapplied, in whole or in part, to such part of the First Lien Obligations provided for in the First Lien Loan Documents. The Second Lien Collateral Agent, on behalf of itself and the Second Lien Claimholders, assents to any extension or postponement of the time of payment of the First Lien Obligations or any part thereof and to any other indulgence with respect thereto, to any substitution, exchange or release

of any security which may at any time secure any part of the First Lien Obligations and to the addition or release of any other Person primarily or secondarily liable therefor.

8.8 Governing Law; Waiver of Jury Trial; Attornment.

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, without prejudice to or limitation of any other rights or remedies available under the laws of any jurisdiction where property of the Debtors may be found.
- (b) To the extent permitted by applicable law, each of the parties hereto hereby agrees to waive its respective rights to a jury trial of any claim or cause of action based upon or arising hereunder.
- (c) The parties hereto each hereby attorn and submit to the jurisdiction of the courts of the Province of Alberta in regard to legal proceedings relating to this Agreement. For the purpose of all such legal proceedings, this Agreement shall be deemed to have been performed in the Province of Alberta and the courts of the Province of Alberta shall have jurisdiction to entertain any action arising under this Agreement. Notwithstanding the foregoing, nothing in this Section shall be construed nor operate to limit the right of any party hereto to commence any action relating hereto in any other jurisdiction, nor to limit the right of the courts of any other jurisdiction to take jurisdiction over any action or matter relating hereto.

8.9 Notices. All notices to the Second Lien Claimholders and the First Lien Claimholders permitted or required under this Agreement shall also be sent to the Second Lien Collateral Agent and the First Lien Collateral Agent, respectively. Unless otherwise specifically provided herein, any notice hereunder shall be in writing and may be personally served, telexed or sent by telefacsimile or courier service and shall be deemed to have been given when delivered in person or by courier service and signed for against receipt thereof, upon receipt of telefacsimile or telex. For the purposes hereof, the addresses of the parties hereto shall be as set forth below each party's name on the signature pages hereto, or, as to each party, at such other address as may be designated by such party in a written notice to all of the other parties.

8.10 Further Assurances. The First Lien Collateral Agent, on behalf of itself and the First Lien Claimholders under the First Lien Loan Documents, and the Second Lien Collateral Agent, on behalf of itself and the Second Lien Claimholders under the Second Lien Loan Documents, and the Borrower agrees that it shall take such further action and shall execute and deliver such additional documents and instruments (in recordable form, if requested) as the First Lien Collateral Agent or the Second Lien Collateral Agent may reasonably request to effectuate or evidence the terms of and the Lien priorities contemplated by this Agreement.

8.11 Binding on Successors and Assigns. This Agreement shall be binding upon the First Lien Collateral Agent, the First Lien Claimholders, the Second Lien Collateral Agent, the Second Lien Claimholders and their respective successors and assigns.

8.12 Specific Performance. Each of the First Lien Collateral Agent and the Second Lien Collateral Agent may demand specific performance of this Agreement. The First Lien Collateral Agent, on behalf of itself and the First Lien Claimholders under the First Lien Loan Documents, and the Second Lien Collateral Agent, on behalf of itself and the Second Lien Claimholders, hereby irrevocably waive any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action which may be brought by the First Lien Collateral Agent or the First Lien Claimholders or the Second Lien Collateral Agent or the Second Lien Claimholders, as the case may be.

8.13 Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose or be given any substantive effect.

8.14 Counterparts. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement or any document or instrument delivered in connection herewith by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement or such other document or instrument, as applicable.

8.15 Authorization. By its signature, each Person executing this Agreement on behalf of a party hereto represents and warrants to the other parties hereto that it is duly authorized to execute this Agreement.

8.16 Time of the Essence. Time shall be of the essence under and with respect to this Agreement.

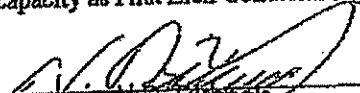
8.17 No Third Party Beneficiaries. This Agreement and the rights and benefits hereof shall inure to the benefit of each of the parties hereto and its respective successors and assigns and shall inure to the benefit of each of the First Lien Claimholders and the Second Lien Claimholders. Nothing in this Agreement shall impair, as between the Borrower and the other Grantors and the First Lien Collateral Agent and the First Lien Claimholders, or as between the Borrower and the other Grantors and the Second Lien Collateral Agent and the Second Lien Claimholders, the obligations of the Borrower and the other Grantors to pay principal, interest, fees and other amounts as provided in the First Lien Loan Documents and the Second Lien Loan Documents, respectively.


8.18 Provisions Solely to Define Relative Rights. The provisions of this Agreement are and are intended solely for the purpose of defining the relative rights of the First Lien Collateral Agent and the First Lien Claimholders on the one hand and the Second Lien Collateral Agent and the Second Lien Claimholders on the other hand, and none of the Borrower, any other Grantor or any other creditor thereof shall have any rights hereunder and none of the Borrower or any Grantor may rely on the terms hereof, except with respect to Section 5.5 and the survival thereof pursuant to Section 8.3. Nothing in this Agreement is intended to or shall impair the obligations of the Borrower or any other Grantor, which are absolute and unconditional, to pay the First Lien Obligations and the Second Lien Obligations as and when the same shall become due and payable in accordance with their terms.

IN WITNESS WHEREOF, the parties hereto have executed this Intercreditor Agreement as of the date first written above.

First Lien Collateral Agent

THE TORONTO-DOMINION BANK,
in its capacity as First Lien Collateral Agent,

By: 
Name: N.D. Eibeck
Title: Managing Director

By: 
Name: Luaila Palandri
Title: Vice President & Director
Corporate Credit

Notice Address:

800 Home Oil Tower
324 - 8th Avenue S.W.
Calgary, Alberta
T2P 2T2
Attention: Vice President and Director, Corporate
Credit

Telecopier No. 403-292-2772

[Execution Page to Intercreditor Agreement]

Second Lien Collateral Agent

**CREDIT SUISSE FIRST BOSTON TORONTO
BRANCH**, in its capacity as Second Lien Collateral
Agent

By: 
Name: Alain Daoust
Title: Director

By: 
Name: _____
Title: **Duncan D. Webb**

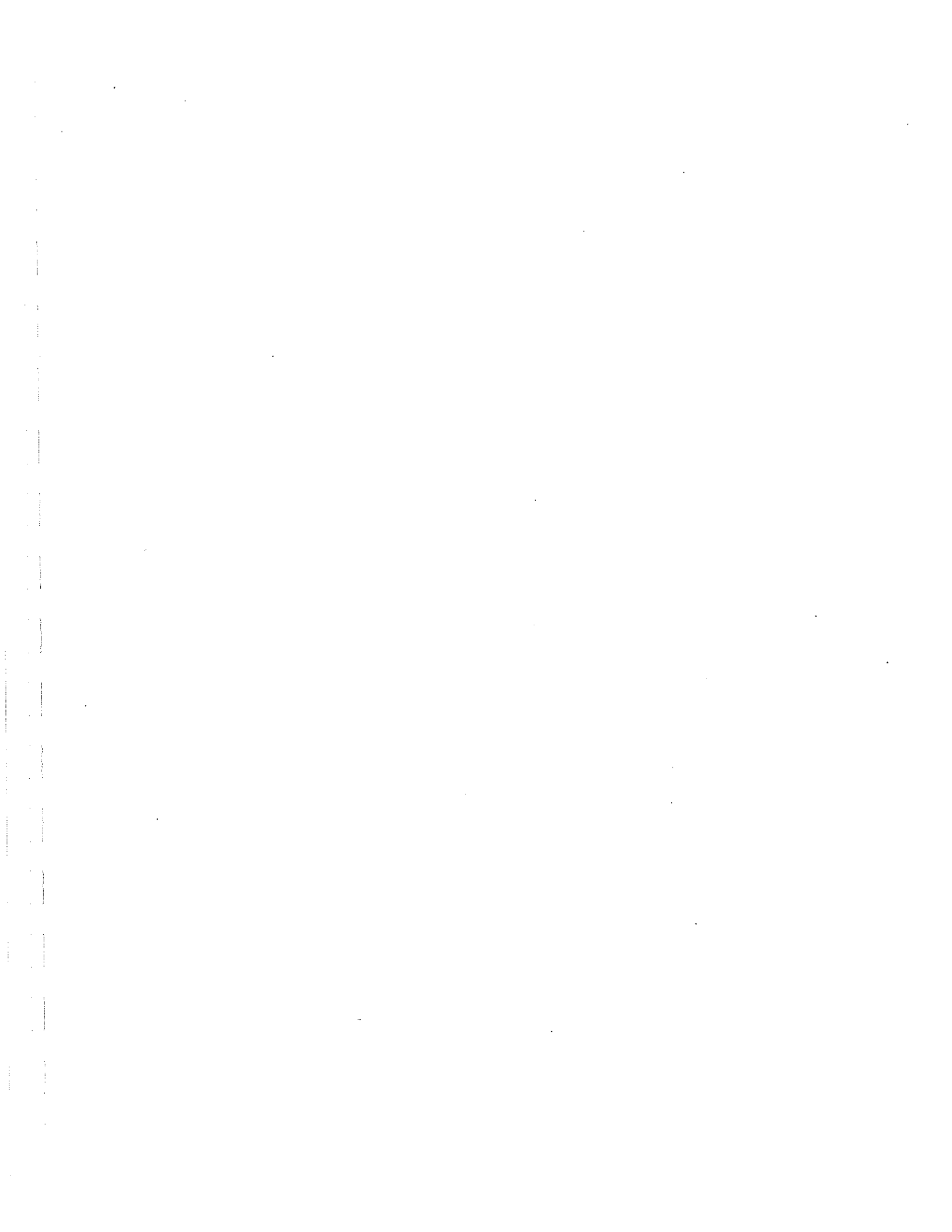
Notice Address:

Eleven Madison Avenue
New York, New York 10010
Attention: Agency Group
Telecopier No. 212-325-8304

And to:

1 First Canadian Place
Suite 3000
P.O. Box 301
Toronto, Ontario
M5X 1C9
Telecopier No. 416-352-4574

[Execution Page to Intercreditor Agreement]



FIRST AMENDMENT TO INTERCREDITOR AGREEMENT

THIS FIRST AMENDMENT dated effective as of December 16, 2005 ("First Amendment") to the Intercreditor Agreement originally made as of April 26, 2005 among the following parties (the "Intercreditor Agreement").

AMONG:

THE TORONTO DOMINION BANK, in its capacity as First Lien Collateral Agent (in such capacity, the "First Lien Collateral Agent")

- and -

CREDIT SUISSE, TORONTO BRANCH, in its capacity as Second Lien Collateral Agent (in such capacity, the "Second Lien Collateral Agent")

- and -

TRIDENT EXPLORATION CORP., an unlimited liability company organized under the laws of the Province of Nova Scotia (the "Borrower")

WHEREAS:

- A. The Borrower, the lenders party thereto, and the First Lien Collateral Agent, as Administrative Agent and Collateral Agent have entered into that Credit Agreement dated as of July 8, 2004 providing for revolving credit facilities (as amended and restated as at the date hereof and as further amended, restated, supplemented, modified, replaced or Refinanced from time to time, the "First Lien Credit Agreement");
- B. The Borrower, the lenders party thereto, and the Second Lien Collateral Agent, as Administrative Agent and Collateral Agent, have entered into that Second Lien Credit Agreement dated as of April 26, 2005 providing for a term loan (as amended by Amendment No. 1 (as defined hereafter) and as further amended, restated, supplemented, modified, replaced or Refinanced from time to time, the "Second Lien Credit Agreement");
- C. The First Lien Collateral Agent and the Second Lien Collateral Agent have entered into the Intercreditor Agreement in order to, among other things, set forth their respective rights and remedies with respect to the Collateral.
- D. The Borrower and the Second Lien Collateral Agent have entered into that Amendment and Waiver No. 1 to the Credit Agreement ("Amendment No. 1") dated as of the date hereof, amending the Second Lien Credit Agreement in order to, among other things, establish an

additional term loan facility in an amount equal to US\$100,000,000 and an additional delayed draw term loan facility in an amount equal to US\$50,000,000.

E. It is a condition precedent to the effectiveness of Amendment No. 1 that the First Lien Collateral Agent and the Second Lien Collateral Agent enter into this First Amendment.

F. Capitalized terms used herein shall have the respective meanings ascribed thereto in the Intercreditor Agreement unless defined herein or the context shall otherwise require.

NOW THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Intercreditor Agreement is amended by:

(a) deleting the definition of "Cap Amount" in Section 1.1 and replacing it with the following:

"*Cap Amount*" means, at any time, Cdn \$50,000,000, provided that from and after the date which is the last day of the first calendar month that average daily sales of production of Petroleum Substances for such month, net to the Borrower and its Subsidiaries before royalties, as measured in the commonly accepted form of gigajoules ("gj") per day is greater than or equal to 100,000 gj, "*Cap Amount*" shall mean the greater of (a) Cdn \$50,000,000 and (b) 50% of PDP PV-10 Value at such time.";

(b) adding the following definition of "PDP PV-10 Value" in Section 1.1:

"*PDP PV-10 Value*" has the meaning assigned to that term in the Second Lien Credit Agreement as at the date hereof."; and

(c) deleting Section 5.3(b)(2) and replacing it with the following:

"increase the aggregate Debt under the Second Lien Credit Agreement or any Refinancing thereof in excess of U.S.\$325,000,000;"

2. To the extent required under the First Lien Credit Agreement and the Intercreditor Agreement (as amended by this First Amendment), the First Lien Collateral Agent hereby acknowledges and consents to the amendments to the Second Lien Credit Agreement as contemplated in Amendment No. 1.

3. This First Amendment may be executed in any number of counterparts, and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument as of the date first above noted.

4. This First Amendment shall be construed in connection with and as part of the Intercreditor Agreement, and except as modified and expressly amended by this First Amendment, all terms, conditions and covenants contained in the Intercreditor Agreement are hereby ratified and shall be and remain in full force and effect.
5. This First Amendment shall be governed by and construed in accordance with the laws of the Province of Alberta. The parties hereto each hereby attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta with respect to all legal proceedings pertaining to this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the date first written above.

First Lien Collateral Agent

THE TORONTO DOMINION BANK,
in its capacity as First Lien Collateral Agent,

By: 
Name: Linda Palindoff
Title: Vice President & Director
Corporate Credit

By: _____
Name:
Title:

Notice Address:

800 Home Oil Tower
324 - 8th Avenue S.W.
Calgary, Alberta
T2P 2Z2
Attention: Vice President and Director, Corporate
Credit


Telecopier No. 403-292-2772

[Execution Page to First Amendment to Intercreditor Agreement]

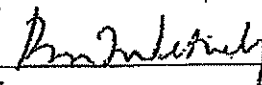
Second Lien Collateral Agent

CREDIT SUISSE, TORONTO BRANCH, in its
capacity as Second Lien Collateral Agent

By: _____

Name: 
Title: Alain Daoust
Director

By: _____

Name: 
Title: Bruce F. Wetherly
Director,

Notice Address: Controllers Department

Eleven Madison Avenue
New York, New York 10010
Attention: Agency Group
Telecopier No. 212-325-8304

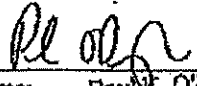
And to: . . .

1 First Canadian Place
Suite 3000
P.O. Box 301
Toronto, Ontario
M5X 1C9
Telecopier No. 416-352-4574

Acknowledged and Agreed to by:

The Borrower

TRIDENT EXPLORATION CORP.
a Nova Scotia unlimited liability company

By: 
Name: Paul J. O'Donoghue
Title: Vice-President, Corporate
& Strategic Development

Notice Address:

1000, 444 - 7th Avenue S.W.
Calgary, Alberta
T2P 0X8
Attention: Vice-President, Corporate & Strategic Development
Telecopier No. 403-668-5805

[Execution Page to First Amendment to Intercreditor Agreement]

SECOND AMENDMENT TO INTERCREDITOR AGREEMENT

THIS SECOND AMENDMENT dated effective as of April 25, 2006 ("Second Amendment") to the Intercreditor Agreement originally made as of April 26, 2005 among the following parties (as amended by the First Amendment to Intercreditor Agreement dated as of December 16, 2005, the "Intercreditor Agreement")

AMONG:

THE TORONTO-DOMINION BANK, in its capacity as First Lien Collateral Agent (in such capacity, the "First Lien Collateral Agent")

- and -

CREDIT SUISSE, TORONTO BRANCH (formerly, Credit Suisse First Boston, Toronto Branch), in its capacity as Second Lien Collateral Agent (in such capacity, the "Second Lien Collateral Agent")

- and -

TRIDENT EXPLORATION CORP., an unlimited liability company organized under the laws of the Province of Nova Scotia (the "Borrower")

WHEREAS:

A. The Borrower, the lenders party thereto, and the First Lien Collateral Agent, as Administrative Agent and Collateral Agent have entered into that Credit Agreement dated as of July 8, 2004 providing for revolving credit facilities (as amended and restated as at December 16, 2005, as amended by the Amending Agreement dated as of April 13, 2006, and as amended as of the date hereof and as further amended, restated, supplemented, modified, replaced or Refinanced from time to time, the "First Lien Credit Agreement");

B. The Borrower, the lenders party thereto, and the Second Lien Collateral Agent, as Administrative Agent and Collateral Agent, have entered into that Second Lien Credit Agreement dated as of April 26, 2005 providing for a term loan (as amended by Amendment and Waiver No. 1 to the Credit Agreement dated as of December 16, 2005 and as amended and restated by Amended and Restated Second Lien Credit Agreement (as defined hereafter) and as further amended, restated, supplemented, modified, replaced or Refinanced from time to time, the "Second Lien Credit Agreement");

C. The First Lien Collateral Agent and the Second Lien Collateral Agent have entered into the Intercreditor Agreement in order to, among other things, set forth their respective rights and remedies with respect to the Collateral.

D. The Borrower and the First Lien Collateral Agent have entered into that Second Amending Agreement dated as of the date hereof (the "Second Amending Agreement"), amending the First Lien Credit Agreement.

E. The Borrower and the Second Lien Collateral Agent have entered into that Amended and Restated Credit Agreement dated as of the date hereof ("Amended and Restated Second Lien Credit Agreement"), amending and restating the Second Lien Credit Agreement.

F. Capitalized terms used herein shall have the respective meanings ascribed thereto in the Intercreditor Agreement unless defined herein or the context shall otherwise require.

NOW THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Intercreditor Agreement is amended by:

(a) deleting the definition of "Cap Amount" in Section 1.1 and replacing it with the following:

"Cap Amount" means (a) at any time from and including the date hereof to but excluding the first date on which the Leverage Ratio (as defined in the Second Lien Credit Agreement on April 25, 2006) shall be equal to or less than 4:1, Cdn\$10 million and (b) at any time thereafter, the greater of US\$40 million and Cdn\$50 million.";

(b) deleting Section 5.3(b)(2) and replacing it with the following:

"(2) increase the aggregate Debt under the Second Lien Credit Agreement or any Refinancing thereof in excess of U.S.\$450,000,000;" and

(c) deleting Section 5.6 and replacing it with the following:

"5.6 Purchase Right. Without prejudice to the enforcement of the First Lien Claimholders remedies, the First Lien Claimholders agree that, at any time following the occurrence of any event of default under, or any other event or circumstance which would allow for the acceleration of Obligations under, the First Lien Credit Agreement or the Second Lien Credit Agreement, the First Lien Claimholders will, upon having actual knowledge of such an event of default or other event or circumstance, offer the Second Lien Claimholders the option to purchase the entire aggregate amount (but not less than all) of outstanding First Lien Obligations, at par (but for certainty, including payment of any breakage costs or losses arising as a result of the timing of any such purchase and, in

respect of any First Lien Obligations denominated in other than Canadian dollars, converted at the rate of exchange specified in the relevant First Lien Loan Document or, otherwise, at such other conversion rate as may be selected by the First Lien Collateral Agent, acting reasonably), without warranty or representation or recourse (except, by each First Lien Claimholder, of its right to sell such First Lien Obligations and as to the absence of Liens thereon created by such First Lien Claimholder), on a pro rata basis across First Lien Claimholders. The Second Lien Claimholders may elect to accept such offer at any time during the 30 day period following the receipt thereof (and such acceptance shall be irrevocable) and the parties shall endeavor to close promptly thereafter. Such agreement shall be evidenced by purchase documentation mutually acceptable to each of the First Lien Collateral Agent and the Second Lien Collateral Agent and all reasonable costs and expenses of closing any such purchase (including the costs and expenses relating to the preparation of the aforementioned documentation, including reasonable fees and expenses of counsel to the First Lien Claimholders) shall be paid by the Second Lien Claimholders as a condition precedent to the closing of any such purchase. In addition, the First Lien Collateral Agent shall execute and deliver, at the Borrower's expense, such mortgage releases, financing statement terminations and other release documents or instruments as the Second Lien Claimholders may reasonably request."

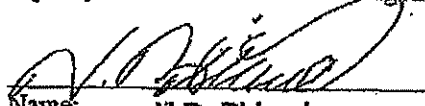
2. To the extent required under the First Lien Credit Agreement and the Intercreditor Agreement (as amended by this Second Amendment), the First Lien Collateral Agent hereby acknowledges and consents to the amendments and restatements of the Second Lien Credit Agreement as contemplated in the Amended and Restated Second Lien Credit Agreement. Notwithstanding the effectiveness of this Second Amendment, the Second Amending Agreement and the Amended and Restated Second Lien Credit Agreement, the Intercreditor Agreement shall remain in full force and effect and the parties' obligations thereunder are hereby ratified and confirmed in all respects, except that, on and after the effectiveness of this Second Amendment, each reference in the Intercreditor Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Intercreditor Agreement shall mean and be a reference to the Intercreditor Agreement as modified by this Second Amendment.
3. This Second Amendment may be executed in any number of counterparts, and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument as of the date first above noted.
4. This Second Amendment shall be construed in connection with and as part of the Intercreditor Agreement, and except as modified and expressly amended by this Second Amendment, all terms, conditions and covenants contained in the Intercreditor Agreement are hereby ratified and shall be and remain in full force and effect.
5. This Second Amendment shall be governed by and construed in accordance with the laws of the Province of Alberta. The parties hereto each hereby attorn to the non-exclusive


jurisdiction of the courts of the Province of Alberta with respect to all legal proceedings pertaining to this Second Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment as of the date first written above.

First Lien Collateral Agent

THE TORONTO-DOMINION BANK,
in its capacity as First Lien Collateral Agent,

By: 
Name: N.D. Birbeck
Title: Managing Director

By: 
Name: Loretta Palandri
Title: Vice President & Director
Corporate Credit

Notice Address:

800 Home Oil Tower
324 - 8th Avenue S.W.
Calgary, Alberta
T2P 2Z2


Attention: Vice President and Director, Corporate
Credit


Telecopier No. 403-292-2772

[Execution Page to Second Amendment to Intercreditor Agreement]

Second Lien Collateral Agent

CREDIT SUISSE, TORONTO BRANCH, in its
capacity as Second Lien Collateral Agent

By: 
Name: Bruce F. Wetherly
Title: Director

By: 
Name: Bruce F. Wetherly
Title: Director,
CREDIT SUISSE, TORONTO BRANCH

Notice Address:

Eleven Madison Avenue
New York, New York 10010
Attention: Agency Group
Telecopier No. 212-325-8304

And to:

1 First Canadian Place
Suite 3000
P.O. Box 301
Toronto, Ontario
M5X 1C9
Telecopier No. 416-352-4574

[Execution Page to Second Amendment to Intercreditor Agreement]

NYD01CS03/0111es

NO. 1436 P. 4

CREDIT SUISSE FIRST BOSTON

APR. 24. 2006 5:11PM

Acknowledged and Agreed to by:

The Borrower

TRIDENT EXPLORATION CORP.
a Nova Scotia unlimited liability company

By: Pl. [Signature]
Name:
Title:

Notice Address:

1000, 444 - 7th Avenue S.W.
Calgary, Alberta
T2P 0X8
Attention: Vice-President, Corporate & Strategic Development
Telecopier No. 403-668-5805

[Execution Page to Second Amendment to Intercreditor Agreement]

THIRD AMENDMENT TO INTERCREDITOR AGREEMENT

THIS THIRD AMENDMENT dated effective as of October 12, 2006 ("Third Amendment") to the Intercreditor Agreement originally made as of April 26, 2005 among the following parties (as amended by the First Amendment to Intercreditor Agreement dated as of December 16, 2005 and the Second Amendment to Intercreditor Agreement dated as of April 25, 2006, the "Intercreditor Agreement")

AMONG:

THE TORONTO-DOMINION BANK, in its capacity as First Lien Collateral Agent (in such capacity, the "First Lien Collateral Agent")

- and -

CREDIT SUISSE, TORONTO BRANCH (formerly, Credit Suisse First Boston, Toronto Branch), in its capacity as Second Lien Collateral Agent (in such capacity, the "Second Lien Collateral Agent")

- and -

TRIDENT EXPLORATION CORP., an unlimited liability company organized under the laws of the Province of Nova Scotia (the "Borrower")

WHEREAS:

A. The Borrower, the lenders party thereto, and the First Lien Collateral Agent, as Administrative Agent and Collateral Agent have entered into that Credit Agreement dated as of July 8, 2004 providing for revolving credit facilities (as amended and restated as at December 16, 2005, as amended by the Amending Agreement dated as of April 13, 2006, as amended by the Second Amending Agreement dated as of April 25, 2006, and as amended as of the date hereof and as further amended, restated, supplemented, modified, replaced or Refinanced from time to time, the "First Lien Credit Agreement");

B. The Borrower, the lenders party thereto, and the Second Lien Collateral Agent, as Administrative Agent and Collateral Agent, have entered into that Second Lien Credit Agreement dated as of April 26, 2005 providing for a term loan (as amended by Amendment and Waiver No. 1 to the Credit Agreement dated as of December 16, 2005, as amended and restated by Amended and Restated Second Lien Credit Agreement dated as of April 25, 2006, as amended as of the date hereof and as further amended, restated, supplemented, modified, replaced or Refinanced from time to time, the "Second Lien Credit Agreement");

C. The First Lien Collateral Agent and the Second Lien Collateral Agent have entered into the Intercreditor Agreement in order to, among other things, set forth their respective rights and remedies with respect to the Collateral.

D. The Borrower and the First Lien Collateral Agent have entered into that Third Amending Agreement dated as of the date hereof (the "Third Amending Agreement"), amending the First Lien Credit Agreement.

E. The Borrower and the Second Lien Collateral Agent have entered into that Amendment No. 1 to the Credit Agreement dated as of the date hereof (the "Amendment No. 1"), amending and restating the Second Lien Credit Agreement.

F. Capitalized terms used herein shall have the respective meanings ascribed thereto in the Intercreditor Agreement unless defined herein or the context shall otherwise require.

NOW THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The Intercreditor Agreement is amended by:

(a) adding at the end of the second paragraph in the definition of "First Lien Obligations" contained in Section 1.1 the following new sentence:

"If any Person enters into a Hedge Agreement when such Person is a Second Lien Lender or any Affiliate of a Second Lien Lender (and including, for certainty, any Former Lender and its Affiliates under the Second Lien Credit Agreement) and then later such Person becomes a First Lien Lender or an Affiliate of a First Lien Lender (and including, for certainty, any Former Lender and its Affiliates under the First Lien Credit Agreement), all Obligations under such Hedge Agreement shall be deemed for all purposes to be "First Lien Obligations" hereunder, and all provisions of this Agreement shall be read and construed to give effect thereto."

(b) deleting the phrase "the Documents" in the first and second lines of the definition of "Second Lien Loan Documents" contained in Section 1.1 and replacing such phrase with "the Loan Documents"; and

(c) deleting Section 5.3(b)(2) and replacing such section with the following:

"(2) increase the aggregate Debt under the Second Lien Credit Agreement or any Refinancing thereof in excess of U.S.\$500,000,000;"

2. To the extent required under the First Lien Credit Agreement and the Intercreditor Agreement (as amended by this Third Amendment), the First Lien Collateral Agent hereby acknowledges and consents to the amendments and restatements of the Second

Lien Credit Agreement as contemplated in Amendment No. 1. Notwithstanding the effectiveness of this Third Amendment, the Third Amending Agreement and Amendment No. 1, the Intercreditor Agreement shall remain in full force and effect and the parties' obligations thereunder are hereby ratified and confirmed in all respects, except that, on and after the effectiveness of this Third Amendment, each reference in the Intercreditor Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Intercreditor Agreement shall mean and be a reference to the Intercreditor Agreement as modified by this Third Amendment.

3. This Third Amendment may be executed in any number of counterparts, and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument as of the date first above noted.
4. This Third Amendment shall be construed in connection with and as part of the Intercreditor Agreement, and except as modified and expressly amended by this Third Amendment, all terms, conditions and covenants contained in the Intercreditor Agreement are hereby ratified and shall be and remain in full force and effect.
5. This Third Amendment shall be governed by and construed in accordance with the laws of the Province of Alberta. The parties hereto each hereby attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta with respect to all legal proceedings pertaining to this Third Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment as of the date first written above.

First Lien Collateral Agent

THE TORONTO-DOMINION BANK,
in its capacity as First Lien Collateral Agent,

By: [Signature]
Name: Loreta Palandri
Title: Vice President & Director
Corporate Credit

By: _____
Name:
Title:

Notice Address:

800 Home Oil Tower
324 - 8th Avenue S.W.
Calgary, Alberta
T2P 2Z2
Attention: Vice President and Director, Corporate
Credit

Telecopier No. 403-292-2772

[Execution Page to Third Amendment to Intercreditor Agreement]

Second Lien Collateral Agent

CREDIT SUISSE, TORONTO BRANCH, in its capacity as Second Lien Collateral Agent

By: *Alain Desautels* ^{Alain Desautels}
Name:
Title: Director

By: *Bruce F. Wetherly*
Name:
Title: Bruce F. Wetherly
Director,
CREDIT SUISSE, TORONTO BRANCH

Notice Address:

Eleven Madison Avenue
New York, New York 10010
Attention: Agency Group
Telecopier No. 212-325-8304

And to:


1 First Canadian Place
Suite 3000
P.O. Box 301
Toronto, Ontario
M5X 1C9
Telecopier No. 416-352-4574

[Execution Page to Third Amendment to Intercreditor Agreement]

Acknowledged and Agreed to by:

The Borrower

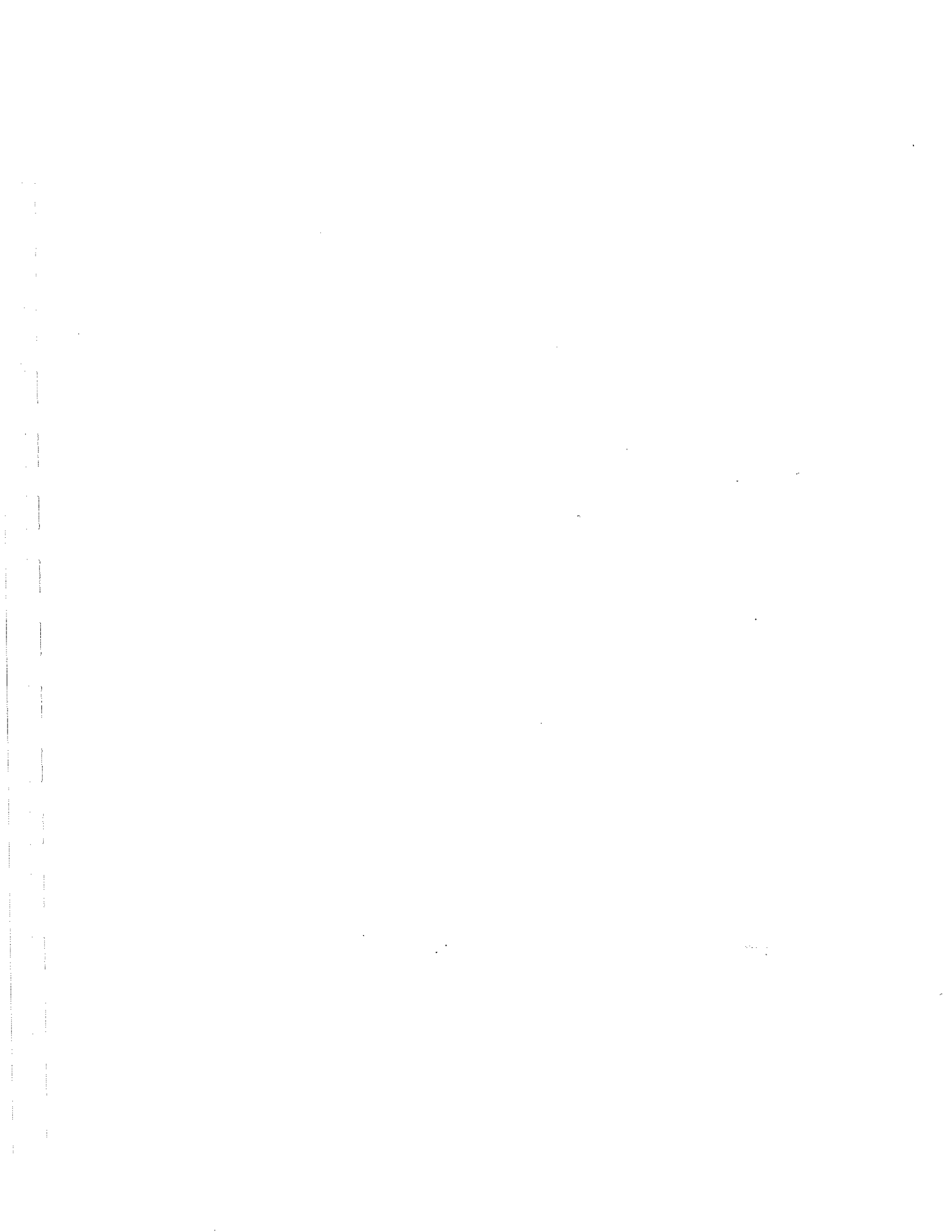
TRIDENT EXPLORATION CORP.
a Nova Scotia unlimited liability company

By: 
Name:
Title:

Notice Address:

1000, 444 - 7th Avenue S.W.
Calgary, Alberta
T2P 0X8
Attention: Vice-President, Corporate & Strategic Development
Telecopier No. 403-668-5805

[Execution Page to Third Amendment to Intercreditor Agreement]



FOURTH AMENDMENT TO INTERCREDITOR AGREEMENT

THIS FOURTH AMENDMENT dated effective as of August 20, 2007 ("Fourth Amendment") to the Intercreditor Agreement originally made as of April 26, 2005 among the following parties (as amended by the First Amendment to Intercreditor Agreement dated as of December 16, 2005, the Second Amendment to Intercreditor Agreement dated as of April 25, 2006 and the Third Amendment to Intercreditor Agreement dated as of October 12, 2006, the "Intercreditor Agreement")

AMONG:

THE TORONTO-DOMINION BANK, in its capacity as First Lien Collateral Agent (in such capacity, the "First Lien Collateral Agent")

- and -

CREDIT SUISSE, TORONTO BRANCH (formerly, Credit Suisse First Boston, Toronto Branch), in its capacity as Second Lien Collateral Agent (in such capacity, the "Second Lien Collateral Agent")

- and -

TRIDENT EXPLORATION CORP., an unlimited liability company organized under the laws of the Province of Nova Scotia (the "Borrower")

WHEREAS:

A. The Borrower, the lenders party thereto, and the First Lien Collateral Agent, as Administrative Agent and Collateral Agent have entered into that Credit Agreement dated as of July 8, 2004 providing for revolving credit facilities (as amended and restated as at December 16, 2005, as amended by the Amending Agreement dated as of April 13, 2006, as amended by the Second Amending Agreement dated as of April 25, 2006, as amended by the Third Amending Agreement dated as of October 12, 2006, as amended by the Fourth Amending Agreement dated as of November 6, 2006, as amended by the Fifth Amending Agreement dated as of November 24, 2006, as amended by the Sixth Amending Agreement dated as of April 20, 2007 and as amended as of the date hereof and as further amended, restated, supplemented, modified, replaced or Refinanced from time to time, the "First Lien Credit Agreement");

B. The Borrower, the lenders party thereto, and the Second Lien Collateral Agent, as Administrative Agent and Collateral Agent, have entered into that Second Lien Credit Agreement dated as of April 26, 2005 providing for a term loan (as amended by Amendment and Waiver No. 1 to the Credit Agreement dated as of December 16, 2005, as amended and restated by Amended and

Restated Second Lien Credit Agreement dated as of April 25, 2006, as amended by Amendment No. 1 to the Amended and Restated Credit Agreement dated as of October 12, 2006, as Amended by Amendment No. 2 to the Amended and Restated Credit Agreement dated April 12, 2007 as amended by Amendment No. 3 to the Amended and Restated Credit Agreement dated as of the date hereof and as further amended, restated, supplemented, modified, replaced or Refinanced from time to time, the "Second Lien Credit Agreement");

C. The First Lien Collateral Agent and the Second Lien Collateral Agent have entered into the Intercreditor Agreement in order to, among other things, set forth their respective rights and remedies with respect to the Collateral.

D. The Borrower and the First Lien Collateral Agent have entered into that Seventh Amending Agreement dated as of the date hereof (the "Seventh Amending Agreement"), amending the First Lien Credit Agreement.

E. The Borrower and the Second Lien Collateral Agent have entered into that Amendment No. 3 to the Second Lien Credit Agreement dated as of the date hereof (the "Amendment No. 3"), amending the Second Lien Credit Agreement.

F. Capitalized terms used herein shall have the respective meanings ascribed thereto in the Intercreditor Agreement unless defined herein or the context shall otherwise require.

NOW THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Section 1.1 (Definitions) is amended by adding the following definitions in appropriate alphabetical order:

"Assigned Interest" means any and all of Seller's right, title, and interest in, to and under the Loans and the Commitments (if any) (each as defined in the First Lien Credit Agreement) and, to the extent related thereto, the following:

- (a) all other amounts funded by or payable to Seller under the First Lien Loan Documents, and all present and future obligations owed to Seller in connection with the Loans and the Commitments, including without limitation all present and future indemnity claims with respect to claims under Letters of Credit;
- (b) the First Lien Loan Documents;
- (c) all claims (including "claims" as defined in Bankruptcy Code §101(5) and "provable claims" as defined in Section 2 of the *Bankruptcy and Insolvency Act* (Canada)), suits, causes of action, and any other right of Seller, whether known or unknown, against the Borrower, any Subsidiary Guarantor, or any of their respective Affiliates, agents, representatives, contractors, advisors, or any other obligor or entity that in any way is based upon, arises out of or is related to any of the foregoing, including, to the extent permitted to be

assigned under applicable law, all claims (including contract claims, tort claims, malpractice claims, and claims under any law governing the purchase and sale of, or indentures for, securities), suits, causes of action, and any other right of Seller against any attorney (other than counsel for the Sellers in connection with this transaction), accountant, financial advisor, or other entity arising under or in connection with the First Lien Loan Documents or the transactions related thereto or contemplated thereby;

- (d) all First Lien Guarantees and other First Lien Collateral Documents;
- (e) all cash, securities, or other property, and all setoffs and recoupments, received, applied, or effected by or for the account of Seller under the Loans or the Commitments and other extensions of credit under the First Lien Loan Documents (whether for principal, interest, fees, reimbursement obligations, or otherwise) from and after the Settlement Date, including all distributions obtained by or through redemption, consummation of a plan of reorganization, restructuring, liquidation, or otherwise of the Borrower, any Subsidiary Guarantor, any obligor or the First Lien Loan Documents, and all cash, securities, interest, dividends, and other property that may be exchanged for, or distributed or collected with respect to, any of the foregoing;
- (f) any proof of claim filed in any Insolvency or Liquidation Proceedings that is in any way based upon, arises out of or is related to any of the foregoing; and
- (g) all proceeds of all of the foregoing.

"Assigned Interest Closing Payment" means the portion of the purchase price for the Assigned Interest payable on the Settlement Date in an amount that is the sum of: (a) the principal amount of all loans and the face amount at maturity of all outstanding bankers' acceptances under the First Lien Credit Facility on the Settlement Date; plus (b) Interest and Fees which have not been paid to the Agent for the First Lien Claimholders as of the Settlement Date; plus (c) all other amounts payable to the First Lien Claimholders arising or occurring prior to the Settlement Date or pursuant to the First Lien Loan Documents in all cases as set out in the Settlement Details provided for the purposes of the Settlement Date.

"Assumed Obligations" means all obligations of the Seller under the First Lien Loan Documents from and after the effective time of the assignment of the Assigned Interest (excluding obligations in connection with letters of credit or bankers' acceptances issued prior to the effective time of the assignment of the Assigned Interest) but excludes the Retained Obligations.

"Buyers" has the meaning ascribed to that term in Section 5.6 of this Agreement.

"Buyout Assignment Agreement" has the meaning ascribed to it in Section 5.6 of this Agreement.

"Interest and Fees" means all accrued and unpaid interest and fees (including acceptance, commitment, facility, standby and letter of credit fees) payable in connection with the First Lien Credit Facility pursuant to the First Lien Credit Agreement and First Lien Loan Documents, including all costs and expenses required to be paid or reimbursed by the Grantors thereunder (including all reasonable fees and expenses of legal counsel to the First Lien Claimholders).

"Letter of Credit" shall have the meaning ascribed thereto in the First Lien Credit Agreement on the date hereof.

"Lender Financial Instrument" shall have the meaning ascribed thereto in the First Lien Credit Agreement on the date hereof.

"LC Payments" means payments made from time to time on or after the Settlement Date to the beneficiaries of Letters of Credit upon presentation of the Letter of Credit for payment by such beneficiary.

"LC Purchase Amount" means, in respect of each Letter of Credit, the undrawn amount thereof in the currency in which such Letter of Credit is denominated (which amount is to purchase the rights of the issuer in connection with such Letter of Credit as against the Borrower and under the First Lien Loan Documents).

"LFI Assignment" has the meaning ascribed to it in Section 5.6 of this Agreement.

"LFI Assignment Agreement" has the meaning ascribed to it in Section 5.6 of this Agreement.

"LFI Termination Amount" has the meaning ascribed to it in Section 5.6 of this Agreement.

"Purchase Price" means, without duplication: (a) the Assigned Interest Closing Payment plus (b) the LC Purchase Amount for each Letter of Credit plus (c) the amount due, if any, by the Buyers in accordance with Sections 5.6(d), 5.6(e)(ii) and 5.6(f) in respect of Lender Financial Instruments plus (d) the amounts required to be paid by the Second Lien Claimholders pursuant to Section 5.6(l).

"Retained Obligations" means all obligations and liabilities of the First Lien Claimholders and the First Lien Collateral Agent in connection with the Assigned Interest that (a) arise or result from any action, step or omission of the Seller (b) result solely from the First Lien Claimholders' breach of a representation, warranty, covenant or Agreement under this agreement, the First Lien Credit Agreement or other First Lien Loan Documents or (c) result from the First Lien Claimholders' bad faith, gross negligence, or wilful misconduct arising or occurring prior to the Settlement Date.

"Sellers" has the meaning assigned to that term in Section 5.6 of this Agreement.

"Settlement Date" means the date upon which the payment is made to the Seller of the Purchase Price.

2. Section 2.5 (Notice of Registration) shall be amended by deleting the first sentence and second sentence in that section in their entirety and replacing them with the following:

"Each of the Second Lien Collateral Agent, for itself and on behalf of each Second Lien Claimholder, and the First Lien Collateral Agent, for itself and on behalf of each First Lien Claimholder, agrees to provide the other with prior written notice (with a copy to the Borrower) of its intention to effect any registrations (either directly or by the Borrower) (each, a "Registration Notice") of the Second Lien Collateral Documents or the First Lien Collateral Documents, respectively, in any jurisdiction other than Alberta, British Columbia and Nova Scotia (being the jurisdictions of registration as at the date hereof), or any specific registrations of the Second Lien Collateral Documents or the First Lien Collateral Documents against any individual parcels or leases of petroleum and/or natural gas rights or other real property. In all events, the Second Lien Collateral Agent, for itself and on behalf of each Second Lien Claimholder, agrees that the First Lien Collateral Documents are intended to be registered prior to the registration of the Second Lien Collateral Documents; provided that the Second Lien Collateral Agent (either directly or by the Borrower) shall be entitled to register the Second Lien Collateral Documents prior to the First Lien Collateral Documents:"

3. Section 2.5(a) shall be amended by deleting it in its entirety and replacing it with the following:

"(a) after providing the First Lien Collateral Agent with a Registration Notice of its intention to effect registration of any Second Lien Collateral Documents (which Registration Notice shall include reasonable particulars of the property in respect of which the Second Lien Claimholders propose to effect registration, including lease numbers and other legal descriptions in the case of registrations to be effected against individual parcels or leases of petroleum and/or natural gas rights) and the First Lien Collateral Agent has not submitted the First Lien Collateral Documents for registration against the property specified in the Registration Notice and provided written notice to the Second Lien Collateral Agent and the Borrower of such submission for registration having been made by the First Lien Collateral Agent within 5 Business Days of receipt of the Registration Notice; and"

4. Section 4.2 (Payments Over) is amended by adding, before "(") after the phrase "(including by way of set-off" appearing at the end of the third line on page 19, the words "and including any Collateral or proceeds of Collateral received from any person under any agreement with the Second Lien Collateral Agent or other Second Lien Claimholder".

5. Section 5.3(b)(2) is deleted and replaced with the following:

"(2) increase the aggregate principal amount of the Debt under the Second Lien Credit Agreement or any Refinancing thereof in excess of U.S.\$550,000,000, plus the incremental principal amounts arising from the capitalization of interest on principal amounts advanced in excess of U.S.\$500,000,000 under the Second Lien Credit Agreement from the date of such advance for a period of one year thereafter";

6. Section 5.6 (Purchase Right) is deleted and replaced with the following:

"5.6 Purchase Right.

(a) Without prejudice to the enforcement of the First Lien Claimholders remedies, the First Lien Claimholders agree that at any time the Second Lien Claimholders shall have the option (the "Purchase Option") to require the First Lien Claimholders (in such capacity, the "Seller") to sell the Assigned Interest to the Buyers or their nominee for a purchase price equal to the Purchase Price.

(b) Upon the Second Lien Collateral Agent giving written notice to the First Lien Collateral Agent and the Borrower stating that the Second Lien Claimholders named in such notice (collectively, the "Buyers") have irrevocably exercised the Purchase Option in accordance with the terms of this Agreement (a "Purchase Notice"), the Agent for First Lien Claimholders, and the First Lien Claimholders, shall be required to sell all of the Assigned Interest to the Buyers (or their nominee) for the Purchase Price and the Buyers shall be required to purchase all of the Assigned Interest for the Purchase Price. A Purchase Notice shall contain a certification by the Buyers whether any default or event of default is continuing under the First Lien Credit Agreement or the Second Lien Credit Agreement.

(c) In the event that the Buyers (as aforesaid, by the Second Lien Collateral Agent on their behalf) give the Seller a Purchase Notice other than during the continuance of any default or any event of default under the First Lien Credit Agreement or the Second Lien Credit Agreement, the Buyers or their nominee will purchase an assignment of all of the Lender Financial Instruments from the Seller or the Affiliate thereof which is the party thereto, as applicable, for the LFI Termination Amount on the Settlement Date (in each case, each such assignment an "LFI Assignment"). In the event that the Buyers give the Seller a Purchase Notice during the continuance of any default or any event of default under the First Lien Credit Agreement or the Second Lien Credit Agreement, in the Purchase Notice, the Buyers may give notice to the First Lien Claimholders that the Buyers or their nominee will purchase an LFI Assignment of specified Lender Financial Instruments on the Settlement Date. In respect of any Lender Financial Instruments for which the Buyers do not give such notice, the Borrower will be deemed to have given the Seller and any Affiliate thereof which is the party to such Lender Financial Instruments an irrevocable notice directing the Seller or such Affiliate to terminate each such Lender Financial Instrument (the "Terminating LFIs"). As a condition precedent to the obligation of the Seller or its Affiliate to terminate the Terminating LFIs on the Settlement Date,

the Buyers shall have pre-funded the LFI Termination Amount (as estimated in accordance with Section 5.6(f)) prior to 10:00 a.m. (Calgary time) on the Settlement Date. Prior to closing the transaction on the Settlement Date, the Seller shall actually terminate the Terminating LFI's and will have confirmed to the Buyers and the Borrower in writing that the Terminating LFI's have been terminated (an "LFI Termination") and the Buyers or its nominee shall purchase or assume all of the Seller's or its Affiliate's payment rights and obligations arising upon the termination of the Terminating LFI's (the "LFI Termination Claim") and the amount of the LFI Termination Amount pre-funded by the Buyers will be credited against the Purchase Price. For greater certainty, the Borrower acknowledges and agrees that after the assignment of such Lender Financial Instruments or the LFI Termination Claim to the Buyers, the Lender Financial Instruments and the LFI Termination Claim shall continue to form part of the Obligations under the First Lien Credit Agreement and shall be secured by the Liens created under the First Lien Collateral Documents in accordance with Sections 2.19 and 11.9 of the First Lien Credit Agreement.

- (d) The amount due by either the Buyers to the Seller or by the Seller to the Buyers in respect of an LFI Assignment and/or LFI Termination shall be determined in accordance with Sections 5.6(e)(ii) and 5.6(f) and paid to the applicable party on the Settlement Date.
- (e) At any time prior to the Settlement Date (whether before or after the occurrence of a default or event of default), the Agent for the Second Lien Claimholders may issue a notice requesting the information detailed below from the First Lien Collateral Agent (an "Information Request"), a copy of which shall be provided to the Borrower. Upon receipt of an Information Request, the First Lien Collateral Agent shall within 5 Business Days provide, with a copy to the Borrower, the following information determined as of the date of the Information Request ("Settlement Details"):
 - (i) a payout statement in respect of the First Lien Credit Facility, including all funded principal amounts under the First Lien Credit Facility and all Interest and Fees (it being understood that the amount stated in respect of fees and recoverable expenses will be estimated using reasonable efforts).
 - (ii) a statement from the First Lien Claimholder that is the counterparty to the Lender Financial Instrument setting out: (A) a full and complete listing of all Lender Financial Instruments still in effect and providing full particulars thereof together with true and complete copies of all such Lender Financial Instruments and all amendments thereto and (B) the Total Termination Payment (as such term is defined in the applicable Lender Financial Instrument) due by the Borrower or due by the First Lien Claimholder under each Lender Financial Instrument determined as if the subject Lender Financial Instrument was terminated in accordance with its terms on the date two Business Days after the Information Request, and setting out the determination of such amount in accordance with the applicable Lender Financial Instrument (the "LFI Termination Amount"); and

- (iii) a full and complete listing of all issued and outstanding Letters of Credit under the First Lien Credit Facility and providing full particulars of all such Letters of Credit, including, the named beneficiary, the face amount, the maturity or expiry date together with true and complete copies of such letters of credit or letters of guarantee and all amendments thereto (the "LC Information").
- (f) The Second Lien Claimholders shall be entitled to make Information Requests from time to time, acting reasonably, prior to the Settlement Date. Upon the issuance of a Purchase Notice, an Information Request shall deemed to have been made on that date and the First Lien Collateral Agent shall provide the Settlement Details in accordance with Section 5.6(e) to the Buyers (with a copy to the Borrower); provided, however, that in such case the Settlement Details will be calculated and determined, to the extent practical, as at the expected Settlement Date. On the Settlement Date, and for the purposes of closing, the Sellers shall issue a purchase price letter to the Buyers (with a copy to the Borrower) in form and substance satisfactory to the Buyers (acting reasonably) representing and warranting the correctness and accuracy of the Settlement Details as at the Settlement Date; provided, however, that it is understood and agreed that (i) the amount stated in respect of fees and recoverable expenses will be estimated by the Seller on a reasonable basis as at the Settlement Date and (ii) the LFI Termination Amount will be estimated by the Seller on a reasonable basis as at the Settlement Date (for certainty, including taking into account a contingency for potential changes in commodity prices and other indices which may affect the LFI Termination Amount from the time of such estimate until the payment of the Purchase Price, as determined by the Seller); accordingly, any such representation and warranty in such purchase price letter may be qualified by the Seller with respect to such estimates.
- (g) On the Settlement Date, and as a condition precedent to the completion of the sale of the Assigned Interest, the Buyers or their nominee shall have assumed the Assumed Obligations pursuant to the execution and delivery of the Buyout Assignment Agreement and the LFI Assignment Agreement and shall have: (i) paid to the Seller the Assigned Interest Closing Payment, (ii) paid to the Seller the LC Purchase Amount for each Letter of Credit in the currency in which such Letter of Credit is denominated, (iii) paid to the Seller the LFI Termination Amount which would be due by the Borrower in respect of the Lender Financial Instruments based on the notional termination of such instruments calculated in accordance with Sections 5.6(e) and 5.6(f)(B), and (iv) paid to the Seller the remainder of the Purchase Price. All payments of the Purchase Price shall be paid to the Seller in immediately available funds in the currency in which the relevant First Lien Obligation which is being purchased is denominated.
- (h) Except with respect to the purchase price letter referenced in Section 5.6(f), the sale of the Assigned Interest by the Seller pursuant to this Agreement shall be made without any representation or warranty by the Seller, except for a representation and warranty by the Seller on the Settlement Date as to the ownership of the Assigned

Interest free and clear of any Liens, and the representations and warranties contained in the Buyout Assignment Agreement and the LFI Assignment Agreement.

- (i) Other than the Assumed Obligations, the Buyers shall not assume any of the obligations or liabilities of the First Lien Claimholders or the First Lien Collateral Agent under or in connection with any of the First Lien Loan Documents. For greater certainty, the Sellers will retain the Retained Obligations and none of the Buyers will be responsible for or have any liability in respect of the Retained Obligations and the Sellers shall indemnify and hold the Buyers harmless in connection with any claims, suits, proceedings, causes of action or other actions commenced or taken against the Buyers in connection with the Retained Obligations including all costs and expenses (including all reasonable legal fees, costs and disbursements) incurred in connection with dealing with any matter in connection with the Retained Obligations. The Buyers shall indemnify and hold the Sellers harmless in connection with any claims, suits, proceedings, causes of action or other actions commenced or taken against the Sellers in connection with the Assumed Obligations including all costs and expenses (including all reasonable legal fees, costs and disbursements) incurred in connection with dealing with any matter in connection with the Assumed Obligations.
- (j) On the Settlement Date and concurrent with completion of the sale of the Assigned Interest, pursuant to Section 11.8 of the First Lien Credit Agreement, the First Lien Collateral Agent shall transfer and assign all of its right, title and interest in its capacity as Agent in and to the First Lien Collateral Documents to the Successor Agent pursuant to the Buyout Assignment Agreement.
- (k) The purchase and sale of the Assigned Interest shall be documented and completed pursuant to the form of Assignment and Acceptance Agreement substantially in the form attached as Schedule A hereto (the "Buyout Assignment Agreement") and the form of Assignment Agreement substantially in the form attached as Schedule B hereto (the "LFI Assignment Agreement"), in each case, with such modifications as the Buyers and the Seller agree are necessary to give effect to the assignments contemplated hereby (each acting reasonably). In addition, the First Lien Collateral Agent shall execute and deliver, at the Borrower's expense, such mortgage assignments or releases, financing statement change statements or discharges and other release documents or instruments as the Buyers may reasonably request. The parties shall use their commercially reasonable efforts to close the transaction within 7 Business Days of the date the Purchase Notice is given.
- (l) All reasonable costs and expenses relating to the preparation of the aforementioned documentation (including the reasonable fees and expenses of counsel for the First Lien Claimholders) shall be paid by the Second Lien Claimholders as a condition precedent to closing any such purchase. The amounts paid by the Buyers to the Seller in accordance with this Section 5.6(l) be deemed to be included as part of the Purchase Price paid by the Buyers to the Seller and the Borrower agrees that the amounts paid to the Seller by the Buyers under this Section 5.6(l) will be recoverable expenses by the Buyers from the Borrower under the First Lien Loan Documents and secured by the Liens created by the First Lien Collateral Documents.

Section 5.6(A) – Termination of First Lien Credit Facility. Delivery of a Purchase Notice to the Agent for the First Lien Claimholders and to the Borrower shall be deemed to be a notice by the Borrower of the cancellation of the unutilized amount of the First Lien Credit Facility in accordance with the Credit Agreement and the Borrower agrees not to request or make any further Drawdowns (as defined in the First Lien Credit Agreement) and the First Lien Claimholders will not make or permit any such Drawdowns, under the First Lien Credit Facility after receipt of a Purchase Notice; provided that the delivery of a Purchase Notice shall not preclude the Seller from completing a Drawdown validly requested under the First Lien Credit Agreement prior to receipt of the Purchase Notice (and the First Lien Credit Facility shall not be cancelled, as aforesaid, to the extent of such Drawdown).

Section 5.6(B) – Borrower and Subsidiaries' Obligations in connection with a Buyout

The Borrower agrees that upon payments being made by the Seller to beneficiaries of the Letters of Credit, Section 7.7 of the Credit Agreement shall apply and the Borrower shall be deemed to have effected a Conversion of such Letter of Credit in accordance with Section 7.7 and the deemed Loans shall form part of the Obligations under the First Lien Credit Agreement and shall be secured by the Security (as defined in the First Lien Credit Agreement) and the First Lien Loan Documents for the benefit of the Buyers in their capacity as Lenders.

Section 5.6(C) – Refund of Purchase Price in respect of Letters of Credit where no LC Payments: Price Adjustment for BAs

After the cancellation or expiry, or the drawing in full, of each Letter of Credit issued under the First Lien Credit Agreement which is outstanding on the Settlement Date, the Seller shall, as a refund of the Purchase Price applicable to such Letter of Credit, pay to the Buyers (or as the Buyers may direct in writing) (a) an amount equal to the difference (if any) between the LC Purchase Amount of such Letter of Credit less the LC Payments made to the beneficiaries under such Letter of Credit plus (b) an amount (the "Deemed LC Interest Amount") equal to the interest that would have otherwise been payable to the Borrower under the First Lien Credit Agreement as if the Borrower had provided cash collateral for the repayment in full of such Letter of Credit on the Settlement Date in accordance with the provisions thereof (and assuming the Purchase Option was not exercised). In addition, on the maturity of each bankers' acceptance issued under the First Lien Credit Agreement which is outstanding on the Settlement Date, the Seller shall pay to the Buyers (or as the Buyers may direct in writing) an amount (the "Deemed BA Interest Amount") equal to the interest that would otherwise have been payable to the Borrower under the First Lien Credit Agreement as if the Borrower had provided cash collateral for the repayment in full such bankers' acceptance on the Settlement Date in accordance with the provisions thereof (and assuming the Purchase Option was not exercised).

Section 5.6(D) – Readjustment and Turnover

The Buyers and Seller agree to readjust any portion of the Purchase Price that may have been based on an estimate for the purposes of closing within 10 Business Days after the Settlement Date. The Seller agrees that if they received any payment or distribution or any

other consideration in any form in any way connected with the First Lien Credit Facility or the First Lien Loan Documents after the Settlement Date (including any Interest and Fees included in the Purchase Price) the Seller shall promptly but in any event with 5 Business Days turnover and pay such consideration in kind to the Buyers. Without limiting the foregoing and for greater certainty, within 10 Business Days after the Settlement Date, the Seller and Buyers shall readjust the amount paid on the Settlement Date for an LFI Assignment or LFI Termination Claim, as applicable, based on an estimate of the LFI Termination Amount and the actual LFI Termination Amount as at the time of actual closing on the Settlement Date.

Section 5.6(E) – Seller's Banking Arrangement with Borrower

Nothing in this Agreement is intended to affect the Borrower's banking and cash management arrangements with the Seller or any rights of set-off, counterclaim bankers' liens or similar rights as against the Borrower or other rights of the Seller that may be provided for under the Seller's banking, cash management and financial services agreements with the Borrower. Nothing in this Section is intended to create any such rights that are not provided for in such banking, cash management or financial service agreements.

Section 5.6(F) – Borrower Consents and Agreements

1. The Borrower hereby consents to all assignments and transactions contemplated hereby and agrees to be bound by provisions of this Agreement.
2. The Borrower hereby consents to the disclosure by the Seller to the Buyers of all information required to be provided to the Buyers hereunder, including all Settlement Details and all other information necessary or desirable to give effect to the exercise of the Purchase Option and the completion of the transactions contemplated thereby.
3. Subject to Section 5.6(d), the Borrower hereby agrees that the Buyers can rely on the Seller's calculations in determining the Settlement Details for the purposes of asserting claims against the Borrower and the Seller's calculations shall be binding on the Borrower under the First Lien Loan Documents. The Borrower's only recourse if it disagrees with such calculations is against the Seller.
4. The Borrower hereby irrevocably authorizes and directs the Seller or its Affiliate, upon receipt of a Purchase Notice, to pay (to the extent not prevented by applicable law) any amounts owed to the Borrower by the Seller or its Affiliates upon the termination of a Lender Financial Instrument, to the Buyers in their capacity as Lenders under the First Lien Loan Documents or to the First Lien Collateral Agent to be held as cash collateral. The Buyers agree with the Borrower that all amounts paid over by the Seller or its Affiliate to the Buyers in accordance with this irrevocable direction shall be paid over by the Buyers to the Borrower in the event that both of the following conditions are satisfied: (a) the Obligations (as defined under the First Lien Loan Documents) have not been accelerated or have not otherwise become immediately due and payable and (b) all defaults and Events of Default under the First Lien Loan Documents have been waived or cured within 30 days of the Settlement Date.

5. The Borrower hereby agrees with the Seller that notwithstanding the sale of the Assigned Interest, the Seller shall continue to have the benefits of all indemnities, limitations, defences, waivers of liability and exculpatory clauses granted by the Borrower to the Seller under the First Lien Loan Documents; provided, however, the Seller will be able to assert any claims against the Borrower on the basis that it is unsecured, recognizing that the Seller will have no further right or entitlement to or under the First Lien Collateral Documents.

6. The Borrower hereby agrees that any Canadian residency requirement arising under Section 8.5(4) of the First Lien Credit Agreement or howsoever otherwise arising for the Buyers exercising the Purchase Option is waived and that no Event of Default or other condition is required to be fulfilled for such Buyers to exercise the Purchase Option and that the gross-up provision under Section 8.5(2) of the First Lien Credit Agreement will apply notwithstanding one or more of the Buyers are non-residents of Canada.

7. The Borrower hereby agrees to any LFI Termination made in accordance with this Agreement and all Lender Financial Instruments shall be deemed, with effect as of the date hereof, to be amended to include an early termination right by the Seller or any Affiliate thereof that is party thereto as contemplated hereunder.

Section 5.6(G) – Borrower's Obligation for Negative Carry Costs

The Borrower hereby acknowledges and agrees that it shall be responsible to pay or reimburse the Buyers for the "Negative Carry" associated with the Buyers in connection with the funding and payment of the LC Purchase Amount and the face amount at maturity of all outstanding banker's acceptances on the Settlement Date. The Borrower further agrees that the "Negative Carry" shall form part of the "Obligations" (as defined in the First Lien Credit Agreement) and shall be secured by the Liens created by First Lien Collateral Documents. For the purposes of this section, "Negative Carry" means the interest rate payable by the Borrower under the First Lien Credit Agreement for Loans and such rate will be deemed to apply to the amount of the LC Purchase Amount and the principal amount at maturity of the banker's acceptances less the Deemed LC Interest Amounts and Deemed BA Interest Amounts paid to the Buyers by the Seller in accordance with Section 5.6(C). The Borrower's obligation to pay or reimburse "Negative Carry" shall cease in respect of the portion of the LC Purchase Amount equal to the amount of any deemed Loan after the Settlement Date pursuant to Section 7.7 of the First Lien Credit Agreement (where in the Borrower shall be responsible to pay the interest rate (including any Default Interest) on such Loans and all other Loans and Advances.

Section 5.6(H) – Borrower's Release of First Lien Claimholders

For value received, (including in consideration of the mutual covenants expressed in this Agreement and other good and valuable consideration, the receipt of which is hereby conclusively acknowledged) effective on the completion of the purchase and sale of the Assigned Interest pursuant to the Purchase Option, except for the Excluded Claims, the Borrower (for itself and on behalf of its successors and assigns and each other person claiming by, through or on behalf of the Borrower) hereby irrevocably releases and forever discharges The Toronto-Dominion Bank, each

other First Lien Claimholder and each of their respective officers, directors, agents, employees, representatives, heirs, successors and assigns, all Affiliates thereof and their respective officers, directors, agents, employees, representatives, heirs, successors and assigns (collectively, the "Releasees"), of and from all liabilities, manners of action, causes of action, claims or demands existing up to the Settlement Date which the Borrower has or may hereafter have against any of the Releasees, including, without limiting the generality of the foregoing, any liabilities, manners of action, causes of action, claims or demands in connection with or in any way related, directly or indirectly, to the First Lien Credit Agreement, the First Lien Loan Documents or otherwise and the Borrower agrees not to make any claim or take any proceeding in connection with any of the claims released by virtue of the preceding paragraphs against any other person or corporation who might claim contribution or indemnity from the Releasees by virtue of the said claim or proceeding.

In this Section 5.6(H), "Excluded Claims" means, collectively:

- (a) any liability of or any manner of action, cause of action or claim against a Releasee which results from its bad faith or wilful misconduct in the performance of its obligations in respect of the Purchase Option or the closing of the purchase and sale contemplated thereby; and
- (b) any claim against the Releasees in respect of the Seller's calculation of the Settlement Details and the Borrower's disagreement with the amounts thereof, provided the Borrower gives written notice to the Seller of such disagreement and the particulars thereof within 2 Business Days after receipt by the Borrower of a copy of the Settlement Details pursuant to Section 5.6(I).

Section 5.6(I) Conflicts

In the event of any conflict or inconsistency between the provisions of this Agreement and the Buyout Assignment Agreement or the LFI Assignment Agreement, the provisions of this Agreement shall govern and control to the extent of such conflict or inconsistency.

Section 5.6 (J) Termination of Standstill and Restricted Enforcement Rights

Upon the closing of the Purchase Option (immediately following the Settlement Date) the Standstill Period and limitation on Restricted Enforcement Rights and any other limitations and restrictions on the rights and remedies of the Second Lien Lenders shall have no force or effect and shall be null and void.

Section 5.6 (K) Additional Assurances

- a) Each of the Borrower and First Lien Collateral Agent hereby consent in advance to the assignment of the Assigned Interest and Lender Financial Instruments notwithstanding any provision to the contrary in the First Lien Credit Agreement (including, for greater clarity, Section 16.6 thereof), or the Lender Financial Instruments.
- b) The Toronto-Dominion Bank in its capacity as Seller shall take or cause any Affiliate that is a First Lien Claimholder to take all actions in respect of all Lender Financial Instruments

contemplated hereby and to execute and deliver all LFI Assignment Agreements to the Buyers in order to give effect to the transactions contemplated hereby on the Settlement Date.

Section 5.6 (L) Notice of Offer

The First Lien Claimholders agree that if at any time the First Lien Claimholders receive any offer for the purchase or assignment of all or a part of the Assigned Interest which they are willing to accept (including by way of a participation) from time to time, they shall promptly send a notice to the Second Lien Claimholders in writing of receipt of such an offer together with reasonable evidence of such offer and particulars thereof. The Seller shall be entitled to accept such an offer if and only if the Second Lien Collateral Agent has not issued a Purchase Notice to the Seller within 5 Business Days of receipt of such notice of offer by the Seller."

7. Section 6.6 (Separate Grants of Security) shall be amended:

(a) by replacing the first sentence with the following:

"In any Insolvency or Liquidation Proceedings which require the classification of creditors for voting purposes on any plan of reorganization, the parties agree that each of the Grantors shall establish a separate class for the First Lien Claimholders in recognition of their different interest from other creditors."; and

(b) replacing the first clause of the third sentence with the following:

"If it is held that the claims of the First Lien Claimholders should be included in a class with other creditors,".

8. To the extent required under the Second Lien Credit Agreement and the Intercreditor Agreement (as amended by this Fourth Amendment), the Second Lien Collateral Agent hereby acknowledges and consents to the amendments of the First Lien Credit Agreement as contemplated in the Seventh Amending Agreement. To the extent required under the First Lien Credit Agreement and the Intercreditor Agreement (as amended by this Fourth Amendment), the First Lien Collateral Agent hereby acknowledges and consents to the amendments of the Second Lien Credit Agreement as contemplated in Amendment No. 3. Notwithstanding the effectiveness of this Fourth Amendment, the Seventh Amending Agreement and Amendment No. 3, the Intercreditor Agreement shall remain in full force and effect and the parties' obligations thereunder are hereby ratified and confirmed in all respects, except that, on and after the effectiveness of this Fourth Amendment, each reference in the Intercreditor Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Intercreditor Agreement shall mean and be a reference to the Intercreditor Agreement as modified by this Fourth Amendment.

9. This Fourth Amendment may be executed in any number of counterparts, and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument as of the date first above noted.

10. This Fourth Amendment shall be construed in connection with and as part of the Intercreditor Agreement, and except as modified and expressly amended by this Fourth Amendment, all terms, conditions and covenants contained in the Intercreditor Agreement are hereby ratified and shall be and remain in full force and effect.
11. This Fourth Amendment shall be governed by and construed in accordance with the laws of the Province of Alberta. The parties hereto each hereby attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta with respect to all legal proceedings pertaining to this Fourth Amendment.

[REMAINDER OF PAGE PURPOSELY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Fourth Amendment as of the date first written above.

First Lien Collateral Agent

THE TORONTO-DOMINION BANK,
In its capacity as First Lien Collateral Agent

By: 

Name: Loretta Palandri
Title: Vice President & Director
Corporate Credit

By: 

Name: Glen Cameron
Title: Vice President

Notice Address:

800 Home Oil Tower
324 - 8th Avenue S.W.
Calgary, Alberta
T2P 2Z2
Attention: Vice President and Director,
Corporate Credit

Telecopier No. 403-292-2772

[Execution Page to Fourth Amendment to Intercreditor Agreement]

EXECUTION COPY

Second Lien Collateral Agent

CREDIT SUISSE, TORONTO BRANCH, in its capacity as Second Lien Collateral Agent

By: 
Name: Henry Wang
Title: Vice President

By: 
Name: [Name]
Title: Vice President

Notice Address:

**Erwin Meisler Associates
New York, New York 10010
Attention: Agency Group
Telephone No. 212-325-8304**

And to:

**1 West Canadian Place
Suite 3000
P.O. Box 501
Toronto, Ontario
M5X 1C9
Telephone No. 416-333-4574**

[Execution Page to Fourth Amendment to Intercreditor Agreement]

SCHEDULE A

FORM OF ASSIGNMENT AND ACCEPTANCE

This Assignment and Acceptance (the "Assignment and Acceptance") is dated as of the Effective Date set forth below and is entered into by and between [Insert name of Assignor] (the "Assignor") and [Insert name of Assignee] (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement") or the Intercreditor Agreement dated as of April 26, 2005 and entered into by and among the Borrower, THE TORONTO-DOMINION BANK, in its capacity as Administrative Agent and Collateral Agent for the First Lien Lenders (as defined therein) and CREDIT SUISSE FIRST BOSTON - TORONTO BRANCH, in its capacity as Administrative Agent and Collateral Agent for the Second Lien Lenders, (as defined therein), as amended (the "Intercreditor Agreement"), as applicable, receipt of a copy of each is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Acceptance as if set forth herein in full.

This Assignment and Acceptance is entered into between the Assignee and the Assignor pursuant to the Purchase Option contained in the Intercreditor Agreement.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases the Assigned Interest (as defined in the Intercreditor Agreement) and assumes the Assumed Obligations (as defined in the Intercreditor Agreement) from the Assignor, subject to and in accordance with the Standard Terms and Conditions, the Credit Agreement and the Intercreditor Agreement, as of the Effective Date inserted below. Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Acceptance and the Intercreditor Agreement, without representation or warranty by the Assignor.

1. Assignor: _____
2. Assignee: _____
3. Borrower: Trident Exploration Corp.
4. Administrative Agent: THE TORONTO-DOMINION BANK, as the administrative agent under the Credit Agreement
5. Credit Agreement: The Amended and Restated Credit Agreement made as of July 4, 2004 and amended and restated as of December 16, 2005 among Trident Exploration Corp., THE TORONTO-DOMINION BANK, as Lender and THE TORONTO-DOMINION BANK as Agent, as amended

6. Assigned Interest:
See Exhibit A annexed hereto.

Effective Date: _____, 20____

The terms set forth in this Assignment and Acceptance are hereby agreed to:

ASSIGNOR
[NAME OF ASSIGNOR]

By: _____
Title:

ASSIGNEE
[NAME OF ASSIGNEE]

By: _____
Title:

Consented to and Accepted:

THE TORONTO-DOMINION BANK,
as Agent

By: _____
Name:
Title:

TRANSFER OF FIRST LIEN LOAN DOCUMENTS

The Assignor in its capacity as Agent and collateral agent under the Credit Agreement (the "Agent") hereby assigns, transfers and sells to the Assignee (or its nominee) all of its rights, title and interest in and to the First Lien Loan Documents, the First Lien Guarantees, and the other First Lien Collateral Documents, without representation or warranty, except as contained below. The Agent agrees, at the cost and expense of the Borrower, to execute any other documents or instruments to give effect to the assignment of the First Lien Collateral Documents and amend any filings and registrations in any registry office or registrations system to evidence the assignment, in each case, as is reasonably necessary and requested by the Assignee.

The Assignor represents and warrants to the Assignee in its capacity as Lender, and as Agent that as of the date hereof: (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance to assign, transfer and sell the First Lien Loan Documents (including the First Lien Guarantee, and other First Lien Collateral Documents to the Assignee or its nominee) free and clear of any lien, encumbrance or other adverse claim; and (ii) it has not released the Subsidiary Guarantors from the First Lien Guarantees or discharged or released the security interests, charges or liens under the First Lien Collateral Documents or registered any discharge or releases in any registry or filing system under which such security interests have been filed that would result in any of the security interests, charges or liens, created by the First Lien Collateral Documents being released or discharged.

THE TORONTO-DOMINION BANK,
as Lender and as Agent under the Credit
Agreement

By: _____
Name:
Title:

**STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ACCEPTANCE**

I. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other person obligated in respect of any Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other person of any of their respective obligations under any Document.

1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Acceptance and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iii) it has received a copy of the Credit Agreement and other Documents, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Agent or any other Lender, and (iv) attached to the Assignment and Acceptance is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Documents are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Agent (including any Successor Agent) shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignee whether or not such amounts have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Acceptance shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Acceptance may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Acceptance by telecopy shall be effective as delivery of a manually

executed counterpart of this Assignment and Acceptance. This Assignment and Acceptance shall be governed by, and construed in accordance with, the laws of the Province of Alberta.

SCHEDULE B

ASSIGNMENT AGREEMENT

This Assignment Agreement (this "Assignment Agreement") is made as of ●, 2007 by and among TD Commodity & Energy Trading Inc. (the "Assignor"), ● (the "Assignee") and Trident Exploration Corp. (the "Counterparty"). All capitalized terms used in this Assignment Agreement and not otherwise defined herein will have the respective meanings set forth in the Base Contract as hereinafter defined.

RECITALS

WHEREAS, the Assignor and the Counterparty have entered into a GasEDI Base Contract for the Short-Term Sale and Purchase of Natural Gas including the Cover Sheet, General Terms and Conditions and Special Provisions thereto dated as of November 9, 2006 (as amended, restated, supplemented or otherwise modified from time to time, the "Base Contract");

AND WHEREAS, the Assignor and the Counterparty have entered into various Transactions, as more particularly described in Schedule 1 hereto, under the Base Contract (collectively, the "Assigned Transactions") each evidenced by a Transaction Confirmation (each, an "Assigned Confirmation");

AND WHEREAS pursuant to an intercreditor agreement dated as of April 26, 2005 among Trident Exploration Corp., (the "Borrower"), The Toronto-Dominion Bank, in its capacity as Administrative Agent and Collateral Agent for the First Lien Lenders (as defined therein) and Credit Suisse, Toronto Branch, in its capacity as Administrative Agent and Collateral Agent for the Second Lien Lenders (as defined therein) (as amended, the "Intercreditor Agreement"), The Toronto-Dominion Bank on behalf of the Assignee and Assignor have agreed pursuant to the Intercreditor Agreement, among other things, that the Assignor will assign and transfer to the Assignee all of its rights to and its obligations in respect of the Base Contract and each Transaction for an amount equal to the Total Termination Payment;

NOW, THEREFORE, in consideration of the premises and the agreements, provisions, and covenants herein contained, the parties agree as follows:

SECTION 1 – ASSIGNMENT AND ACCEPTANCE

1.1 Assignment

(1) The Assignor hereby transfers and assigns to the Assignee, without recourse and without representations or warranties of any kind (except as set forth in Section 3 below), all of the Assignor's right, title, and interest in and liabilities, duties and obligations under the Base Contract, the Assigned Transactions and each Assigned Confirmation for an amount (the "Assignment Price") equal to the amount which would be the Total Termination Payment determined as if the Base Contract and Assigned Transactions were terminated in accordance with their terms on the Settlement Date (as defined in the Intercreditor Agreement).

(2) If the calculation of the Total Termination Payment is positive such that it would be payable to the Counterparty by the Assignor, then the Assignor shall pay such amount to the Assignee. If the Total Termination Payment is negative such that it would be payable to the Assignor by the Counterparty, then the Assignee shall pay the absolute value of such amount to the Assignor.

(3) By its execution of this Agreement, Assignor agrees to relinquish and assign all of its rights to the Assignee, and it shall be released by the Counterparty from its liabilities, obligations and duties, under the Base Contract and Assigned Confirmations.

1.2 Acceptance by Assignee

By its execution of this Agreement and payment or receipt of the Assignment Price (as the case may be), Assignee irrevocably assumes and accepts such assignment and transfer and agrees to be bound by all of the terms, conditions and covenants of the Base Contract and each of the Assigned Confirmations, including, for greater certainty, any amendments, restatements, or waivers of, or supplements or other modifications to, or consents previously granted by or on behalf of the Assignor. For greater certainty, the Assignee assumes all obligations (arising prior to, on or after) the Effective Date hereof.

1.3 Effectiveness

Such assignment and transfer by Assignor and acceptance by Assignee will be effective upon the date (the "Effective Date") on which the later of the (i) the execution of this Assignment Agreement by all parties; and (ii) the payment of the Assignment Price by the party required to pay such amount under this Assignment Agreement occurs.

SECTION 2 - CONSENT

2.1 Counterparty Consent

The Counterparty hereby consents to this assignment and transfer of the Base Contract, the Assigned Transactions and the Assigned Confirmations by the Assignor to the Assignee and confirms that such assignment and transfer shall not constitute an Event of Default or Potential Event of Default under the Base Contract or the Assigned Confirmations.

SECTION 3- REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties

(1) On the Settlement Date (as defined in the Intercreditor Agreement) and the Effective Date, each of the Assignee and Assignor makes to the other party each of the representations set out in Sections 13.8 (i), (ii), (iii), (iv) and (v) of the Base Contract, with references in such sections to the "Contract" being deemed references to this Assignment Agreement.

(2) The Assignor represents to the Assignee that:

- (a) it has provided copies to the Assignee of the Base Contract and each Assigned Confirmation together with all amendments, restatements, or waivers of, or supplements or other modifications;
- (b) it has made no prior assignment or transfer (whether by way of security or otherwise) of the Base Contract, the Assigned Confirmations or any interest or obligation in or under the Base Contract in respect of any Assigned Transaction; and
- (c) as of the Effective Date, all obligations of the Assignor under the Base Contracts and any Transaction required to be performed on or before the Effective Date have been fulfilled.

(3) The Assignor makes no representation or warranty and does not assume any responsibility with respect to the legality, validity, effectiveness, adequacy or enforceability of the Base Contract, the Assigned Transactions or the Assigned Confirmations or any documents relating thereto, once such agreements have been assigned, and assumes no responsibility for the condition, financial or otherwise, of the Counterparty, the Assignee or any other person or for the performance and observance by the Counterparty, the Assignee or any other person of any of its obligations under the Base Contract, the Assigned Transactions or the Assigned Confirmations or any document relating thereto and any and all such conditions and warranties, whether express or implied by law or otherwise, are hereby excluded.

(4) The Assignee and Assignor each are a Qualified Party as defined under Blanket Order 95-102 dated August 4, 2000 issued by the Alberta Securities Commission.

SECTION 4 - COSTS, EXPENSES AND INDEMNITY

The Assignee shall be responsible for its own costs and expenses and the costs and expenses (including legal fees) of the Assignor incurred in connection with this Assignment Agreement and as a result of the negotiation, preparation and execution of this Assignment Agreement.

The Assignor hereby indemnifies and holds the Assignee harmless from any and all claims, suits, proceedings, actions or causes of action taken against the Assignee as a result of any default under the Contract by the Assignor prior to the Effective Date.

SECTION 5- NOTICES

Unless otherwise specifically provided herein, any notice or other communication required or permitted to be given will be in writing and addressed to the respective party as set forth below its signature hereunder, or to such other address as the party may designate in writing to the other.

SECTION 6 - AMENDMENTS AND WAIVERS

No amendment, modification, termination, or waiver of any provision of this Agreement will be effective without the written concurrence of the Assignor and the Assignee.

SECTION 7 - SEVERABILITY

Whenever possible, each provision of this Assignment Agreement will be interpreted in such manner as to be effective and valid under applicable law. In the event any provision of this Assignment Agreement is or is held to be invalid, illegal, or unenforceable under applicable law, such provision will be ineffective only to the extent of such invalidity, illegality, or unenforceability, without invalidating the remainder of such provision or the remaining provisions of this Assignment Agreement. In addition, in the event any provision of or obligation under this Assignment Agreement is or is held to be invalid, illegal, or unenforceable in any jurisdiction, the validity, legality, and enforceability of the remaining provisions or obligations in any other jurisdictions will not in any way be affected or impaired thereby.

SECTION 8 - SECTION TITLES

Section and Subsection titles in this Assignment Agreement are included for convenience of reference only, do not constitute a part of this Assignment Agreement for any other purpose, and have no substantive effect.

SECTION 9 - SUCCESSORS AND ASSIGNS

This Assignment Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 10 - APPLICABLE LAW

This Assignment Agreement will be construed in accordance with and governed by the laws governing the Base Contract.

SECTION 11 - COUNTERPARTS

This Assignment Agreement and any amendments, waivers, consents, or supplements may be executed in any number of counterparts and by different parties hereto in separate counterparts (including by way of facsimile), each of which, when so executed and delivered, will be deemed an original and all of which shall together constitute one and the same instrument.

IN WITNESS WHEREOF, this Agreement has been duly executed as of the date first written above.

●
By: _____
Name:
Title:

Notice Address:

**TD COMMODITY & ENERGY
TRADING INC.**

By: _____
Name:
Title:

Notice Address:

66 Wellington Street West, TD Tower
Toronto, ON
M5K 1A2

Attention:
Managing Director, Treasury Credit

TRIDENT EXPLORATION CORP.

By: _____
Name:
Title:

Notice Address:

1000, 444 - 7 Avenue SW
Calgary, AB
T2P 0X8

Attention:
Paul O'Donoghue

SCHEDULE 1

This is Exhibit "C" referred to in the

Affidavit of Reema Kapoor

Sworn before me, this 1st day of

October, 2009.



Commissioner of Oaths

SUBORDINATION AGREEMENT

This Subordination Agreement made as of April 26, 2005 is made among Credit Suisse First Boston Toronto Branch in its capacities described in Section 7.12 hereof (the "Agent"), Trident Exploration Corp., an unlimited liability company under the laws of the Province of Nova Scotia (the "Borrower") and Trident Resources Corp., a corporation under the laws of the State of Delaware (the "Subordinated Creditor")

RECITALS:

- A. The Lenders have made or have agreed to make loans or advances and otherwise extend credit to the Borrower pursuant to the terms of the Credit Agreement.
- B. The Borrower intends to borrow money from the Subordinated Creditor.
- C. The Credit Agreement precludes Borrower from making such borrowings from the Subordinated Creditor unless the Subordinated Creditor has subordinated its rights against the Borrower in accordance with the terms of this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT, in consideration of the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby conclusively acknowledged by each of the Parties, the Parties covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, terms and expressions defined in the Credit Agreement shall have those meanings when used herein (unless otherwise defined herein), and in addition:

"Agreement" means this agreement, as the same may be amended, modified, supplemented or restated from time to time in accordance with the provisions hereof;

"Credit Agreement" means the Credit Agreement made as of April 26, 2005 between the Borrower, Credit Suisse First Boston Toronto Branch and the other lenders from time to time thereunder and Credit Suisse First Boston Toronto Branch, as agent of such lenders, as the same may be amended, modified, supplemented or restated from time to time in accordance with the provisions thereof;

"Creditor Proceedings" means:

- (a) any dissolution, winding-up, total or partial liquidation, adjustment or readjustment of debt, reorganization, compromise, arrangement with creditors, plan of arrangement, proposal or similar proceedings under Insolvency Laws of or with respect to the Borrower or its property or liabilities, in each case under Insolvency Laws;

~~XXXX~~

- (b) any dissolution, winding-up, total or partial liquidation, adjustment or readjustment of debt, reorganization, compromise, arrangement with creditors, plan of arrangement or similar proceedings under the arrangement provisions of any applicable corporate law (in any case which involves the alteration, amendment, conversion, compromise, satisfaction or discharge of obligations of any or all creditors) of or with respect to the Borrower or its property or liabilities;
- (c) any bankruptcy, insolvency, receivership, petition or assignment in bankruptcy, or assignment for the benefit of creditors under any Insolvency Laws of or with respect to the Borrower;
- (d) any marshalling of assets and liabilities of the Borrower under any Insolvency Laws;
- (e) any bulk sale of assets by the Borrower; or
- (f) any proceedings in relation to any of the foregoing.

whether any of the foregoing is voluntary or involuntary, partial or complete, and includes any such proceedings initiated or consented to by the Borrower;

"Default" means:

- (a) any Default or Event of Default; or
- (b) any Financial Instrument Demand for Payment or Termination Event (including, in each case, either of the foregoing under or in respect of any agreement, instrument or other document which evidences or relates to any outstanding Former Lender Financial Instrument Obligations);

"Former Lender" has the meaning set out in the Credit Agreement as in effect on the date hereof;

"Former Lender Financial Instrument Obligations" means Financial Instrument Obligations owing to a Former Lender and its Affiliates under Lender Financial Instruments entered into while such Former Lender was a Lender under the Credit Agreement;

"Indebtedness" means the Senior Debt and the Subordinated Debt;

"Insolvency Laws" means the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous laws applicable to the Borrower or any of its properties or liabilities;

"Lenders" means the Lenders under and as defined in the Credit Agreement and any Hedge Bank, including any Former Lender and any Affiliates thereof which have outstanding any Former Lender Financial Instrument Obligations;

Article

"Loan Documents" means the Loan Documents under and as defined in the Credit Agreement and any Lender Financial Instrument (and including, for certainty, any agreement, instrument or other document which evidences or relates to any outstanding Former Lender Financial Instrument Obligations);

"Loan Payments" means any payment by the Borrower of or on account of indebtedness for borrowed money or other Debt owing to the Subordinated Creditor (whether made, paid or satisfied in or for cash, property or both);

"Parties" means the parties to this Agreement;

"Senior Debt" means all present and future obligations, indebtedness, liabilities, covenants, agreements and undertakings of the Borrower to any and all of the Lenders under, pursuant or relating to the Loan Documents, whether direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred or arising, and any ultimate unpaid balance thereof, including all Obligations and Lender Financial Instrument Obligations (including, for certainty, all Former Lender Financial Instrument Obligations) and whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Borrower be bound alone or with others and whether as principal or surety, including all expenses paid or incurred by the Agent or the Lenders in endeavouring to collect or realize upon the foregoing;

"Subordinated Debt" means all present and future Debt of the Borrower to or in favour of the Subordinated Creditor and all obligations, indebtedness, liabilities, covenants, agreements and undertakings of the Borrower to the Subordinated Creditor under, pursuant or relating to any such Debt or any agreement, instrument or other document which evidences or relates to any such Debt, and wheresoever and howsoever incurred or arising, whether direct or indirect, absolute or contingent, matured or not, extended or renewed, and any ultimate unpaid balance thereof, including all future advances and re-advances, and whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Borrower be bound alone or with others and whether as principal or surety, including all obligations, liabilities and indebtedness to pay or effect a Loan Payment and all expenses paid or incurred by the Subordinated Creditor in endeavouring to collect any Subordinated Debt; and

"Subordinated Rights" means all rights, remedies and powers of the Subordinated Creditor pursuant to any agreement, instrument or other document evidencing or relating to any Subordinated Debt or otherwise available to the Subordinated Creditor pursuant to Applicable Law to enforce payment and performance of the Subordinated Debt.

1.2 Headings; Articles and Sections

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent

therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.

1.3 Number; persons; including

Words importing the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter genders and vice versa, words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa and words and terms denoting inclusiveness (such as "include" or "includes" or "including"), whether or not so stated, are not limited by their context or by the words or phrases which precede or succeed them.

1.4 References to Agreements and Enactments

Unless otherwise stated, references herein to any agreement, instrument, licence or other document shall be deemed to include reference to such agreement, instrument, licence or other document as the same may from time to time be amended, modified, supplemented or restated; and reference herein to any enactment shall be deemed to include reference to such enactment as re enacted, amended or extended from time to time and to any successor enactment

**ARTICLE 2
SUBORDINATION, POSTPONEMENT AND PRIORITY**

2.1 General

Notwithstanding the terms of the agreements, instruments or other documents giving rise to the Indebtedness or Subordinated Rights, the time of default under or the dates of any advances or creation of the Indebtedness, the Parties agree that all and any of their rights in respect of the Indebtedness and the Subordinated Rights shall be governed by the terms of this Agreement.

2.2 Subordination; Standstill

So long as any Senior Debt is outstanding or the Facility remains outstanding and until the Senior Debt shall have been paid, performed and indefeasibly satisfied in full:

- (a) the payment of all Subordinated Debt is postponed and subordinated to the indefeasible payment and performance in full and final satisfaction of all Senior Debt and the Subordinated Creditor will not directly or indirectly, accept from the Borrower, in any manner, directly or indirectly, payment of, or consideration for the reduction of, the whole or any part of the Subordinated Debt and if any such payment is received or made on the Subordinated Debt, such payment shall be held by the Subordinated Creditor in trust for the benefit of, and shall be promptly paid over in the form received (duly endorsed, if necessary, to the Agent) to, the Agent for the benefit of the applicable Lenders; and
- (b) until the Senior Debt shall have been paid, performed and indefeasibly satisfied in full, the Subordinated Creditor shall not realize upon or otherwise exercise any Subordinated Rights or commence, consent to or join with any other creditor in

commencing, any enforcement, receivership, bankruptcy, moratorium, reorganization, readjustment of debt, adjustment of debt, reorganization, compromise, arrangement or any dissolution, receivership, liquidation or other Creditor Proceedings with respect to the Borrower.

Notwithstanding the foregoing provisions of Section 2.2(a), but subject to the provisions of Section 2.3(d) (including the restriction on Distributions contained in the Credit Agreement referenced in such Section 2.3(d)), prior to the occurrence of a Default which is continuing, the Borrower shall be entitled to make, and the Subordinated Creditor shall be, subject to Sections 2.4 and 2.5 and the other provisions hereof, be entitled to receive and retain payments on account of any Subordinated Debt in accordance with the terms of the Subordinated Debt.

2.3 Certain Covenants of the Subordinated Creditor

The Subordinated Creditor hereby covenants with the Agent as follows:

- (a) the Subordinated Creditor shall not take, hold or have any Security Interest on, to or against any property, assets or undertaking of the Borrower or any Subsidiary thereof or take, hold or have any collateral security for any of the Subordinated Debt;
- (b) the Subordinated Creditor shall not advance, hold or have outstanding any Debt owing to it from any Subsidiary of the Borrower unless and until the Subordinated Creditor shall have executed and delivered to the Agent a subordination agreement respecting such Debt which agreement is in form and substance satisfactory to the Agent in its sole discretion;
- (c) the Subordinated Debt and the agreements, instruments and other documents (including any promissory notes) which at any time evidence, create or relate to the Subordinated Debt shall be in form and substance satisfactory to the Agent in its sole discretion and, without limiting the foregoing and in addition thereto shall not include a cross-default or cross-acceleration to any other Debt and shall not contain any substantive covenants other than payment covenants; and
- (d) the Subordinated Creditor shall not receive or retain any payment on or in respect of, or any repayment of, any Subordinated Debt, except for Distributions permitted by, and subject to the restrictions on Distributions contained in, the Credit Agreement (which such restrictions are hereby acknowledged and accepted by the Subordinated Creditor), which Distributions include Distributions to the Subordinated Creditor for corporate, administrative and overhead expenses of the Subordinated Creditor (including, without limitation, payments to management approved by the compensation committee or board of directors of the Subordinated Creditor) incurred in the ordinary course of business, and subject to the other provisions hereof, and any such payment or repayment received in contravention of the foregoing shall not be retained by the Subordinated Creditor, but shall be held in trust for the benefit of, and shall be promptly paid over in the

form received (duly endorsed, if necessary, to the Agent) to, the Agent for the benefit of the applicable Lenders.

2.4 Distribution to Creditors

Upon any payment or distribution of assets of the Borrower (of any kind or character, whether in cash, property or securities) to its creditors upon any dissolution, winding up, total or partial liquidation, readjustment of debt, reorganization, compromise, adjustment of debt, arrangement with creditors, or similar proceedings of the Borrower or its property, or in any bankruptcy, insolvency, receivership, assignment for the benefit of creditors, marshalling of assets and liabilities of the Borrower, or other Creditor Proceedings, or in the event of any bulk sale of any of its assets within the bulk transfer provisions of any Applicable Law, or proceedings in relation to any of the foregoing, whether any of the foregoing is voluntary or involuntary, partial or complete:

- (a) all of the Senior Debt shall first be indefeasibly paid and performed in full and satisfied before the Subordinated Creditor shall be entitled to receive or retain any payment or distribution of or in respect of Subordinated Debt from the Borrower or any receiver, receiver-manager, trustee in bankruptcy, liquidating trustee, agent or other person making such payment or distribution or in respect of such proceedings or under or in respect of any of the Subordinated Rights;
- (b) the Subordinated Creditor irrevocably authorizes the Agent to file on behalf of the Subordinated Creditor any and all claims, proofs of debt, petitions, consents, and other documents in respect of such proceedings or under or in respect of any of the Subordinated Debt and the Subordinated Rights; and
- (c) any payment or distribution of assets of the Borrower of any kind or character, whether in cash, property or securities, to which the Subordinated Creditor would be entitled in respect of the Subordinated Debt or the Subordinated Rights, shall be paid by the Borrower or by any receiver, receiver-manager, trustee in bankruptcy, liquidating trustee, agent or other person making such payment or distribution, directly to the Agent for the benefit of the applicable Lenders to the extent necessary to satisfy and indefeasibly pay in full all of the Senior Debt before any payment or distribution is made to the Subordinated Creditor or any representative thereof.

Without limiting the foregoing and in addition thereto, in connection with any Creditor Proceedings, the Subordinated Creditor irrevocably authorizes the Agent to do, make, execute, deliver and file on behalf of the Subordinated Creditor a claim, proof of claim, direction to pay, petition, consent, and other documents in respect of such Creditor Proceedings and, in order to give effect to the foregoing, each Subordinated Creditor hereby irrevocably constitutes and appoints any officer for the time being of the Agent as the true and lawful attorney of the Subordinated Creditor, with full power of substitution, to do, make, execute, deliver and file any and all of the foregoing in connection with the Creditor Proceedings (such power of attorney is a power coupled with an interest and shall survive the legal incapacity of, and any bankruptcy, insolvency or other analogous proceeding in respect of, the Subordinated Creditor and extends to

the successors and assigns of the Subordinated Creditor); for certainty, the foregoing authorization and power of attorney shall include the right to vote and approve on behalf of the Subordinated Creditor any plan of arrangement, reorganization, proposal, liquidation, compromise, or any other step, action or proceeding under, pursuant or relating to any Creditor Proceedings, all as the Agent may consider appropriate in its sole discretion (and having regard to those considerations as the Agent deems appropriate and, for certainty, without having any responsibility or liability to the Subordinated Creditor).

2.5 Trust

Notwithstanding Section 2.4, if upon any such dissolution, winding up, liquidation, readjustment, reorganization, compromise, adjustment of debt, arrangement with creditors or similar proceeding in respect of the Borrower or in any bankruptcy, insolvency, receivership, assignment for the benefit of creditors, marshalling of assets and liabilities of the Borrower, or other Creditor Proceedings, or in the event of any bulk sale of any of its assets within the bulk transfer provisions of any Applicable Law, or proceedings in relation to any of the foregoing, whether any of the foregoing is voluntary or involuntary, partial or complete (including any acts or proceedings related to the Subordinated Rights), any payment or distribution of assets of the Borrower of any kind or character, whether in cash, property or securities, shall be received by the Subordinated Creditor or any representative thereof before all the Senior Debt is indefeasibly paid and performed in full and satisfied, such payment or distribution shall be held by the Subordinated Creditor (or such representative) in trust for the benefit of, and shall be promptly paid over in the form received (duly endorsed, if necessary, to the Agent) to, the Agent for the benefit of the applicable Lenders.

2.6 Marking Books

The Subordinated Creditor and the Borrower shall mark their books and records relating to the Subordinated Debt and the Subordinated Rights so as to clearly indicate that the Subordinated Debt and Subordinated Rights are subordinated in accordance with the terms of this Agreement and shall cause to be clearly inserted on any agreement, instrument and other document (including any promissory notes) which at any time evidence, create or relate to the Subordinated Debt or Subordinated Rights a statement to the effect that the payment of the Subordinated Debt and the Subordinated Rights are subject to, and are subordinated in accordance with, the terms of this Agreement.

2.7 Application of Proceeds

All payments and distributions received by the Subordinated Creditor in respect of the Subordinated Debt or Subordinated Rights, to the extent received in or converted into cash and paid over to the Agent hereunder for the benefit of the applicable Lenders, may be applied by the Agent first to the payment of any and all expenses (including legal fees and expenses on the basis of a full indemnity) paid or incurred by the Agent in enforcing the provisions hereof or in endeavouring to collect or realize upon any of the Senior Debt, and any balance thereof shall, solely as between the Subordinated Creditor and the applicable Lenders, be applied by the applicable Lenders to the payment of the Senior Debt until indefeasibly paid in full and satisfied in such order of application as the applicable Lenders may from time to time select; and,

notwithstanding any such payments or distributions received by the applicable Lenders in respect of the Subordinated Debt or Subordinated Rights and so applied by the applicable Lenders toward the payment of the Senior Debt, the Subordinated Creditor shall be subrogated, without recourse, representation and warranty to the then existing rights of the applicable Lenders, if any, in respect of the Senior Debt subject to the provisions of Section 2.8.

2.8 Restriction on Subrogation

The Subordinated Creditor shall not exercise any rights which it may acquire by way of subrogation or contribution under this Agreement until this Agreement has ceased to be effective in accordance with Section 5.1. If any amount is paid to the Subordinated Creditor on account of such subrogation or contribution rights at any time before this Agreement has ceased to be effective in accordance with Section 5.1, such amount shall be held in trust by the Subordinated Creditor for the benefit of the Lenders and shall be promptly paid to the Agent for the benefit of the Lenders.

ARTICLE 3 ACKNOWLEDGEMENTS OF SUBORDINATED CREDITOR; FURTHER COVENANTS; REPRESENTATIONS AND WARRANTIES

3.1 Absolute Obligations

This Agreement shall operate and apply, and shall remain in full force and effect, in all events and circumstances and the obligations of the Subordinated Creditor hereunder shall be absolute, irrevocable and unconditional in all events and circumstances. In addition to and without limiting the foregoing, this Agreement shall remain in full force and effect and the obligations of the Subordinated Creditor hereunder shall be absolute, irrevocable and unconditional irrespective of:

- (a) any change in the time, manner or place of payment of, or in any other term of, any of the Senior Debt, the Loan Documents, or any other amendment or waiver of or any consent to departure from any of the Senior Debt or the Loan Documents;
- (b) any release or amendment or waiver of or consent to departure from any covenant, agreement or undertaking of any person respecting any of the Senior Debt or the Loan Documents;
- (c) any merger, consolidation, amalgamation, dissolution, winding up, liquidation or termination of the existence of the Agent, any Lender or the Subordinated Creditor into or with any other person or any other change of its identity or capacity;
- (d) any (i) liquidation, winding up, bankruptcy, dissolution, compromise, proposal, arrangement, plan of reorganization or other event or proceeding relating to, or which might affect the existence, obligations, creditors, assets, business or affairs of, (ii) change or changes in the name of, or (iii) amalgamation, consolidation, merger or reorganization of any kind of, or with respect to, the Borrower;

- (e) in addition to and not in limitation of Section 3.1(d) above, any Creditor Proceedings;
- (f) any change in Applicable Law or any defence, claim or right of any Party which would effect a result contrary to the terms in this Agreement; or
- (g) any impossibility or impracticality of performance or *force majeure*, any act of any Governmental Authority, or any other circumstance which might constitute a defence available to, or a discharge of, the Borrower in respect of the Senior Debt or the Loan Documents.

3.2 Dealings by Lenders

Notwithstanding anything in this Agreement, the Subordinated Creditor acknowledges and agrees that the Agent and the applicable Lenders shall be entitled to:

- (a) lend monies or otherwise extend credit or accommodations to the Borrower as part of the Senior Debt;
- (b) agree to any change in, amendment to, waiver of, or departure from, any term of any Loan Document including, without limitation, any amendment, renewal, restatement or extension of any Loan Document, or increase in the payment or other obligations of the Borrower under any Loan Document;
- (c) take any Security Interests from the Borrower and its Subsidiaries;
- (d) grant time, renewals, extensions, releases, discharges or other indulgences or forbearances to the Borrower in respect of Senior Debt;
- (e) waive timely and strict compliance with or refrain from exercising any rights under or relating to any Senior Debt;
- (f) accept or make any compositions, arrangements, plans of reorganization or compromises with the Borrower and its Subsidiaries as the Lenders (or any of them) may deem appropriate in connection with any Senior Debt;
- (g) change, whether by addition, substitution, removal, succession, assignment, grant of participation, transfer or otherwise, any of the Lenders, including the Agent;
- (h) acquire, give up, vary, exchange, release, discharge or otherwise deal with or fail to deal with any Security Interests relating to any Senior Debt, or allow the Borrower, its Subsidiaries or any other person to deal with any property which is subject to such Security Interests, all as the Agent and the Lenders may deem appropriate; or
- (i) abstain from taking, protecting, securing, registering, filing, recording, renewing, perfecting, insuring or realizing upon any Security Interests for any Senior Debt; and no loss in respect of any of the Security Interests received or held for and on

behalf of the Lenders, whether occasioned by fault, omission or negligence of any kind, whether of the Agent or any of the Lenders or otherwise, shall in any way limit or impair the liability of the Subordinated Creditor or the rights of the Agent and the Lenders under this Agreement;

all of which may be done without notice to or consent of the Subordinated Creditor and without impairing, releasing or otherwise affecting any rights or obligations of the Subordinated Creditor hereunder or any rights of the Agent and the Lenders hereunder.

3.3 Subordinated Debt Default

The Subordinated Creditor shall promptly give the Agent written notice of the occurrence of a default or event of default in respect of the Subordinated Debt of which it is actually aware.

3.4 Agreement Not to Challenge

The Subordinated Creditor shall not at any time challenge, dispute or contest the validity or enforceability of any of the Senior Debt or the Loan Documents (including this Agreement) or the perfection of the Security Interests constituted by any of the Loan Documents, nor shall it at any time challenge, dispute or contest the validity or enforceability of the subordination and postponement provided for herein or take any action whereby the subordination and postponement contemplated hereby may be prejudiced.

3.5 Representations and Warranties

The Subordinated Creditor hereby represents and warrants to the Agent and the Lenders that:

- (a) it is validly subsisting under the laws of its jurisdiction of incorporation;
- (b) it has all necessary power and authority to enter into this Agreement and to perform its obligations hereunder;
- (c) the execution, delivery, observance and performance on its part of this Agreement has been duly authorized by all necessary action;
- (d) it has duly executed and delivered this Agreement; and
- (e) this Agreement constitutes a valid and legally binding obligation of it, enforceable against it in accordance with its terms, subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally and to the qualification that equitable remedies such as specific performance and injunction are only available in the discretion of the court from which they are sought and general equitable principles.

**ARTICLE 4
ACKNOWLEDGEMENT OF THE BORROWER**

4.1 Acknowledgement

The Borrower hereby acknowledges and agrees that:

- (a) it authorizes the Agent, the Lenders and the Subordinated Creditor to share with each other any information possessed by them relating to the Indebtedness and to payments received by the Agent, the Lenders and the Subordinated Creditor in respect thereof;
- (b) this Agreement shall not modify, relieve or release it from any of its Indebtedness or performance obligations under the agreements, instruments or other documents giving rise to the Subordinated Rights;
- (c) it is a party hereto solely for the purpose of providing the acknowledgements and agreements set forth herein and does not, and is not intended to, derive any benefits hereunder; and
- (d) it consents to the terms of this Agreement and agrees to comply with, and to not act contrary to, the terms of this Agreement.

**ARTICLE 5
TERMINATION**

5.1 Termination

The provisions hereof shall in all respects be a continuing agreement and shall remain in full force and effect until: (a) the final and indefeasible payment in cash and performance in full and satisfaction of the Senior Debt; (b) the cancellation of the Facility; and (c) the termination of the Credit Agreement and all Lender Financial Instruments.

5.2 Reinstatement

This Agreement shall continue to be effective or be reinstated, as the case may be, if at any time any payment or performance of the Senior Debt is rescinded, reversed, nullified, rendered void or voidable or must otherwise be restored, refunded, returned or unwound for any reason, all as though such payment had not been made or such performance had not occurred.

**ARTICLE 6
CONTINUING SUBORDINATION**

6.1 Continuing Subordination

This Agreement shall create a continuing subordination and shall:

- (a) be binding upon the Subordinated Creditor and its successors and assigns; and

- (b) **enure, together with the rights and remedies of the Agent and the Lenders hereunder, to the benefit of and be enforceable by the Agent and the Lenders and their successors and assigns for their benefit and for the benefit of any other person entitled to the benefit of any Loan Documents from time to time, including any permitted assignee or participant of some or all of the Loan Documents.**

6.2 Other Obligations not Affected

The subordination provided for herein is in addition to and not in substitution for any other agreement or any other security by whomsoever given or at any time held by the Agent or the Lenders in respect of the Senior Debt, and the Agent and the Lenders shall at all times have the right to proceed against or realize upon all or any portion of any other agreement or any security or any other monies or assets to which the Agent and the Lenders may become entitled or have a claim in such order and in such manner as the Agent and the Lenders in their sole discretion may deem appropriate.

6.3 Acknowledgment of Documentation

The Subordinated Creditor hereby acknowledges that it is familiar with and understands the terms of the Credit Agreement and all other Loan Documents. The Subordinated Creditor shall ensure that the Borrower provides such copies as the Subordinated Creditor wishes to receive of all amendments, modifications or supplements to any of the aforementioned documents and of any other documents, instruments or agreements which are executed in the future pursuant to which Senior Debt may arise. None of the Lenders or the Agent shall in any manner have any obligation to ensure such receipt nor shall lack of receipt in any way affect the absolute, irrevocable and unconditional nature of the Subordinated Creditor's obligations hereunder in respect of the Senior Debt thereby created or arising.

**ARTICLE 7
MISCELLANEOUS**

7.1 Assignments and Participations by Lenders

The Lenders may, from time to time without notice to or consent of the Subordinated Creditor, assign or transfer or grant participations in respect of any or all of the Senior Debt or any interest therein; and, notwithstanding any such assignment or transfer or grant of a participation or any subsequent assignment or transfer thereof or grant of a participation therein, the Subordinated Creditor acknowledges that such Senior Debt shall be and remain Senior Debt for the purposes hereof, and every immediate and successive assignee or transferee of, or participant in, any of the Senior Debt or of any interest therein shall, to the extent of the interest of such assignee, transferee or participant in the Senior Debt, be entitled to the full rights and benefits hereof.

7.2 Assignment by Subordinated Creditor or Borrower

The Borrower shall not assign all or any portion of its obligations under this Agreement or the Subordinated Debt. The Subordinated Creditor shall not assign all or any portion of its Subordinated Debt, Subordinated Rights or obligations under this Agreement without the prior

written consent of the Agent on behalf of the Lenders, which consent may be withheld in their sole discretion.

7.3 Accounts

The accounts and records of the Agent and the Lenders shall constitute, in the absence of manifest error, *prima facie* evidence of the Senior Debt.

7.4 Further Assurances

Each Party agrees to execute and deliver all deeds, documents, instruments and assurances (including discharges) as may be reasonably required by another Party from time to time (but at the expense of the Borrower) to reflect, confirm or give effect to the terms hereof and to provide such information regarding the Indebtedness and the Subordinated Rights as may be reasonably requested from time to time.

7.5 Severability

Any provision of this Agreement which is or becomes prohibited or unenforceable in any jurisdiction does not invalidate, affect or impair the remaining provisions hereof in such jurisdiction and any such prohibition or unenforceability in any jurisdiction does not invalidate or render unenforceable such provision in any other jurisdiction.

7.6 Amendments; Waivers

- (a) No provision of this Agreement may be amended, waived, discharged or terminated orally nor may any breach of any of the provisions of this Agreement be waived or discharged orally, and any such amendment, waiver, discharge or termination may only be made in writing signed by the Agent on behalf of the Lenders, or by the Lenders, and if such amendment is intended to bind the Subordinated Creditor, by the Subordinated Creditor.
- (b) No failure on the part of the Agent or any Lender to exercise, and no delay in exercising, any right, power or privilege hereunder shall operate as a waiver thereof unless specifically waived in writing, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.
- (c) Any waiver of any provision of this Agreement or consent to any departure by the Agent therefrom shall be effective only in the specific instance and for the specific purpose for which given and shall not in any way be or be construed as a waiver of any future requirement.

7.7 Notice

All notices and other communications provided for hereunder shall be given in the form and manner prescribed by Section 10.02 of the Credit Agreement. All such notices to the

Subordinated Creditor may be given to the Borrower on behalf of the Subordinated Creditor and shall be sufficiently delivered if so given.

7.8 Governing Law

This Agreement is conclusively deemed to be made under, and for all purposes to be governed by and construed in accordance with, the laws of the Province of Alberta and of Canada applicable therein. The Parties hereby irrevocably submit and attorn to the jurisdiction of the courts of the Province of Alberta for all matters arising out of or relating to this Agreement or any of the transactions contemplated hereby.

7.9 Enurement

This Agreement shall be binding upon the Parties and their respective successors and permitted assigns.

7.10 Time of Essence

Time shall be of the essence with respect to this Agreement.

7.11 Entire Agreement

This Agreement contains the entire agreement between the Parties with respect to the matters herein contained and there are no other representations, warranties, covenants or collateral agreements between any of the Parties in connection therewith other than as expressly herein provided.

7.12 Credit Suisse First Boston Execution

Credit Suisse First Boston Toronto Branch is entering into this Agreement in its capacity as agent under the Credit Agreement and as agent for and on behalf of each of the Lenders (including, for certainty, Credit Suisse First Boston Toronto Branch and including any Hedge Bank in its capacity as a counterparty to any Lender Financial Instrument with the Borrower).

7.13 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or by sending a scanned copy by electronic mail shall be as effective as delivery of a manually executed counterpart of this Agreement.

IN WITNESS WHEREOF each Party has duly executed this Agreement as of the date and year first above written.

**CREDIT SUISSE FIRST BOSTON TORONTO
BRANCH, as Agent**

Per: 
Name: **Alain Daoust**
Title: **Director**

Per: 
Name: **Duncan D. Webb**
Title: _____

TRIDENT EXPLORATION CORP.

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

TRIDENT RESOURCES CORP.

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

IN WITNESS WHEREOF each Party has duly executed this Agreement as of the date and year first above written.

**CREDIT SUISSE FIRST BOSTON TORONTO
BRANCH, as Agent**

Per: _____
Name:
Title

Per: _____
Name:
Title

TRIDENT EXPLORATION CORP.

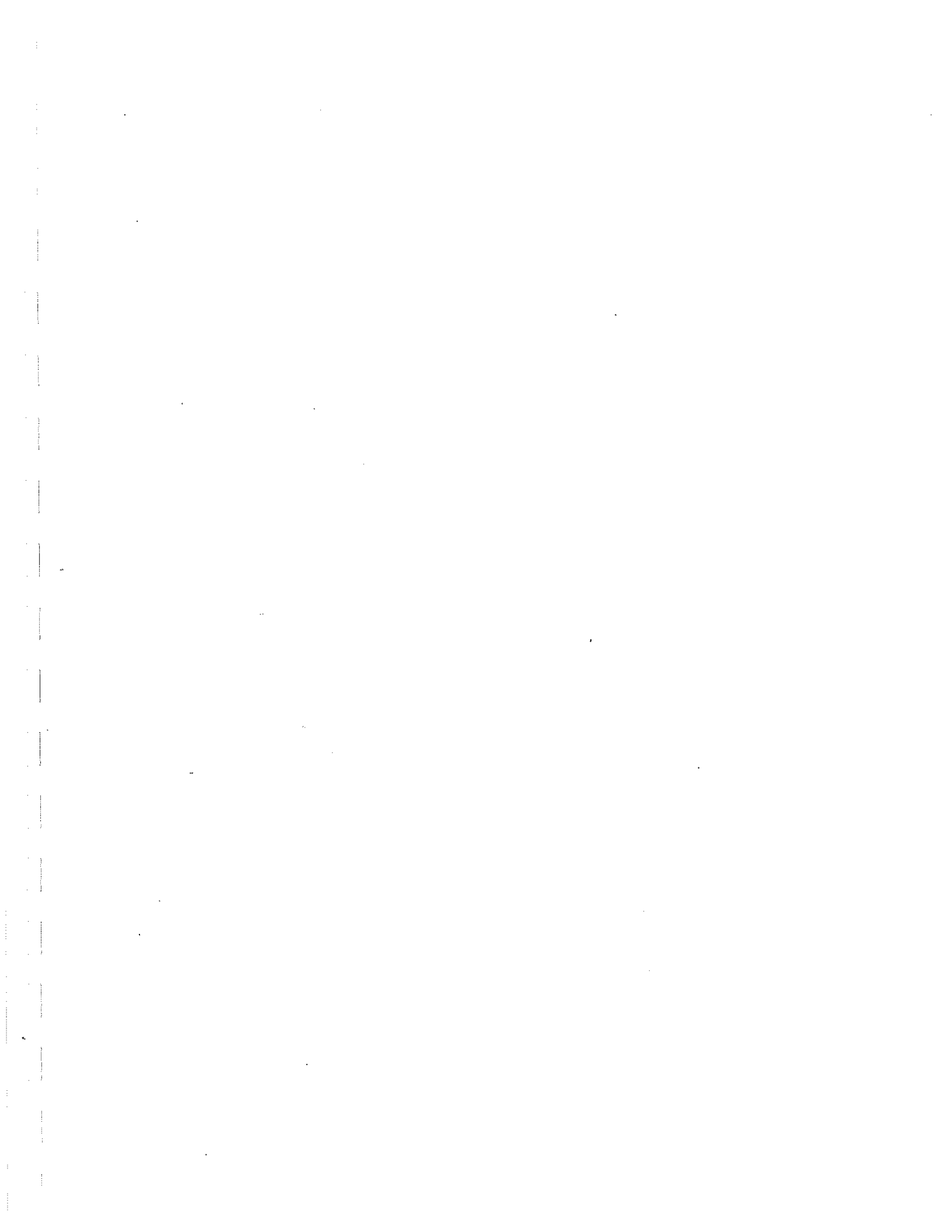
Per: *Paul O'Donnell*
Name: *Paul O'Donnell*
Title: *Vice President, Corporate & Strategic
Development & Secretary*

Per: _____
Name:
Title

TRIDENT RESOURCES CORP.

Per: *Paul O'Donnell*
Name: *Paul O'Donnell*
Title: *Secretary & Treasurer*

Per: _____
Name:
Title



FIRST AMENDMENT TO TRC SUBORDINATION AGREEMENT

THIS FIRST AMENDMENT dated as of April 25, 2006 (the "First Amendment") to the Subordination Agreement dated as of April 26, 2005, among Credit Suisse First Boston Toronto Branch (predecessor to Credit Suisse, Toronto Branch) in its capacities described in Section 7.12 of such Subordination Agreement (as amended hereby), as agent (the "Agent"), Trident Exploration Corp., an unlimited liability company under the laws of the Province of Nova Scotia (the "Borrower") and Trident Resources Corp., a corporation under the laws of the State of Delaware (the "Subordinated Creditor").

RECITALS

- A. The Agent, the Borrower and the Subordinated Creditor entered into the aforesaid Subordination Agreement (the "TRC Subordination Agreement").
- B. The parties have agreed to certain amendments to the TRC Subordination Agreement.
- C. Capitalized terms used herein shall have the respective meanings ascribed thereto in the TRC Subordination Agreement unless defined herein or the context shall otherwise require.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree with each other as follows:

1. **Amendments**

The TRC Subordination Agreement is hereby amended as follows:

- (a) The following definition shall be added to Section 1.1:

"Unsecured Credit Agreement" means the Unsecured Credit Agreement dated as of April 25, 2006 among Credit Suisse, Toronto Branch, as agent of the lenders party thereto, the lenders party thereto, Credit Suisse Securities (USA) LLC, as lead arranger and book manager, the Subordinated Creditor, as borrower and the Borrower, Fenenergy Corp., Fort Energy Corp., 981384 Alberta Ltd. and 981405 Alberta Ltd, as guarantors (as amended, modified, supplemented, amended, restated, refinanced, restructured or replaced from time to time)."

- (b) The definition of "Lenders" in Section 1.1 shall be deleted and replaced with the following:

"Lenders" means:

- (a) the Lenders under and as defined in the Credit Agreement and any Hedge Bank, including any Former Lender and any Affiliates

thereof which have outstanding any Former Lender Financial Instrument Obligations; and

(b) the Lenders under and as defined in the Unsecured Credit Agreement."

(c) The definition of "Loan Documents" in Section 1.1 shall be deleted and replaced with the following:

"Loan Documents" means the Loan Documents under and as defined in the Credit Agreement, the Loan Documents under and as defined in the Unsecured Credit Agreement and any Lender Financial Instrument (and including, for certainty, any agreement, instrument or other document which evidences or relates to any outstanding Former Lender Financial Instrument Obligations)."

(d) The definition of "Senior Debt" in Section 1.1 shall be deleted and replaced with the following:

"Senior Debt" means all present and future obligations, indebtedness, liabilities, covenants, agreements and undertakings of the Borrower to any and all of the Lenders under, pursuant or relating to the Loan Documents, whether direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred or arising, and any ultimate unpaid balance thereof, including all Obligations under and as defined in the Credit Agreement, all Obligations under and as defined in the Unsecured Credit Agreement and Lender Financial Instrument Obligations (including, for certainty, all Former Lender Financial Instrument Obligations) and whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Borrower be bound alone or with others and whether as principal or surety, including all expenses paid or incurred by the Agent or the Lenders in endeavouring to collect or realize upon the foregoing."

(e) Section 7.12 shall be deleted and replaced with the following:

"7.12 Credit Suisse, Toronto Branch Execution

Credit Suisse, Toronto Branch is entering into this Agreement in its capacities as:

(a) agent under the Credit Agreement and as agent for and on behalf of each of the lenders thereunder (including, for certainty, Credit Suisse, Toronto Branch and including any Hedge Bank in its capacity as a counterparty to any Lender Financial Instrument with the Borrower); and

(b) agent under the Unsecured Credit Agreement"

2. **Representations, Covenants and Warranties**

To induce the Agent to execute and deliver this First Amendment, the Borrower and the Subordinated Creditor represent, covenant and warrant to the Agent and the Lenders (which representations, covenants and warranties shall survive the execution and delivery of this First Amendment) that:

- (a) this First Amendment has been duly authorized, executed and delivered by each party thereto other than the Agent;
- (b) the TRC Subordination Agreement, as amended by this First Amendment, constitutes a legal, valid and binding obligation of the Borrower and the Subordinated Creditor, enforceable against each in accordance with its terms;
- (c) the execution, delivery and performance of this First Amendment (i) are within the powers of each of the Borrower and the Subordinated Creditor; (ii) do not require the authorization, consent or approval of any governmental authority or regulatory body or any agency, department or division of any thereof; (iii) do not and will not (A) contravene or conflict with (1) any law, statute, rule or regulation, (2) any provision of its articles or by-laws, (3) any judgment, order or decree of any court, tribunal or arbitrator, or any public, governmental or regulatory agency, authority or body to which it or any of its material assets is subject, or (4) any term, condition or provision of any indenture, agreement or other instrument to which it or its subsidiaries is a party or by which it or any of its subsidiaries' properties or assets are or may be bound; or (B) result in a breach of or constitute (alone or with due notice or lapse of time or both) a default under any indenture, agreement or other instrument referred to in clause (iii)(A)(4) of this Section 2(c); and
- (d) no Default (under and as defined in the TRC Subordination Agreement) or Default or Event of Default (under and as defined in the Unsecured Credit Agreement) has occurred and is continuing or existed immediately prior to this First Amendment or will exist immediately after.

3. **First Amendment Part of TRC Subordination Agreement**

This First Amendment shall be construed in connection with and as part of the TRC Subordination Agreement, and except as modified and expressly amended by this First Amendment, all terms, conditions and covenants contained in the TRC Subordination Agreement are hereby ratified and shall be and remain in full force and effect.

4. Notices

Any and all notices, certificates and other instruments executed and delivered after the execution and delivery of this First Amendment may refer to the TRC Subordination Amendment without making specific reference to this First Amendment but nevertheless all such references shall include this First Amendment unless the context otherwise requires.

5. Governing Law

This First Amendment shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the Province of Alberta and the law of Canada applicable therein.

6. Counterparts

This First Amendment may be executed in any number of counterparts, and by facsimile, all of which together shall constitute one instrument.

CREDIT SUISSE, TORONTO BRANCH, as Agent

By: 
Name: Alain Ducout
Title: Director

By: 
Name: Bruce F. Weisman
Title: Director,
CREDIT SUISSE, TORONTO BRANCH

TRIDENT EXPLORATION CORP.

By: _____
Name:
Title:

TRIDENT RESOURCES CORP.

By: _____
Name:
Title:

4. Notices

Any and all notices, certificates and other instruments executed and delivered after the execution and delivery of this First Amendment may refer to the TRC Subordination Amendment without making specific reference to this First Amendment but nevertheless all such references shall include this First Amendment unless the context otherwise requires.

5. Governing Law

This First Amendment shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the Province of Alberta and the law of Canada applicable therein.

6. Counterparts

This First Amendment may be executed in any number of counterparts, and by facsimile, all of which together shall constitute one instrument.

CREDIT SUISSE, TORONTO BRANCH, as Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

TRIDENT EXPLORATION CORP.

By: PL [Signature]
Name:
Title:

TRIDENT RESOURCES CORP.

By: PL [Signature]
Name:
Title:

This is Exhibit "D" referred to in the

Affidavit of Reema Kapoor

Sworn before me, this 1st day of

October, 2009.



Commissioner of Oaths

SUBORDINATION AND POSTPONEMENT AGREEMENT

This Subordination and Postponement Agreement made as of August 20, 2007 is made among Credit Suisse, Toronto Branch in its capacities described in Section 7.10 hereof (the "Agent"), Trident Exploration Corp., a Nova Scotia unlimited liability company (the "Borrower") and the other Subsidiary Guarantors (the "Subsidiary Guarantors") and Wells Fargo Bank, N.A., as agent (together with its successors and assigns under the TRC Subordinated Unsecured Loan Agreement) (the "Subordinated Agent") for the holders of the TRC Subordinated Unsecured Loans made pursuant to the TRC Subordinated Unsecured Loan Agreement (as defined below) (together with the Subordinated Agent, the "Subordinated Creditors").

RECITALS:

- A. The Lenders have made or have agreed to make loans or advances and otherwise extend credit to the Borrower pursuant to the terms of the Credit Agreement.
- B. Trident Resources Corp. ("TRC" or the "Parent") is seeking to borrow new unsecured subordinated loans (the "TRC Subordinated Unsecured Loans") in the aggregate original principal amount of Cdn \$120,000,000 pursuant to the TRC Subordinated Unsecured Loan Agreement.
- C. The Lenders are willing to permit the guaranty of the TRC Subordinated Unsecured Loans by the Borrower and the Subsidiary Guarantors on the condition that the TRC Subordinated Unsecured Loans and related guarantees are at all times subject to this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT, in consideration of the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby conclusively acknowledged by each of the Parties, the Parties covenant and agree as follows:

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

In this Agreement, terms and expressions defined in the Credit Agreement shall have those meanings when used herein (unless otherwise defined herein), and in addition:

"Agreement" means this subordination and postponement agreement, as the same may be amended, modified, supplemented or restated from time to time in accordance with the provisions hereof.

"Asset Disposition Breach" means, for purposes of Section 2.2(b) of this Agreement only, a breach of Section 5.02(d) of the TRC Subordinated Unsecured Loan Agreement, except a breach arising solely from a failure to meet the fair market value condition set forth in Section 5.02(d)(ii)(A) thereof in the case of any sale, lease, transfer or other disposition of any asset(s) (in one or a series of substantially contemporaneous and related transactions) where both the net

proceeds to the Borrower and its Subsidiaries, and the fair market value of the asset(s) involved, are each less than \$25,000,000.

"Bankruptcy Code" means title 11 of the United States Code (11 U.S.C. 101 et seq.), as now and hereafter in effect, or any successor statute.

"Change of Control" means, for the purposes of Section 2.2(b) of this Agreement only, a Change of Control as defined in the TRC Subordinated Unsecured Loan Agreement, provided that a Change of Control caused by the issuance, exercise or performance of the warrants issued pursuant to the TRC Subordinated Unsecured Loan Agreement and related documents will not be considered a Change of Control.

"Credit Agreement" means the Amended and Restated Credit Agreement dated as of April 25, 2006, as amended by Amendment No. 1 to the Credit Agreement dated as of October 12, 2006, as amended by Amendment No. 2 to the Credit Agreement dated as of April 12, 2007 and as amended by Amendment and Waiver No. 3 to the Credit Agreement dated as of August 20, 2007 between the Borrower, Credit Suisse, Toronto Branch and the other lenders from time to time thereunder and Credit Suisse, Toronto Branch, as agent of such lenders, as the same may be amended, modified, supplemented or restated from time to time in accordance with the provisions thereof;

"Creditor Proceedings" means:

- (a) any bankruptcy, insolvency, receivership, petition or assignment in bankruptcy, assignment for the benefit of creditors, dissolution, winding-up, total or partial liquidation, adjustment or readjustment of debt, reorganization, compromise, marshalling, arrangement with creditors, plan of arrangement, proposal or similar proceedings under Insolvency Laws of or with respect to the Parent, the Borrower or any Subsidiary Guarantor or its respective property or liabilities, in each case under Insolvency Laws;
- (b) any dissolution, winding-up, total or partial liquidation, adjustment or readjustment of debt, reorganization, compromise, arrangement with creditors, plan of arrangement or similar proceedings under the arrangement provisions of any applicable corporate law (in any case which involves the alteration, amendment, conversion, compromise, satisfaction or discharge of obligations of any or all creditors) of or with respect to the Parent, the Borrower or any Subsidiary Guarantor or its respective property or liabilities; or
- (c) any proceedings in relation to any of the foregoing.

whether any of the foregoing is voluntary or involuntary, partial or complete, and includes any such proceedings initiated or consented to by the Parent, the Borrower or any Subsidiary Guarantor.

"Default" means any Default or Event of Default, in each case, as defined in the Credit Agreement.

EXECUTION COPY

"Distribution" means any consideration, payment or other distribution, whether received by set-off, redemption, purchase or otherwise, of cash (including interest), notes, securities, or other property (including collateral security) or proceeds of any of the foregoing made, paid, remitted or received in respect of the Subordinated Claims or pursuant to any Subordinated Rights;

"Finally Determined" means (i) determined and agreed to by the Lenders by written agreement between the Unsecured Lenders, Agent and the Agent or under an implemented plan of arrangement, plan or similar arrangement under Insolvency Laws which was actually approved by the positive vote of the Lenders, with such positive vote meeting the approval thresholds required under the applicable Insolvency Laws determined on the basis that the Lenders formed their own separate class (and for greater certainty, not approved by court order without such positive vote) or (ii) by final order of a Court of competent jurisdiction with respect to which any right of appeal or right to seek leave to appeal has either expired or has been exhausted;

"Indebtedness" means the Senior Claims and the Subordinated Claims.

"Insolvency Laws" means the *Bankruptcy and Insolvency Act (Canada)*, the *Companies' Creditors Arrangement Act (Canada)*, the *Winding-up and Restructuring Act (Canada)*, the Bankruptcy Code and any other federal, provincial, state or foreign bankruptcy, insolvency or similar or analogous laws applicable to the Parent, the Borrower or any Subsidiary Guarantor or any of its properties or liabilities including without limitation corporate laws under which the Borrower or any Subsidiary Guarantor may be organized from time to time.

"Lenders" means the Lenders under and as defined in the Credit Agreement and any Hedge Bank under and as defined in the Credit Agreement.

"Loan Documents" means the Loan Documents under and as defined in the Credit Agreement.

"Parties" means the parties to this Agreement.

"Recovery" has the meaning specified in Section 2.3(d).

"Senior Claims" means all present and future Debt of the Borrower or any Subsidiary Guarantor to or in favor of the Agent or Lenders and all obligations, indebtedness, liabilities, covenants, agreements and undertakings of the Borrower or any Subsidiary Guarantor to any and all of the Lenders under or pursuant to the Loan Documents, whether direct or indirect, absolute or contingent, matured or not, extended or renewed, whatsoever and howsoever incurred or arising, and any ultimate unpaid balance thereof, including all Obligations of any Loan Party under the Loan Documents and whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Borrower or any Subsidiary Guarantor be bound alone or with others and whether as principal or surety, including (i) interest after the commencement of any Creditor Proceeding at the default rate specified in the applicable Loan Documents, makewhole and prepayment premiums, each whether or not an allowable claim in such Creditor Proceeding and (ii) all expenses paid or incurred by the Agent or the Lenders in endeavoring to collect or realize upon the foregoing.

"Subordinated Claims" means all present and future Debt of the Borrower or any Subsidiary Guarantor to or in favor of the Subordinated Creditors and all obligations, indebtedness,

liabilities, covenants, agreements and undertakings of the Borrower or any Subsidiary Guarantor to any or all of the Subordinated Creditors under or pursuant to the Subordinated Loan Documents whether direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred or arising (including, without limitation, as a result of subrogation), and any ultimate unpaid balance thereof, including all future advances and re-advances, and whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Borrower or any Subsidiary Guarantor be bound alone or with others and whether as principal or surety, including all expenses paid or incurred by the Subordinated Creditor in endeavoring to collect any Subordinated Claims.

"Subordinated Loan Documents" means the Loan Documents under and as defined in the TRC Subordinated Unsecured Loan Agreement.

"Subordinated Rights" means all rights, remedies and powers of the Subordinated Creditors pursuant to any Subordinated Loan Documents or otherwise available to the Subordinated Creditors pursuant to Applicable Law to enforce payment and performance of the Subordinated Claims, including the exercise of any rights and remedies with respect to any Collateral or the commencement or prosecution of enforcement of any of the rights and remedies under, as applicable, the Subordinated Loan Documents or applicable law, including without limitation the exercise of any rights of set-off or recoupment.

"TEC Distribution" means any Distribution received by or for the benefit of the Subordinated Creditors (directly or indirectly) in connection with the Subordinated Claims or pursuant to the Subordinated Rights in each case from any TEC Entity or any assets or property of any TEC Entity or any proceeds thereof.

"TEC Entities" means TEC, Fenergy Corp., Fort Energy Corp., 981384 Alberta Ltd., 981405 Alberta Ltd., and all current and future direct or indirect subsidiaries of each of the forgoing.

"TRC Entities" means the Borrower and its direct and indirect subsidiaries other than the TEC Entities.

"TRC Distribution" means any Distribution received by or for the benefit of the Subordinated Creditors (directly or indirectly) in connection with the Subordinated Claims or pursuant to the Subordinated Rights in each case from TRC Entities or any assets or property of any TRC Entity or any proceeds thereof.

"TRC Subordinated Unsecured Loan Agreement" means the TRC Subordinated Loan Agreement, dated as of August 20, 2007, among TRC, certain of its Subsidiaries, the Subordinated Creditors and the Subordinated Agent (as amended, modified, supplemented, amended, restated, refinanced, restructured or replaced, including a replacement with a new agent and lenders, from time to time).

"Unsecured Claims" means all present and future Debt of the Borrower or any of its subsidiaries to or in favor of the Unsecured Lenders Agent or Unsecured Lenders and all obligations, indebtedness, liabilities, covenants, agreements and undertakings of the Borrower or any of its subsidiaries to any and all of the Unsecured Lenders under or pursuant to the

Unsecured Loan Documents, whether direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred or arising, and any ultimate unpaid balance thereof, including all obligations of the Borrower or any of its Subsidiaries under the Unsecured Loan Documents and whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Borrower or any of its subsidiaries be bound alone or with others and whether as principal or surety, including all (i) interest after the commencement of any Creditor Proceeding at the default rate specified in the applicable Unsecured Loan Documents, makewhole and prepayment premiums, each whether or not an allowable claim in such Creditor Proceeding and (ii) expenses paid or incurred by the Unsecured Lenders Agent or the Unsecured Lenders in endeavoring to collect or realize upon the foregoing.

"Unsecured Credit Agreement" means the Credit Agreement made as of November 24, 2006 between TRC and its subsidiaries, Credit Suisse, Toronto Branch and the other lenders from time to time thereunder and Credit Suisse, Toronto Branch, as agent of such lenders, as amended by the Amendment and Waiver No. 1 thereto dated as of the date hereof, and as the same may be further amended, modified, supplemented or restated from time to time in accordance with the provisions thereof.

"Unsecured Lenders" means the Lenders under and as defined in the Unsecured Credit Agreement and any Hedge Bank under and as defined in the Unsecured Credit Agreement.

"Unsecured Lenders Agent" means Credit Suisse, Toronto Branch in its capacity as agent under the Unsecured Credit Agreement and as agent for and on behalf of each of the lenders under the Unsecured Credit Agreement (including, for certainty, Credit Suisse, Toronto Branch and including any Hedge Bank in its capacity as a counterparty to any Secured Hedge Agreement with TRC).

"Unsecured Loan Documents" means the Loan Documents under and as defined in the Unsecured Credit Agreement.

1.2 Headings; Articles and Sections

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.

1.3 Number; persons; including

Words importing the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter genders and vice versa, words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa and words and terms denoting

inclusiveness (such as "include" or "includes" or "including"), whether or not so stated, are not limited by their context or by the words or phrases which precede or succeed them.

1.4 References to Agreements and Enactments

Unless otherwise stated, references herein to any agreement, instrument, licence or other document shall be deemed to include reference to such agreement, instrument, licence or other document as the same may from time to time be amended, modified, supplemented or restated; and reference herein to any enactment shall be deemed to include reference to such enactment as reenacted, amended or extended from time to time and to any successor enactment.

**ARTICLE 2
SUBORDINATION, POSTPONEMENT AND PRIORITY**

2.1 General

Notwithstanding the terms of the agreements, instruments or other documents giving rise to the Senior Claims or the Subordinated Claims or the Subordinated Rights, the time of default under or the dates of any advances or creation of the Senior Claims or the Subordinated Claims, the Parties agree that all and any of their rights in respect of the Senior Claims or the Subordinated Claims and the Subordinated Rights shall be governed by the terms of this Agreement.

The Agent on its own behalf and on behalf of the Lenders acknowledges and agrees that: (a) TRC and certain of its affiliates, (including the Borrower and the Subsidiary Guarantors) and the Subordinated Agent have contemporaneously entered into a subordination and postponement agreement with the Unsecured Lenders Agent for the benefit of itself and the Unsecured Lenders (the "Unsecured Subordination Agreement") and (b) if the Senior Claims are outstanding, (i) to the extent that any conflict arises between the terms of this Agreement and the terms of the Unsecured Subordination Agreement in connection with any of the TEC Entities or any property or assets of any TEC Entity or any proceeds thereof or between the rights and interests of the Unsecured Lenders Agent and/or the Unsecured Lenders and the rights and interests of the Agent and/or the Lenders in respect of the Subordinated Claims and Subordinated Rights in connection with any of the TEC Entities or any property or assets of any TEC Entity or any proceeds thereof, the terms of this Agreement shall be paramount over the terms of the Unsecured Subordination Agreement in connection with any of the TEC Entities or any property or assets of any TEC Entity or any proceeds thereof and shall to the extent of any such inconsistency govern and control in connection with any of the TEC Entities or any property or assets of any TEC Entity or any proceeds thereof and (ii) to the extent that any conflict arises between the terms of this Agreement and the terms of the Unsecured Subordination Agreement in connection with any of the TRC Entities or any property or assets of any TRC Entity or any proceeds thereof or between the rights and interests of the Unsecured Lenders Agent and/or the Unsecured Lenders and the rights and interests of the Agent and/or the Lenders in respect of the Subordinated Claims and the Subordinated Rights in connection with any of the TRC Entities or any property or assets of any TRC Entity or any proceeds thereof, the terms of the Unsecured Subordinated Agreement shall be paramount over the terms of this Agreement in connection with any of the TRC Entities or any property or assets of any TRC Entity or any proceeds thereof

and shall to the extent of any such inconsistency govern and control in connection with any of the TRC Entities or any property or assets of any TRC Entity or any proceeds therefrom.

2.2 Subordination; Standstill

So long as any Senior Claims are outstanding and until the Senior Claims shall have been paid in full in immediately available funds, performed, indefeasibly satisfied in full and discharged, whether or not any Creditor Proceeding has been commenced by or against the Parent, the Borrower or any Subsidiary Guarantor:

- (a) the payment of all Subordinated Claims are postponed and subordinated to the indefeasible payment and performance in full in immediately available funds and final satisfaction of all Senior Claims and the Subordinated Creditor will not directly or indirectly, take, accept or demand, and no Loan Party will directly or indirectly, give, make or permit, directly or indirectly, a Distribution for the reduction of, the whole or any part of the Subordinated Claims or for any other purpose and if any such Distribution is received or made on the Subordinated Claims, such Distribution shall be held by the Subordinated Creditor in trust for the benefit of the Agent for the benefit of the Lenders and shall be promptly paid over or delivered forthwith in the form received (duly endorsed, if necessary) in accordance with the provisions of Section 2.6 of this Agreement;
- (b) the Subordinated Creditor shall not realize upon or otherwise exercise any Subordinated Rights or commence, consent to or join with any other creditor in commencing, any enforcement, receivership, bankruptcy, moratorium, reorganization, readjustment of debt, adjustment of debt, reorganization, compromise, arrangement or any dissolution, receivership, liquidation or other Creditor Proceedings with respect to the Parent, the Borrower or any Subsidiary Guarantor; provided, however, the Subordinated Creditors may exercise Subordinated Rights (other than the rights of setoff, netting, deduction or recoupment) arising only from an Asset Disposition Breach or the occurrence of a Change of Control; provided, however, in a proceeding under applicable insolvency Laws, the Subordinated Creditors may appear, be heard and file pleadings in such proceedings as any other unsecured creditor is entitled to in such proceedings, subject to the restrictions and limitations set forth in this Agreement; provided, further, that any Distributions received by the Subordinated Creditor in any way related or connected with the exercise of such Subordinated Rights shall continue to be subject to the provisions of this Agreement in all respects; and
- (c) the Subordinated Creditor shall not take any action that would hinder any exercise of remedies under the Loan Documents or that is otherwise prohibited hereby.

Prior to the occurrence of a Default or Event of Default which is continuing, nothing in this Agreement shall prohibit the Subordinated Creditor from being entitled to receive and retain (a) payments from the Parent on account of any expense reimbursement or indemnification provisions under the Subordinated Loan Documents, including, without limitation, expense reimbursement and indemnification obligations owed to the Subordinated Agent, in accordance with section 10.04 of the TRC Subordinated Unsecured Loan Agreement and (b) amounts in connection with (i) the repurchase of warrants representing the right to purchase shares of common stock of the Parent pursuant to the TRC Subordinated Unsecured Loan Agreement in connection with the Syndication (as defined in the TRC Subordinated Unsecured Loan Agreement as of the date hereof and the Syndication Letter attached as Exhibit T to the TRC Subordinated Unsecured Loan Agreement as of the date hereof), so long as the funds used to make such a repurchase are Syndication Advance Amounts (as defined in the TRC Subordinated Unsecured Loan Agreement as of the date hereof) and not other cash or property of the Borrower, and (ii) the prepayment of the Subordinated Unsecured Loan Agreement in connection with the Syndication (as defined in the TRC Subordinated Unsecured Loan Agreement as of the date hereof) so long as the funds used to make such prepayment are Syndication Advance Amounts (as defined in the TRC Subordinated Unsecured Loan Agreement as of the date hereof) and not other cash or property of the Borrower. Nothing in this Agreement, shall prohibit the Subordinated Agent from being entitled to receive from the Parent its monthly administration fee in an amount not to exceed \$2,833.33 per month pursuant to the Schedule of Fees attached to its Fee Letter dated August 1, 2007.

2.3 Certain Covenants of the Subordinated Creditor

The Subordinated Creditor hereby covenants with the Agent that until the Senior Claims shall have been paid in full in immediately available funds, performed, indefeasibly satisfied in full and discharged, whether or not any Creditor Proceeding has been commenced by or against the Parent, the Borrower or any Subsidiary Guarantor:

- (a) the Subordinated Creditor shall not take, hold or have any Security Interest (as defined in the Credit Agreement) on, to or against any property, assets or undertaking of the Borrower or any Subsidiary Guarantor or any Subsidiary thereof or take, hold or have any collateral security for any of the Subordinated Claims;
- (b) the Subordinated Claims, the Subordinated Loan Documents and the Unsecured Subordination Agreement shall be in form and substance satisfactory to the Agent in its sole discretion and without the prior written consent of the Agent, shall not be amended, supplemented or otherwise modified or entered into in any manner that could reasonably be expected to have an adverse effect on the rights and remedies of the Agent and the Lenders;
- (c) the Subordinated Creditor shall not receive or retain any Distribution of, on or in respect of, or any repayment of, any Subordinated Claims and any such Distribution received in contravention of the foregoing shall not be retained by the

Subordinated Creditor, but shall be held in trust for the benefit of the Agent for the benefit of the Lenders and shall be promptly paid over or delivered forthwith in the form received (duly endorsed, if necessary) in accordance with Section 2.6 of this Agreement;

- (d) if any Lender is required in any Creditor Proceeding or otherwise to turn over, discharge or otherwise pay to the estate of Borrower or any Subsidiary of the Borrower any amount paid in respect of its Obligations (a "Recovery"), then such Lender shall be entitled to a reinstatement of Obligations with respect to all such recovered amounts. If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair or otherwise affect the obligations of the parties hereto from such date of reinstatement. The Subordinated Creditor agrees that it shall not be entitled to benefit from any avoidance action affecting or otherwise relating to any distribution or allocation made in accordance with this Agreement, whether by preference, fraudulent conveyance or otherwise, it being understood and agreed that the benefit of such avoidance action otherwise allocable to them shall instead be allocated and turned over for application in accordance with the priorities set forth in this Agreement;
- (e) in the event that, notwithstanding the provisions of this Agreement, the Subordinated Creditor shall have received a Distribution of the Borrower or any Subsidiary Guarantor of any kind or character, whether in cash, property or securities, to which the Subordinated Creditor would be entitled in respect of the Subordinated Claims or the Subordinated Rights, of any kind or character prohibited by this Agreement before the indefeasible payment in full in immediately available funds of the Senior Claims, then such payment to the Subordinated Creditor shall be promptly paid over or delivered forthwith in the form received (duly endorsed, if necessary) in accordance with the provisions of Section 2.6 of this Agreement.

2.4 Distribution to Creditors

Upon receipt of any Distribution in respect of or in connection with the Borrower or any Subsidiary Guarantor in any Creditor Proceeding of the Parent, the Borrower or any Subsidiary Guarantor or its respective property, or in the event of any bulk sale of any of its assets within the bulk transfer provisions of any Applicable Law:

- (a) all of the Senior Claims shall first be indefeasibly paid in immediately available funds and performed in full and satisfied before the Subordinated Creditor shall be entitled to receive or retain any Distribution of or in respect of the Subordinated Claims from the Borrower, any Subsidiary Guarantor or any receiver, receiver-manager, trustee in bankruptcy, liquidating trustee, agent or other person making such Distribution or in respect of such proceedings or under or in respect of any of the Subordinated Rights;

- (b) if (i) the Subordinated Creditors shall not file a claim or proof of claim or proof of debt or related documents as shall be necessary in order to have any of the Subordinated Claims of such Subordinated Creditors allowed in any bankruptcy, insolvency, reorganization, liquidation, receivership or other Creditor Proceeding by or against any of the TEC Entities, or its respective property, in the form required in any such proceeding, at least fifteen (15) days prior to the last day fixed by statute, court rule or court order for the expiration of the period for filing of such claim, proof of claim or proof of debt, or if the Agent, in good faith, determines that any such claim, proof of claim or proof of debt so filed by the Subordinated Creditors is deficient in any way and (ii) the Agent has not filed such claim, proof of claim or proof of debt in respect of the Subordinated Claims and the Subordinated Rights against the TEC Entities at least eight (8) days prior to the last day fixed by statute, court rule or court order for the expiration of the period for filing of such claim, proof of claim or proof of debt, the Subordinated Creditors irrevocably authorize the Unsecured Lenders Agent and the Unsecured Lenders Agent shall have the right to file any and all claims, proofs of claim, proofs of debt, and related documents in respect of any of the Subordinated Claims and the Subordinated Rights against the TEC Entities; provided that the Unsecured Lenders Agent will use reasonable efforts to provide the Agent with prior written notice of its intention to file a proof of claim against a TEC Entity; provided further, that the Agent and the Unsecured Lenders Agent shall have no obligation to file any such claim. Neither the Agent, the Unsecured Lenders Agent nor the Subordinated Agent, as applicable, who has filed a proof of claim in respect of the Subordinated Claims or the Subordinated Rights, will withdraw the proof of claim unless the other two parties who did not file a proof of claim in respect of the Subordinated Claims or the Subordinated Rights provide their prior written consent to such a withdrawal of the filed proof of claim. The filing of such a proof of claim by any Agent shall in no way affect or alter the rights and priorities set out in this Agreement including without limitation, any voting rights or rights to Distributions in connection with such proof of claim;
- (c) any Distribution to which any Subordinated Creditor would be entitled in respect of the Subordinated Claims or the Subordinated Rights, shall be paid by the Borrower or any Subsidiary Guarantor or by any receiver, receiver-manager, trustee in bankruptcy, liquidating trustee, agent or other Person making such payment or distribution, directly in accordance with Section 2.6 to the extent necessary to satisfy and indefeasibly pay in full all of the Senior Claims before any Distribution is made to or received by the Subordinated Creditors or any representative thereof.

2.5 Trust

Notwithstanding Section 2.4, if in any Creditor Proceeding in respect of the Parent, the Borrower or any Subsidiary Guarantor, or in the event of any bulk sale of any of its assets within the bulk transfer provisions of any Applicable Law (including any acts or proceedings related to the Subordinated Rights), any Distribution shall be received by any Subordinated Creditor or any representative thereof before all the Senior Claims are indefeasibly paid in full in immediately

available funds and performed in full, satisfied and discharged, such Distribution shall be held by the Subordinated Creditor (or such representative) in trust for the benefit of the Agent for the benefit of the Lenders, and shall be promptly paid over or delivered forthwith in the form received (duly endorsed, if necessary) in accordance with the provisions of Section 2.6 of this Agreement.

2.6 Turn Over of Distributions

- (a) For so long as any Unsecured Claims remain outstanding, the Subordinated Creditors shall forthwith turn over to the Unsecured Agent any such TRC Distribution to the extent required to satisfy and pay in full all of the Unsecured Claims. Nothing in this Agreement is intended to or will be construed as a waiver of the Lenders' ability, if any, to assert a claim to any TRC Distributions under applicable laws nor shall anything in this Agreement give rise to such ability if it would not have otherwise existed under applicable law.
- (b) Without in any way limiting Sections 2.2(a), 2.3(c), 2.3(e), 2.4(c) or 2.5, for so long as the Unsecured Lenders Claims and the Senior Claims both remain outstanding and in respect of any TBC Distribution funded or received (i) from the proceeds of any assets and property of any TBC Entity with respect to which it has been Finally Determined were not subject to the security interests, liens or charges of the Lenders under the Loan Documents (a "Security Determination") or (ii) pursuant to a plan of arrangement, plan, scheme or similar arrangement under Insolvency Laws approved by the Required Lenders (as defined in the Second Lien Credit Agreement as in effect as of the date hereof), then the Lenders and the Unsecured Lenders shall be entitled to *pro rata* shares of such TBC Distribution based on the amount of the Senior Claims relative to the amount of the Unsecured Lenders Claims as determined in the following sentence. For purposes of calculating the *pro rata* distributions, the amount of Senior Claims and the Unsecured Lenders Claims shall be limited to the amounts the Agent and Unsecured Lenders Agent could have validly claimed on an unsecured or undersecured basis against the applicable TBC Entities under the Loan Documents and Unsecured Loan Documents, as applicable, without regard to the Subordinated Loan Documents or the existence of the Subordinated Claims. The Agent and the Unsecured Lenders Agent shall endeavour to agree upon the amounts to be turned over in respect of the Senior Claims and the Unsecured Claims pursuant to this section 2.6(b). If the Agent and Unsecured Lenders Agent do not agree, then the calculation of the *pro rata* distributions (including the amount of Senior Claims and Unsecured Claims used in such calculation and the time for fixing such claims), shall be determined by a court of competent jurisdiction or other means reasonably acceptable to the Agent and Unsecured Lenders Agent. If either the Senior Claims or the Unsecured Claims (each as limited by this section) are no longer outstanding, the remaining TBC Distribution shall be distributed to the applicable agent for the claims that remain outstanding until such claims are paid in full.

- (c) Subject to Section 2.6(d) hereof, for so long as the Unsecured Lender Claims and the Senior Claims both remain outstanding, any TEC Distribution shall be turned over in accordance with the joint written direction, if any, of the Agent and the Unsecured Lenders Agent, and if no such direction is received by the Subordinated Agent before or within 7 days of the TEC Distribution being received by the Subordinated Creditors, the Subordinated Creditors or the Subordinated Agent shall promptly apply on notice to the Agent and the Unsecured Agent to a court of competent jurisdiction for an interpleader order, shall proceed diligently with such application and shall pay such TEC Distribution into court at the earliest possible stage in the proceeding to be held pending determination of the entitlements thereto as between the Lenders and the Unsecured Lenders as contemplated by section 2.6(b).
- (d) If the Unsecured Subordination Agreement has been terminated, any TEC Distribution shall be turned over to the Agent for the benefit of the Lenders.

2.7 Marking Books

The Subordinated Creditors and the Borrower shall mark their books and records relating to the Subordinated Claims and the Subordinated Rights so as to clearly indicate that the Subordinated Claims and Subordinated Rights are subordinated in accordance with the terms of this Agreement and shall cause to be clearly inserted on any agreement, instrument and other document (including any promissory notes) which at any time evidence, create or relate to the Subordinated Claims or Subordinated Rights a statement to the effect that the payment of the Subordinated Claims and the Subordinated Rights are subject to, and are subordinated in accordance with, the terms of this Agreement.

2.8 Application of Proceeds

All payments and distributions received by the Subordinated Creditors in respect of the Subordinated Claims or Subordinated Rights, to the extent received in or converted into cash and paid over to the Agent hereunder for the benefit of the applicable Lenders, may be applied by the Agent first to the payment of any and all expenses (including legal fees and expenses on the basis of a full indemnity) paid or incurred by the Agent in enforcing the provisions hereof or in endeavoring to collect or realize upon any of the Senior Claims, and any balance thereof shall, solely as between the Subordinated Creditors and the applicable Lenders, be applied by the applicable Lenders to the payment of the Senior Claims until indefeasibly paid in full and satisfied in such order of application as the applicable Lenders may from time to time select; and, notwithstanding any such payments or distributions received by the applicable Lenders in respect of the Subordinated Claims or Subordinated Rights and so applied by the applicable Lenders toward the payment of the Senior Claims, the Subordinated Creditors shall be subrogated, without recourse, representation and warranty to the then existing rights of the applicable Lenders, if any, in respect of the Senior Claims subject to the provisions of Section 2.9.

2.9 Restriction on Subrogation

No Subordinated Creditor shall exercise any rights which it may acquire by way of subrogation or contribution under this Agreement until this Agreement has ceased to be effective in accordance with Section 5.1. If any amount is paid to any Subordinated Creditor on account of such subrogation or contribution rights at any time before this Agreement has ceased to be effective in accordance with Section 5.1, such amount shall be held in trust by the Subordinated Creditor and shall be promptly turned over in accordance with the terms of this Agreement.

**ARTICLE 3
ACKNOWLEDGEMENTS OF SUBORDINATED CREDITORS; FURTHER
COVENANTS; REPRESENTATIONS AND WARRANTIES**

3.1 Absolute Obligations

This Agreement shall operate and apply, and shall remain in full force and effect, in all events and circumstances and the obligations of the Subordinated Creditors hereunder shall be absolute, irrevocable and unconditional in all events and circumstances. In addition to and without limiting the foregoing, this Agreement shall remain in full force and effect and the obligations of the Subordinated Creditors hereunder shall be absolute, irrevocable and unconditional irrespective of:

- (a) any lack of validity or enforceability of any Loan Document or Subordinated Loan Document;
- (b) any change in the time, manner or place of payment of, or in any other term of, any of the Senior Claims, the Loan Documents, or any other amendment or waiver of or any consent to departure from any of the Senior Claims or the Loan Documents;
- (c) any release or amendment or waiver of or consent to departure from any covenant, agreement or undertaking of any person respecting any of the Senior Claims or the Loan Documents;
- (d) any merger, consolidation, amalgamation, dissolution, winding up, liquidation or termination of the existence of the Agent, any Lender or the Subordinated Creditor into or with any other person or any other change of its identity or capacity;
- (e) any (i) liquidation, winding up, bankruptcy, dissolution, compromise, proposal, arrangement, plan of reorganization or other event or proceeding relating to, or which might affect the existence, obligations, creditors, assets, business or affairs of, (ii) change or changes in the name of, or (iii) amalgamation, consolidation, merger or reorganization of any kind of, or with respect to, the Parent, the Borrower or any Subsidiary Guarantor;
- (f) in addition to and not in limitation of Section 3.1(e) above, any Creditor Proceedings;

- (g) any change in Applicable Law or any defense, claim or right of any Party which would effect a result contrary to the terms in this Agreement;
- (h) any impossibility or impracticality of performance or *force majeure*, any act of any Governmental Authority, or any other circumstance which might constitute a defense available to, or a discharge of, the Borrower or any Subsidiary Guarantor in respect of the Senior Claims or the Loan Documents; or
- (i) any other circumstance which otherwise might constitute a defense available to, or a discharge of, the Borrower or any Subsidiary Guarantor in respect of the Agent, any Lender, or any Subordinated Creditor in respect of this Agreement.

3.2 Dealings by Lenders

Notwithstanding anything in this Agreement, the Subordinated Agent on behalf of the Subordinated Creditors acknowledges and agrees that the Agent and the applicable Lenders shall be entitled to:

- (a) lend monies or otherwise extend credit or accommodations to the Borrower as part of the Senior Claims;
- (b) agree to any change in, amendment to, waiver of, or departure from, any term of any Loan Document including, without limitation, any amendment, renewal, restatement or extension of any Loan Document, or increase in the payment or other obligations of the Borrower under any Loan Document;
- (c) take any Security Interests from the Borrower and its Subsidiaries;
- (d) grant time, renewals, extensions, releases, discharges or other indulgences or forbearances to the Borrower in respect of Senior Claims;
- (e) waive timely and strict compliance with or refrain from exercising any rights under or relating to any Senior Claims;
- (f) accept or make any compositions, arrangements, plans of reorganization or compromises with the Borrower and its Subsidiaries as the Lenders (or any of them) may deem appropriate in connection with any Senior Claims;
- (g) change, whether by addition, substitution, removal, succession, assignment, grant of participation, transfer or otherwise, any of the Lenders, including the Agent;
- (h) acquire, give up, vary, exchange, release, discharge or otherwise deal with or fail to deal with any Security Interests relating to any Senior Claims, or allow the Borrower, its Subsidiaries or any other person to deal with any property which is subject to such Security Interests, all as the Agent and the Lenders may deem appropriate;

- (i) abstain from taking, protecting, securing, registering, filing, recording, renewing, perfecting, insuring or realizing upon any Security Interests for any Senior Claims; and no loss in respect of any of the Security Interests received or held for and on behalf of the Lenders, whether occasioned by fault, omission or negligence of any kind, whether of the Agent or any of the Lenders or otherwise, shall in any way limit or impair the liability of the Subordinated Creditor or the rights of the Agent and the Lenders under this Agreement; or
- (ii) object in any Creditor Proceeding or otherwise to any action taken by the Subordinated Creditor, including the asserting by the Subordinated Creditor of any of its rights and remedies, including its subordinated rights, in respect of the Subordinated Claims or otherwise;

all of which may be done without notice to or consent of the Subordinated Creditor and without impairing, releasing or otherwise affecting any rights or obligations of the Subordinated Creditor hereunder or any rights of the Agent and the Lenders hereunder.

3.3 Subordinated Claims Default

The Subordinated Agent shall promptly give the Agent written notice of the occurrence of a default or event of default in respect of the Subordinated Claims of which it is actually aware.

3.4 Agreement Not to Challenge

No Subordinated Creditor shall at any time challenge, dispute or contest the validity or enforceability of any of the Senior Claims or the Loan Documents (including this Agreement) or the Security Interests or the perfection and validity thereof constituted by any of the Loan Documents, nor shall it at any time challenge, dispute or contest the validity or enforceability of the subordination and postponement provided for herein or take any action whereby the subordination and postponement contemplated hereby may be prejudiced.

3.5 Agreement Not to Seek to Convert

No Subordinated Creditor shall at any time without the prior written consent of the Agent (i) file any motion, application or other pleading to commence or initiate (directly or indirectly) any Creditor Proceeding in respect of the Borrower or any Subsidiary Guarantor or (ii) file any motion, application or other pleading in a Creditor Proceeding seeking (a) to convert such proceeding into a receivership or liquidation (under Insolvency Laws) or (b) to appoint a trustee, examiner or receiver or other Person in such proceeding, or in each case support (directly or indirectly) any Person seeking such relief.

3.6 Financing Matters

If the Parent, Borrower or any Subsidiary Guarantor becomes subject to any Creditor Proceeding, and if the Lenders desire to provide, consent (or not object) to the use of cash collateral under the applicable insolvency Laws or to provide financing to the Parent, Borrower or any Subsidiary Guarantor under the applicable Insolvency Laws or to provide, consent (or not object) to the provision of such financing to the Borrower or any Subsidiary Guarantor by any third party (any such financing, "DIP Financing"), then each Subordinated Creditor agrees that it (a) will raise no objection to, and will not support any other Person objecting to, the use of such cash collateral or other property or to such DIP Financing or to the adequate protection or other protections provided to the Lenders (b) will subordinate (and will be deemed hereunder to have subordinated) the Subordinated Claims (i) to such DIP Financing on the same terms as the Senior Claims are subordinated thereto (and such subordination will not alter in any manner the terms of this Agreement), (ii) to any adequate protection or other protections provided to the Lenders and (iii) to any "carve-out" agreed to by the Lenders and (c) agrees that notice received two calendar days prior to the entry of an order approving such usage of cash collateral or other property or approving such Financing shall be adequate notice. For greater certainty, nothing in this section shall be construed as the Borrower's consent to such DIP Financing. In addition, the Subordinated Creditors shall not propose or provide to the Court a financing that primes the Senior Claims or the Security Interests of the Lenders without the written consent of the Lenders.

3.7 Asset Dispositions in a Creditor Proceeding

The Subordinated Creditors shall not, in a Creditor Proceeding, oppose any sale or disposition of any assets of any Borrower or Subsidiary Guarantor that is supported by the Lenders, under applicable Insolvency Laws or any other court process that is supported by the Agent or the Required Lenders; provided that the Subordinated Creditors may file statements, pleadings or other submissions concerning the procedures for conducting the sale in a Creditor Proceeding in order to articulate the Subordinated Creditors' views with respect to the elements of the sale process including, without limitation, the procedures for the solicitation and selection of bids; provided further the Subordinated Creditors may not appeal or seek reconsideration of any orders of the Court with respect to the sale or the sale process.

3.8 Plans

The Subordinated Creditors shall not support or vote in favor of any plan or similar arrangement (and shall be deemed to have voted to reject any plan or similar arrangement) unless such plan, arrangement, liquidation, reorganization, proposal, compromise or similar arrangement pursuant or relating to any Creditor Proceeding (a "Plan") (a) pays off, in immediately available funds, all Senior Claims or (b) is accepted by Lenders voting in person as a separate class or (c) is supported by the Agent and the Agent has so advised the Subordinated Creditors in writing (a "Senior Supported Plan"). In the event that the Plan is supported by the Agent and the Agent has so advised the Subordinated Creditors in writing, the Subordinated Creditors and the Subordinated Agent shall vote in favour of such Senior Supported Plan.

3.9 Representations and Warranties

The Subordinated Agent hereby represents and warrants to the Agent and the Lenders that:

- (a) it is validly subsisting under the laws of its jurisdiction of incorporation;
- (b) it has all necessary power and authority to enter into this Agreement and to perform its obligations hereunder;
- (c) the execution, delivery, observance and performance on its part of this Agreement has been duly authorized by all necessary action;
- (d) it has duly executed and delivered this Agreement; and
- (e) this Agreement constitutes a valid and legally binding obligation of it and of each Subordinated Creditor, enforceable against each of them in accordance with its terms, subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally and to the qualification that equitable remedies such as specific performance and injunction are only available in the discretion of the court from which they are sought and general equitable principles.

3.10 Power of Attorney

Without limiting any other provision of this Agreement, each Subordinated Creditor hereby irrevocably constitutes and appoints any officer for the time being of the Agent as the true and lawful attorney of such Subordinated Creditor, with full power of substitution, to take such actions it deems appropriate (a) to effectuate and enforce or to give effect to the matters contemplated by, (i) Section 2.4 (Distributions to Creditors), (ii) Section 2.5 (Trust), (iii) Section 2.6 (Turn Over of Distributions) and (iv) Section 3.8 (Plans); and (b) in the event any Subordinated Creditor shall breach (i) Section 3.4 (Agreement Not to Challenge), (ii) Section 3.5 (Agreement Not to Seek to Convert), (iii) Section 3.6 (Financing Matters) or (iv) Section 3.7 (Asset Dispositions in a Creditor Proceeding), to effectuate and enforce or to give effect to the matters as contemplated by the Sections referenced in the immediately preceding sub-clauses (b)(i) - (b)(iv), (such power of attorney is a power coupled with an interest and shall survive the legal incapacity of, and any Creditor Proceeding of, the Subordinated Creditors and extends to the successors and assigns of the Subordinated Creditors). Notwithstanding the foregoing, (i) the power of attorney granted to the Unsecured Lenders Agent with respect to the TEC Entities under the Unsecured Subordination Agreement with respect to the TEC Entities shall be subject to the power of attorney granted to the Agent under this Agreement for so long as the Senior Claims are outstanding and (ii) the power of attorney granted to the Agent under this Agreement with respect to the TRC Entities shall be subject to the power of attorney granted to the Unsecured Lenders Agent under the Unsecured Subordination Agreement with respect to the TRC Entities for so long as the Unsecured Claims are outstanding. The power of attorney granted herein shall be exercised in a manner consistent with this Agreement and the Unsecured Subordination Agreement.

**ARTICLE 4
ACKNOWLEDGEMENT OF THE BORROWER**

4.1 Acknowledgement

Each of the Borrower and each Subsidiary Guarantor hereby acknowledges and agrees that:

- (a) it authorizes the Agent, the Lenders and the Subordinated Creditors to share with each other any information possessed by them relating to the Indebtedness and to payments received by the Agent, the Lenders and the Subordinated Creditors in respect thereof;
- (b) this Agreement shall not modify, relieve or release it from any of its Indebtedness or performance obligations under the agreements, instruments or other documents giving rise to the Senior Claims or the Subordinated Claims;
- (c) it is a party hereto solely for the purpose of providing the acknowledgments and agreements set forth herein and does not, and is not intended to, derive any benefits hereunder; and
- (d) it consents to the terms of this Agreement and agrees to comply with, and to not act contrary to, the terms of this Agreement.

**ARTICLE 5
TERMINATION**

5.1 Termination

The provisions hereof shall in all respects be a continuing agreement and shall remain in full force and effect until the final and indefeasible payment in full in immediately available funds and satisfaction and discharge of the Senior Claims, other than contingent liabilities under indemnities for third party claims with respect to which no claim has been made or threatened in writing, and for greater certainty will survive notwithstanding the commencement or continuation of any Creditor Proceeding, including the acceptance, approval and implementation of any Plan.

5.2 Reinstatement

This Agreement shall continue to be effective or be reinstated, as the case may be, if at any time any payment or performance of the Senior Claims is rescinded, reversed, nullified, rendered void or voidable or must otherwise be restored, refunded, returned or unwound for any reason, all as though such payment had not been made or such performance had not occurred.

**ARTICLE 6
CONTINUING SUBORDINATION**

6.1 Continuing Subordination

This Agreement shall create a continuing subordination and shall:

- (a) be binding upon each Subordinated Creditor and its successors and assigns; and
- (b) inure, together with the rights and remedies of the Agent and the Lenders hereunder, to the benefit of and be enforceable by the Agent and the Lenders and their successors and assigns for their benefit and for the benefit of any other person entitled to the benefit of any Loan Documents from time to time, including any permitted assignee or participant of some or all of the Loan Documents.

6.2 Other Obligations Not Affected

The subordination and postponement provided for herein is in addition to and not in substitution for any other agreement or any other security by whomsoever given or at any time held by the Agent or the Lenders in respect of the Senior Claims, and the Agent and the Lenders shall at all times have the right to proceed against or realize upon all or any portion of any other agreement or any security or any other monies or assets to which the Agent and the Lenders may become entitled or have a claim in such order and in such manner as the Agent and the Lenders in their sole discretion may deem appropriate.

6.3 Acknowledgment of Documentation

The Subordinated Creditor hereby acknowledges that it is familiar with and understands the terms of the Credit Agreement and all other Loan Documents. The Subordinated Creditor shall ensure that the Borrower provides such copies as the Subordinated Creditor wishes to receive of all amendments, modifications or supplements to any of the aforementioned documents and of any other documents, instruments or agreements which are executed in the future pursuant to which Senior Claims may arise. None of the Lenders or the Agent shall in any manner have any obligation to ensure such receipt nor shall lack of receipt in any way affect the absolute, irrevocable and unconditional nature of the Subordinated Creditor's obligations hereunder in respect of the Senior Claims thereby created or arising.

**ARTICLE 7
MISCELLANEOUS**

7.1 Assignments and Participations by Lenders

The Lenders may, from time to time without notice to or consent of the Subordinated Creditor, assign or transfer or grant participations in respect of any or all of the Senior Claims or any interest therein; and, notwithstanding any such assignment or transfer or grant of a participation or any subsequent assignment or transfer thereof or grant of a participation therein, the Subordinated Creditor acknowledges that such Senior Claims shall be and remain Senior Claims for the purposes hereof, and every immediate and successive assignee or transferee of, or

participant in, any of the Senior Claims or of any interest therein shall, to the extent of the interest of such assignee, transferee or participant in the Senior Claims, be entitled to the full rights and benefits hereof.

7.2 Further Assurances

Each Party agrees to execute and deliver all deeds, documents, instruments and assurances (including discharges) as may be reasonably required by another Party from time to time (but at the expense of the Borrower) to reflect, confirm or give effect to the terms hereof and to provide such information regarding the indebtedness and the Subordinated Rights as may be reasonably requested from time to time.

7.3 Severability

Any provision of this Agreement which is or becomes prohibited or unenforceable in any jurisdiction does not invalidate, affect or impair the remaining provisions hereof in such jurisdiction and any such prohibition or unenforceability in any jurisdiction does not invalidate or render unenforceable such provision in any other jurisdiction.

7.4 Amendments; Waivers

- (a) No provision of this Agreement may be amended, waived, discharged or terminated orally nor may any breach of any of the provisions of this Agreement be waived or discharged orally, and any such amendment, waiver, discharge or termination may only be made in writing signed by the Agent on behalf of the Lenders, or by the Lenders, and if such amendment is intended to bind the Subordinated Creditors, by the Subordinated Agent.
- (b) No failure on the part of the Agent or any Lender to exercise, and no delay in exercising, any right, power or privilege hereunder shall operate as a waiver thereof unless specifically waived in writing, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.
- (c) Any waiver of any provision of this Agreement or consent to any departure by the Agent therefrom shall be effective only in the specific instance and for the specific purpose for which given and shall not in any way be or be construed as a waiver of any future requirement.

7.5 Notice

All notices and other communications provided for hereunder shall be in writing (including telegraphic or teletype communication or in an electronic medium) and mailed, telegraphed, teletyped or sent through an electronic medium as follows:

- (a) if to the Agent, at its address at 1 First Canadian Place, Suite 3000, P.O. Box 301, Toronto, Ontario, Canada M5X 1C9, Attention: Edith Chan, E-mail Address edith.chan@credit-suisse.com;

EXECUTION COPY

- (b) if to TRC, at its address at Suite 1000, 444 7th Avenue S.W., Calgary, AB T2P 0X8, Attention: Chief Financial Officer, Fax: 403-668-5805, E-mail Address rneely@tridentexploration.ca;
- (c) if to the Borrower or any other Subsidiary Guarantor, at its address at Suite 1000, 444 7th Avenue S.W., Calgary, AB T2P 0X8, Attention: Chief Financial Officer, Fax: 403-668-5805, E-mail Address rneely@tridentexploration.ca;
- (d) if to the Subordinated Agent, at its address at Corporate Trust Services, MAC N9311-110, 625 Marquette Avenue, Minneapolis, MN 55479 Attention: Jeffery Rose;
- (e) if to any Lender, at its Domestic Lending Office specified in the Lender Consent Letter;

or, at such other address as shall be designated by such party in a written notice to the other parties. All such notices and other communications shall, when mailed, telegraphed, telecopied or sent through an electronic medium, be effective when deposited in the mails, delivered to the telegraph company, transmitted by telecopier or transmitted through an electronic medium, respectively. Delivery by telecopier or electronic transmission of an executed counterpart of a signature page to any amendment or waiver of any provision of this Agreement shall be effective as delivery of an original executed counterpart thereof.

7.6 Specific Performance

The Lenders are hereby authorized to demand specific performance of this Agreement. The Subordinated Agent, on behalf of itself and the Subordinated Creditors, hereby irrevocably waives any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action which may be brought by the Agent or the Lenders.

7.7 Governing Law

This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of New York without giving effect to conflicts of laws principles.

7.8 Enurement

This Agreement shall be binding upon the Parties and their respective successors and permitted assigns, including, for avoidance of doubt, all successors or assigns of any Subordinated Creditor.

7.9 Entire Agreement

This Agreement contains the entire agreement between the Parties with respect to the matters herein contained and there are no other representations, warranties, covenants or collateral

agreements between any of the Parties in connection therewith other than as expressly herein provided.

7.10 Credit Suisse Execution

Credit Suisse, Toronto Branch is entering into this Agreement in its capacity as agent under the Credit Agreement and as agent for and on behalf of each of the Lenders (including, for certainty, Credit Suisse, Toronto Branch and including any Hedge Bank in its capacity as a counterparty to any Secured Hedge Agreement with the Borrower).

7.11 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or by sending a scanned copy by electronic mail shall be as effective as delivery of a manually executed counterpart of this Agreement.

7.12 Conflicts

In the event of any conflict between the provisions of this Agreement and the provisions of the Subordinated Loan Documents or the Unsecured Subordination Agreement, as between the Lenders, Agent, the Subordinated Creditors, or otherwise, the provisions of this Agreement shall govern and control.

7.13 Warrant and Right of First Refusal

Notwithstanding anything here and to the contrary, nothing in this Agreement is intended to nor shall apply to the Lender Warrants and Right of First Refusal Agreement (as such terms are defined in the TRC Subordinated Unsecured Loan Agreement in effect as of the date hereof).

7.14 Authorization

By its signature, each Person executing this Agreement on behalf of a party hereto represents and warrants to the other Parties hereto that it is duly authorized to execute this Agreement.

IN WITNESS WHEREOF each Party has duly executed this Agreement as of the date and year first above written.

CREDIT SUISSE, TORONTO BRANCH,
as Agent

By: _____
Name:
Title:

WELLS FARGO BANK, N.A.,
as Subordinated Agent

By: _____
Name: 
Title: Vice President

TRIDENT EXPLORATION CORP.

By: _____
Name:
Title:

FORT ENERGY CORP.

By: _____
Name:
Title:

FENERGY CORP.

By: _____
Name:
Title:

EXECUTION COPY

IN WITNESS WHEREOF each Party has duly executed this Agreement as of the date and year first above written.

CREDIT SUISSE, TORONTO BRANCH,
as Agent

By: _____
Name:
Title:

WELLS FARGO BANK, N.A.,
as Subordinated Agent

By: _____
Name:
Title:

TRIDENT EXPLORATION CORP.

By: *Re D. J.*
Name:
Title:

FORT ENERGY CORP.

By: *Re D. J.*
Name:
Title:

FENERGY CORP.

By: *Re D. J.*
Name:
Title:

Exhibit "D"

Unsecured Subordination Agreement

See Attached

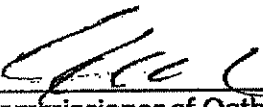
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This is Exhibit "E" referred to in the

Affidavit of Reema Kapoor

Sworn before me, this 1st day of

October, 2009.



Commissioner of Oaths

AMENDED AND RESTATED SUBORDINATION AGREEMENT

This Amended and Restated Subordination Agreement dated as of August 20, 2007, among Credit Suisse, Toronto Branch (successor to Credit Suisse First Boston, Toronto Branch) in its capacities described in Section 7.12 hereof as agent ("CS" or the "Agent"), Wells Fargo Bank, N.A. ("WFB") in its capacity described in Section 7.12 hereof, as subordinated agent (the "Subordinated Agent") Trident Exploration Corp., an unlimited liability company under the laws of the Province of Nova Scotia (the "Borrower") and Trident Resources Corp., a corporation under the laws of the State of Delaware (the "Subordinated Creditor").

RECITALS:

- A. The Agent, the Borrower and the Subordinated Creditor entered into a Subordination Agreement dated as of April 26, 2005, as amended by the First Amendment to the Subordination Agreement, dated as of April 25, 2006 (collectively, the "Existing TRC Subordination Agreement").
- B. The Subordinated Creditor desires to incur new Debt and, together with the Borrower and the other Subsidiary Guarantors, other Obligations, under a subordinated unsecured pay-in-kind loan agreement, the associated initial aggregate principal amount of which shall be Cdn\$120,000,000, as the same may be amended, modified, refinanced or replaced from time to time, with respect to which WFB will be the administrative agent.
- C. The parties have agreed to certain amendments to the Existing TRC Subordination Agreement and desire to amend and restate the Existing TRC Subordination Agreement in its entirety.

NOW THEREFORE for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree with each other as follows:

ARTICLE I INTERPRETATION

1.1 Definitions

In this Agreement, terms and expressions defined in the Credit Agreement shall have those meanings when used herein (unless otherwise defined herein), and in addition:

"Agent" means Credit Suisse Toronto Branch, as agent under the Credit Agreement and as Agent under the Unsecured Credit Agreement, and its successors and assigns as contemplated by such agreements until such time as the Subordinated Agent becomes the "Agent" as provided in Section 5.1 hereof;

"Agreement" means this agreement, as the same may be amended, modified, supplemented or restated from time to time in accordance with the provisions hereof;

"Bankruptcy Code" means title 11 of the United States Code (11 U.S.C. 101 et seq.), as now and hereafter in effect, or any successor statute;

"Credit Agreement" means the Credit Agreement made as of April 26, 2005 (and amended and restated April 25, 2006) between the Borrower, Credit Suisse First Boston Toronto Branch and the other lenders from time to time thereunder and Credit Suisse First Boston Toronto Branch, as agent of such lenders, as the same may be amended, modified, supplemented or restated from time to time in accordance with the provisions thereof;

"Creditor Proceedings" means:

- (a) any bankruptcy, insolvency, receivership, petition or assignment in bankruptcy, assignment for the benefit of creditors, dissolution, winding-up, total or partial liquidation, adjustment or readjustment of debt, reorganization, compromise, marshalling, arrangement with creditors, plan of arrangement, proposal or similar proceedings under Insolvency Laws of or with respect to the Borrower or its property or liabilities, in each case under Insolvency Laws;
- (b) any dissolution, winding-up, total or partial liquidation, adjustment or readjustment of debt, reorganization, compromise, arrangement with creditors, plan of arrangement or similar proceedings under the arrangement provisions of any applicable corporate law (in any case which involves the alteration, amendment, conversion, compromise, satisfaction or discharge of obligations of any or all creditors) of or with respect to the Borrower or its property or liabilities;
- (c) any proceedings in relation to any of the foregoing,

whether any of the foregoing is voluntary or involuntary, partial or complete, and includes any such proceedings initiated or consented to by the Borrower;

"Default" means:

- (a) any Default or Event of Default; or
- (b) any Financial Instrument Demand for Payment or Termination Event (including, in each case, either of the foregoing under or in respect of any agreement, instrument or other document which evidences or relates to any outstanding Former Lender Financial Instrument Obligations);

"Former Lender" has the meaning set out in the Credit Agreement as in effect on April 26, 2005;

"Former Lender Financial Instrument Obligations" means Financial Instrument Obligations owing to a Former Lender and its Affiliates under Lender Financial Instruments entered into while such Former Lender was a Lender under the Credit Agreement;

"Indebtedness" means the Senior Debt and the Subordinated Debt;

"Insolvency Laws" means the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada), the Bankruptcy Code and any other federal, provincial, state or foreign bankruptcy, insolvency or

similar or analogous laws applicable to the Borrower or any of its properties or liabilities including without limitation corporate laws under which the Borrower may be organized from time to time;

"Lenders" means:

- (c) from the date hereof and until the final and indefeasible payment in cash and performance in full and final satisfaction of the Obligations under and as defined in the Credit Agreement and the Unsecured Credit Agreement:
 - (i) the Lenders under and as defined in the Credit Agreement and any Hedge Bank, including any Former Lender and any Affiliates thereof which have outstanding any Former Lender Financial Instrument Obligations; and
 - (ii) the Lenders under and as defined in the Unsecured Credit Agreement; and
- (d) thereafter the Lenders under and as defined in the TRC Subordinated Unsecured Loan Agreement.

"Loan Documents" means the Loan Documents under and as defined in the Credit Agreement, the Loan Documents under and as defined in the Unsecured Credit Agreement, the Loan Documents under and as defined in the TRC Subordinated Unsecured Loan Agreement and any Lender Financial Instrument (and including, for certainty, any agreement, instrument or other document which evidences or relates to any outstanding Former Lender Financial Instrument Obligations);

"Loan Payments" means any payment by the Borrower of or on account of indebtedness for borrowed money or other Debt owing to the Subordinated Creditor (whether made, paid or satisfied in or for cash, property or both);

"Parties" means the parties to this Agreement;

"Senior Debt" means all present and future obligations, indebtedness, liabilities, covenants, agreements and undertakings of the Borrower to any and all of the (i) Lenders and (ii) the TRC Subordinated Unsecured Lenders, under, pursuant or relating to the Loan Documents, whether direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred or arising, and any ultimate unpaid balance thereof, including all Obligations under and as defined in the Credit Agreement, all Obligations under and as defined in the Unsecured Credit Agreement, all Obligations under and as defined in the TRC Subordinated Unsecured Loan Agreement and Lender Financial Instrument Obligations (including, for certainty, all Former Lender Financial Instrument Obligations) and whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Borrower be bound alone or with others whether as principal or surety, including all expenses paid or incurred by the Agent, the TRC Subordinated Unsecured Loan Agent or the Lenders in endeavoring to collect or realize upon the foregoing;

"Subordinated Agent" means Wells Fargo Bank, N.A., in its capacity as agent for the TRC Subordinated Unsecured Lenders, any successor agent for the TRC Subordinated Unsecured

Lenders under the TRC Subordinated Unsecured Loan Documents and any agent under a TRC Subordinated Unsecured Facility;

"Subordinated Debt" means all present and future Debt of the Borrower to or in favor of the Subordinated Creditor and all obligations, indebtedness, liabilities, covenants, agreements and undertakings of the Borrower to the Subordinated Creditor under, pursuant or relating to any such Debt or any agreement, instrument or other document which evidences or relates to any such Debt, and wheresoever and howsoever incurred or arising, whether direct or indirect, absolute or contingent, matured or not, extended or renewed, and any ultimate unpaid balance thereof, including all future advances and re-advances, and whether the same are from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Borrower be bound alone or with others and whether as principal or surety, including all obligations, liabilities and indebtedness to pay or effect a Loan Payment and all expenses paid or incurred by the Subordinated Creditor in endeavoring to collect any Subordinated Debt;

"Subordinated Rights" means all rights, remedies and powers of the Subordinated Creditor pursuant to any agreement, instrument or other document evidencing or relating to any Subordinated Debt or otherwise available to the Subordinated Creditor pursuant to Applicable Law to enforce payment and performance of the Subordinated Debt;

"TRC Subordinated Unsecured Facility" means the subordinated unsecured pay-in-kind loans incurred by the Subordinated Creditor pursuant to the TRC Subordinated Unsecured Loan Agreement or any refinancing or replacement thereof established from time to time;

"TRC Subordinated Unsecured Lenders" means the lenders party from time to time to the TRC Subordinated Unsecured Loan Agreement;

"TRC Subordinated Unsecured Loan Agreement" means the TRC Subordinated Loan Agreement, dated as of August 20, 2007, among the Subordinated Creditor, certain of its Subsidiaries, the TRC Subordinated Unsecured Lenders and the Subordinated Agent (as amended, modified, supplemented, restated, refinanced, restructured or replaced, from time to time);

"TRC Subordinated Unsecured Loan Documents" means the TRC Subordinated Unsecured Loan Agreement and all documents delivered pursuant thereto (including all guarantees and warrants) and all intercreditor agreements and subordination agreements delivered by the Borrower and its Subsidiaries pursuant thereto, and all certificates, notices, instruments and other documents delivered by the Subordinated Creditor and its Subsidiaries or otherwise to any agent or lender pursuant thereto, and any other agreements, documents or instruments entered into in connection with a refinancing of the TRC Subordinated Unsecured Facility; and

"Unsecured Credit Agreement" means the Unsecured Credit Agreement dated as of April 25, 2006 among Credit Suisse, Toronto Branch, as agent of the lenders party thereto, the lenders party thereto, Credit Suisse Securities (USA) LLC, as lead arranger and book manager, the Subordinated Creditor, as borrower and the Borrower, Fenergy Corp., Fort Energy Corp., 981384 Alberta Ltd. and 981405 Alberta Ltd, as guarantors (as replaced by the Credit Agreement dated

as of November 24, 2006 and as may be further amended, modified, supplemented, amended, restated, refinanced, restructured or replaced from time to time).

1.2 Headings; Articles and Sections

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.

1.3 Number; persons; including

Words importing the singular number only shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter genders and vice versa, words importing persons shall include individuals, partnerships, associations, trusts, unincorporated organizations and corporations and vice versa and words and terms denoting inclusiveness (such as "include" or "includes" or "including"), whether or not so stated, are not limited by their context or by the words or phrases which precede or succeed them.

1.4 References to Agreements and Enactments

Unless otherwise stated, references herein to any agreement, instrument, license or other document shall be deemed to include reference to such agreement, instrument, license or other document as the same may from time to time be amended, modified, supplemented or restated; and reference herein to any enactment shall be deemed to include reference to such enactment as reenacted, amended or extended from time to time and to any successor enactment.

ARTICLE 2 SUBORDINATION, POSTPONEMENT AND PRIORITY

2.1 General

Notwithstanding the terms of the agreements, instruments or other documents giving rise to the Indebtedness or Subordinated Rights, the time of default under or the dates of any advances or creation of the Indebtedness, the Parties agree that all and any of their rights in respect of the Indebtedness and the Subordinated Rights shall be governed by the terms of this Agreement.

2.2 Subordination; Standstill

So long as any Senior Debt is outstanding and until the Senior Debt shall have been paid, performed and indefeasibly satisfied in full:

- (a) the payment of all Subordinated Debt is postponed and subordinated to the indefeasible payment and performance in full and final satisfaction of all Senior Debt and the Subordinated Creditor will not directly or indirectly, accept from the

Borrower, in any manner, directly or indirectly, payment of, or consideration for the reduction of, the whole or any part of the Subordinated Debt and if any such payment is received or made on the Subordinated Debt, such payment shall be held by the Subordinated Creditor in trust for the benefit of, and shall be promptly paid over in the form received (duly endorsed, if necessary, to the Agent) to, the Agent for the benefit of the applicable Lenders; and

- (b) until the Senior Debt shall have been paid, performed and indefeasibly satisfied in full, the Subordinated Creditor shall not realize upon or otherwise exercise any Subordinated Rights or commence, consent to or join with any other creditor in commencing, any enforcement, receivership, bankruptcy, moratorium, reorganization, readjustment of debt, adjustment of debt, reorganization, compromise, arrangement or any dissolution, receivership, liquidation or other Creditor Proceedings with respect to the Borrower.

Notwithstanding the foregoing provisions of Section 2.2(a), but subject to the provisions of Section 2.3(d) (including the restriction on Distributions contained in the Credit Agreement referenced in such Section 2.3(d)), prior to the occurrence of a Default which is continuing, the Borrower shall be entitled to make, and the Subordinated Creditor shall be, subject to Sections 2.4 and 2.5 and the other provisions hereof, be entitled to receive and retain payments on account of any Subordinated Debt in accordance with the terms of the Subordinated Debt.

2.3 Certain Covenants of the Subordinated Creditor

The Subordinated Creditor hereby covenants with the Agent as follows:

- (a) the Subordinated Creditor shall not take, hold or have any Security Interest on, to or against any property, assets or undertaking of the Borrower or any Subsidiary thereof or take, hold or have any collateral security for any of the Subordinated Debt;
- (b) the Subordinated Creditor shall not advance, hold or have outstanding any Debt owing to it from any Subsidiary of the Borrower unless and until the Subordinated Creditor shall have executed and delivered to the Agent a subordination agreement respecting such Debt which agreement is in form and substance satisfactory to the Agent in its sole discretion;
- (c) the Subordinated Debt and the agreements, instruments and other documents (including any promissory notes) which at any time evidence, create or relate to the Subordinated Debt shall be in form and substance satisfactory to the Agent in its sole discretion and, without limiting the foregoing and in addition thereto shall not include a cross-default or cross-acceleration to any other Debt and shall not contain any substantive covenants other than payment covenants; and
- (d) the Subordinated Creditor shall not receive or retain any payment on or in respect of, or any repayment of, any Subordinated Debt, except for Distributions permitted by, and subject to the restrictions on Distributions contained in, the Credit Agreement (which such restrictions are hereby acknowledged and accepted

by the Subordinated Creditor), which Distributions include Distributions to the Subordinated Creditor for corporate, administrative and overhead expenses of the Subordinated Creditor (including, without limitation, payments to management approved by the compensation committee or board of directors of the Subordinated Creditor) incurred in the ordinary course of business, and subject to the other provisions hereof, and any such payment or repayment received in contravention of the foregoing shall not be retained by the Subordinated Creditor, but shall be held in trust for the benefit of, and shall be promptly paid over in the form received (duly endorsed, if necessary, to the Agent) to, the Agent for the benefit of the applicable Lenders.

2.4 Distribution to Creditors

Upon any payment or distribution of assets of the Borrower (of any kind or character, whether in cash, property or securities) to its creditors upon any dissolution, winding up, total or partial liquidation, readjustment of debt, reorganization, compromise, adjustment of debt, arrangement with creditors, or similar proceedings of the Borrower or its property, or in any bankruptcy, insolvency, receivership, assignment for the benefit of creditors, marshalling of assets and liabilities of the Borrower, or other Creditor Proceedings, or in the event of any bulk sale of any of its assets within the bulk transfer provisions of any Applicable Law, or proceedings in relation to any of the foregoing, whether any of the foregoing is voluntary or involuntary, partial or complete:

- (a) all of the Senior Debt shall first be indefeasibly paid and performed in full and satisfied before the Subordinated Creditor shall be entitled to receive or retain any payment or distribution of or in respect of Subordinated Debt from the Borrower or any receiver, receiver-manager, trustee in bankruptcy, liquidating trustee, agent or other person making such payment or distribution or in respect of such proceedings or under or in respect of any of the Subordinated Rights;
- (b) the Subordinated Creditor irrevocably authorizes the Agent to file on behalf of the Subordinated Creditor any and all claims, proofs of debt, petitions, consents, and other documents in respect of such proceedings or under or in respect of any of the Subordinated Debt and the Subordinated Rights; and
- (c) any payment or distribution of assets of the Borrower of any kind or character, whether in cash, property or securities, to which the Subordinated Creditor would be entitled in respect of the Subordinated Debt or the Subordinated Rights, shall be paid by the Borrower or by any receiver, receiver-manager, trustee in bankruptcy, liquidating trustee, agent or other person making such payment or distribution, directly to the Agent for the benefit of the applicable Lenders to the extent necessary to satisfy and indefeasibly pay in full all of the Senior Debt before any payment or distribution is made to the Subordinated Creditor or any representative thereof.

Without limiting the foregoing and in addition thereto, in connection with any Creditor Proceedings, the Subordinated Creditor irrevocably authorizes the Agent to do, make, execute,

deliver and file on behalf of the Subordinated Creditor a claim, proof of claim, direction to pay, petition, consent, and other documents in respect of such Creditor Proceedings and, in order to give effect to the foregoing, each Subordinated Creditor hereby irrevocably constitutes and appoints any officer for the time being of the Agent as the true and lawful attorney of the Subordinated Creditor, with full power of substitution, to do, make, execute, deliver and file any and all of the foregoing in connection with the Creditor Proceedings (such power of attorney is a power coupled with an interest and shall survive the legal incapacity of, and any bankruptcy, insolvency or other analogous proceeding in respect of, the Subordinated Creditor and extends to the successors and assigns of the Subordinated Creditor); for certainty, the foregoing authorization and power of attorney shall include the right to vote and approve on behalf of the Subordinated Creditor any plan of arrangement, reorganization, proposal, liquidation, compromise, or any other step, action or proceeding under, pursuant or relating to any Creditor Proceedings, all as the Agent may consider appropriate in its sole discretion (and having regard to those considerations as the Agent deems appropriate and, for certainty, without having any responsibility or liability to the Subordinated Creditor).

2.5 Trust

Notwithstanding Section 2.4, if upon any such dissolution, winding up, liquidation, readjustment, reorganization, compromise, adjustment of debt, arrangement with creditors or similar proceeding in respect of the Borrower or in any bankruptcy, insolvency, receivership, assignment for the benefit of creditors, marshalling of assets and liabilities of the Borrower, or other Creditor Proceedings, or in the event of any bulk sale of any of its assets within the bulk transfer provisions of any Applicable Law, or proceedings in relation to any of the foregoing, whether any of the foregoing is voluntary or involuntary, partial or complete (including any acts or proceedings related to the Subordinated Rights), any payment or distribution of assets of the Borrower of any kind or character, whether in cash, property or securities, shall be received by the Subordinated Creditor or any representative thereof before all the Senior Debt is indefeasibly paid and performed in full and satisfied, such payment or distribution shall be held by the Subordinated Creditor (or such representative) in trust for the benefit of, and shall be promptly paid over in the form received (duly endorsed, if necessary, to the Agent) to, the Agent for the benefit of the applicable Lenders.

2.6 Marking Books

The Subordinated Creditor and the Borrower shall mark their books and records relating to the Subordinated Debt and the Subordinated Rights so as to clearly indicate that the Subordinated Debt and Subordinated Rights are subordinated in accordance with the terms of this Agreement and shall cause to be clearly inserted on any agreement, instrument and other document (including any promissory notes) which at any time evidence, create or relate to the Subordinated Debt or Subordinated Rights a statement to the effect that the payment of the Subordinated Debt and the Subordinated Rights are subject to, and are subordinated in accordance with, the terms of this Agreement.

2.7 Application of Proceeds

All payments and distributions received by the Subordinated Creditor in respect of the Subordinated Debt or Subordinated Rights, to the extent received in or converted into cash and paid over to the Agent hereunder for the benefit of the applicable Lenders, may be applied by the Agent first to the payment of any and all expenses (including legal fees and expenses on the basis of a full indemnity) paid or incurred by the Agent in enforcing the provisions hereof or in endeavoring to collect or realize upon any of the Senior Debt, and any balance thereof shall, solely as between the Subordinated Creditor and the applicable Lenders, be applied by the applicable Lenders to the payment of the Senior Debt until indefeasibly paid in full and satisfied in such order of application as the applicable Lenders may from time to time select; and, notwithstanding any such payments or distributions received by the applicable Lenders in respect of the Subordinated Debt or Subordinated Rights and so applied by the applicable Lenders toward the payment of the Senior Debt, the Subordinated Creditor shall be subrogated, without recourse, representation and warranty to the then existing rights of the applicable Lenders, if any, in respect of the Senior Debt subject to the provisions of Section 2.8.

2.8 Restriction on Subrogation

The Subordinated Creditor shall not exercise any rights which it may acquire by way of subrogation or contribution under this Agreement until this Agreement has ceased to be effective in accordance with Section 5.1. If any amount is paid to the Subordinated Creditor on account of such subrogation or contribution rights at any time before this Agreement has ceased to be effective in accordance with Section 5.1, such amount shall be held in trust by the Subordinated Creditor for the benefit of the Lenders and shall be promptly paid to the Agent for the benefit of the Lenders.

ARTICLE 3 ACKNOWLEDGEMENTS OF SUBORDINATED CREDITOR; FURTHER COVENANTS; REPRESENTATIONS AND WARRANTIES

3.1 Absolute Obligations

This Agreement shall operate and apply, and shall remain in full force and effect, in all events and circumstances and the obligations of the Subordinated Creditor hereunder shall be absolute, irrevocable and unconditional in all events and circumstances. In addition to and without limiting the foregoing, this Agreement shall remain in full force and effect and the obligations of the Subordinated Creditor hereunder shall be absolute, irrevocable and unconditional irrespective of:

- (a) any change in the time, manner or place of payment of, or in any other term of, any of the Senior Debt, the Loan Documents, or any other amendment or waiver of or any consent to departure from any of the Senior Debt or the Loan Documents;
- (b) any release or amendment or waiver of or consent to departure from any covenant, agreement or undertaking of any person respecting any of the Senior Debt or the Loan Documents;

- (c) any merger, consolidation, amalgamation, dissolution, winding up, liquidation or termination of the existence of the Agent, the Subordinated Agent, any Lender, any TRC Subordinated Unsecured Lender or the Subordinated Creditor into or with any other person or any other change of its identity or capacity;
- (d) any (i) liquidation, winding up, bankruptcy, dissolution, compromise, proposal, arrangement, plan of reorganization or other event or proceeding relating to, or which might affect the existence, obligations, creditors, assets, business or affairs of, (ii) change or changes in the name of, or (iii) amalgamation, consolidation, merger or reorganization of any kind of, or with respect to, the Borrower;
- (e) in addition to and not in limitation of Section 3.1(d) above, any Creditor Proceedings;
- (f) any change in Applicable Law or any defense, claim or right of any Party which would effect a result contrary to the terms in this Agreement; or
- (g) any impossibility or impracticality of performance or *force majeure*, any act of any Governmental Authority, or any other circumstance which might constitute a defence available to, or a discharge of, the Borrower in respect of the Senior Debt or the Loan Documents.

3.2 Dealings by Lenders

Notwithstanding anything in this Agreement, the Subordinated Creditor acknowledges and agrees that the Agent and the applicable Lenders and the Subordinated Agent and the TRC Subordinated Unsecured Lenders shall be entitled to:

- (a) lend monies or otherwise extend credit or accommodations to the Borrower as part of the Senior Debt;
- (b) agree to any change in, amendment to, waiver of, or departure from, any term of any Loan Document including, without limitation, any amendment, renewal, restatement or extension of any Loan Document, or increase in the payment or other obligations of the Borrower under any Loan Document;
- (c) take any Security Interests from the Borrower and its Subsidiaries;
- (d) grant time, renewals, extensions, releases, discharges or other indulgences or forbearances to the Borrower in respect of Senior Debt;
- (e) waive timely and strict compliance with or refrain from exercising any rights under or relating to any Senior Debt;
- (f) accept or make any compositions, arrangements, plans of reorganization or compromises with the Borrower and its Subsidiaries as the Lenders (or any of them) may deem appropriate in connection with any Senior Debt;

- (g) change, whether by addition, substitution, removal, succession, assignment, grant of participation, transfer or otherwise, any of the Lenders and the TRC Subordinated Unsecured Lenders, including the Agent and the Subordinated Agent;
- (h) acquire, give up, vary, exchange, release, discharge or otherwise deal with or fail to deal with any Security Interests relating to any Senior Debt, or allow the Borrower, its Subsidiaries or any other person to deal with any property which is subject to such Security Interests, all as the Agent, the Subordinated Agents, the Lenders and the TRC Subordinated Unsecured Lenders may deem appropriate; or
- (i) abstain from taking, protecting, securing, registering, filing, recording, renewing, perfecting, insuring or realizing upon any Security Interests for any Senior Debt; and no loss in respect of any of the Security Interests received or held for and on behalf of the Lenders and the TRC Subordinated Unsecured Lenders, whether occasioned by fault, omission or negligence of any kind, whether of the Agent, the Subordinated Agent, or any of the Lenders or the TRC Subordinated Unsecured Lenders or otherwise, shall in any way limit or impair the liability of the Subordinated Creditor or the rights of the Agent, the Subordinated Agent, the Lenders and the TRC Subordinated Unsecured Lenders, under this Agreement;

all of which may be done without notice to or consent of the Subordinated Creditor and without impairing, releasing or otherwise affecting any rights or obligations of the Subordinated Creditor hereunder or any rights of the Agent and the Lenders hereunder.

3.3 Subordinated Debt Default

The Subordinated Creditor shall promptly give the Agent and the Subordinated Agent written notice of the occurrence of a default or event of default in respect of the Subordinated Debt of which it is actually aware.

3.4 Agreement Not to Challenge

The Subordinated Creditor shall not at any time challenge, dispute or contest the validity or enforceability of any of the Senior Debt or the Loan Documents (including this Agreement) or the perfection of the Security Interests constituted by any of the Loan Documents, nor shall it at any time challenge, dispute or contest the validity or enforceability of the subordination and postponement provided for herein or take any action whereby the subordination and postponement contemplated hereby may be prejudiced.

3.5 Representations and Warranties

The Subordinated Creditor hereby represents and warrants to the Agent, the Lenders, the Subordinated Agent and the TRC Subordinated Unsecured Lenders that:

- (a) it is validly subsisting under the laws of its jurisdiction of incorporation;

- (b) it has all necessary power and authority to enter into this Agreement and to perform its obligations hereunder;
- (c) the execution, delivery, observance and performance on its part of this Agreement has been duly authorized by all necessary action;
- (d) it has duly executed and delivered this Agreement;
- (e) this Agreement constitutes a valid and legally binding obligation of it, enforceable against it in accordance with its terms, subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally and to the qualification that equitable remedies such as specific performance and injunction are only available in the discretion of the court from which they are sought and general equitable principles;
- (f) the execution, delivery and performance of this Agreement (i) does not require the authorization, consent or approval of any governmental authority or regulatory body or any agency, department or division of any thereof; (ii) does not and will not (A) contravene or conflict with (1) any law, statute, rule or regulation, (2) any provision of its articles or by-laws, (3) any judgment, order or decree of any court, tribunal or arbitrator, or any public, governmental or regulatory agency, authority or body to which it or any of its material assets is subject, or (4) any term, condition or provision of any indenture, agreement or other instrument to which it or its subsidiaries is a party or by which it or any of its subsidiaries' properties or assets are or may be bound; or (B) result in a breach of or constitute (alone or with due notice or lapse of time or both) a default under any indenture, agreement or other instrument referred to in clause (ii)(A)(4) of this Section 3.5(f); and
- (g) no Default or Event of Default has occurred and is continuing or existed immediately prior to this Agreement or will exist immediately after.

ARTICLE 4
ACKNOWLEDGEMENT OF THE BORROWER

4.1 Acknowledgement

The Borrower hereby acknowledges and agrees that:

- (a) it authorizes the Agent, the Subordinated Agent, the Lenders, the TRC Subordinated Unsecured Lenders and the Subordinated Creditor to share with each other any information possessed by them relating to the Indebtedness and to payments received by the Agent, the Lenders and the Subordinated Creditor in respect thereof;
- (b) this Agreement shall not modify, relieve or release it from any of its Indebtedness or performance obligations under the agreements, instruments or other documents giving rise to the Subordinated Rights;

- (c) it is a party hereto solely for the purpose of providing the acknowledgements and agreements set forth herein and does not, and is not intended to, derive any benefits hereunder; and .
- (d) it consents to the terms of this Agreement and agrees to comply with, and to not act contrary to, the terms of this Agreement.

ARTICLE 5 TERMINATION

5.1 Termination

The provisions hereof shall in all respects be a continuing agreement and shall remain in full force and effect until: (a) the final and indefeasible payment in cash and performance in full and satisfaction of the Senior Debt; and (b) the termination of the Credit Agreement and all Lender Financial Instruments, the Unsecured Credit Agreement and the TRC Subordinated Unsecured Loan Agreement. In the event that this Agreement would otherwise be terminated pursuant to this Section 5.1, but for the fact that the final and indefeasible payment in cash and performance in full and satisfaction of all of the Obligations under and as defined in the TRC Subordinated Unsecured Loan Agreement has not yet occurred at such time, the Subordinated Agent shall have all of the rights of the Agent under this Agreement as if the Subordinated Agent had been named the Agent therein.

5.2 Reinstatement

This Agreement shall continue to be effective or be reinstated, as the case may be, if at any time any payment or performance of the Senior Debt is rescinded, reversed, nullified, rendered void or voidable or must otherwise be restored, refunded, returned or unwound for any reason, all as though such payment had not been made or such performance had not occurred.

ARTICLE 6 CONTINUING SUBORDINATION

6.1 Continuing Subordination

This Agreement shall create a continuing subordination and shall:

- (a) be binding upon the Subordinated Creditor and its successors and assigns; and
- (b) enure, together with the rights and remedies of the Agent, the Subordinated Agent, the Lenders and the TRC Subordinated Unsecured Lenders hereunder, to the benefit of and be enforceable by the Agent, the Subordinated Agent, the Lenders and the TRC Subordinated Unsecured Lenders and their successors and assigns for their benefit and for the benefit of any other person entitled to the benefit of any Loan Documents from time to time, including any permitted assignee or participant of some or all of the Loan Documents.

6.2 Other Obligations Not Affected

The subordination provided for herein is in addition to and not in substitution for any other agreement or any other security by whomsoever given or at any time held by the Agent, the Lenders, the Subordinated Agent or the TRC Subordinated Unsecured Lenders in respect of the Senior Debt, and the Agent, the Lenders the Subordinated Agent or the TRC Subordinated Unsecured Lenders shall at all times have the right to proceed against or realize upon all or any portion of any other agreement or any security or any other monies or assets to which any of them may become entitled or have a claim in such order and in such manner as the Agent and the Lenders in their sole discretion may deem appropriate.

6.3 Acknowledgment of Documentation

The Subordinated Creditor hereby acknowledges that it is familiar with and understands the terms of the Credit Agreement, the Unsecured Credit Agreement and the TRC Subordinated Unsecured Loan Agreement and all other Loan Documents. The Subordinated Creditor shall ensure that the Borrower provides such copies as the Subordinated Creditor wishes to receive of all amendments, modifications or supplements to any of the aforementioned documents and of any other documents, instruments or agreements which are executed in the future pursuant to which Senior Debt may arise. None of the Lenders the Agent, the Subordinated Agent or the TRC Subordinated Unsecured Lenders shall in any manner have any obligation to ensure such receipt nor shall lack of receipt in any way affect the absolute, irrevocable and unconditional nature of the Subordinated Creditor's obligations hereunder in respect of the Senior Debt thereby created or arising.

ARTICLE 7 MISCELLANEOUS

7.1 Assignments and Participations by Lenders

The Lenders and the TRC Subordinated Unsecured Lenders may, from time to time without notice to or consent of the Subordinated Creditor, assign or transfer or grant participations in respect of any or all of the Senior Debt or any interest therein; and, notwithstanding any such assignment or transfer or grant of a participation or any subsequent assignment or transfer thereof or grant of a participation therein, the Subordinated Creditor acknowledges that such Senior Debt shall be and remain Senior Debt for the purposes hereof, and every immediate and successive assignee or transferee of, or participant in, any of the Senior Debt or of any interest therein shall, to the extent of the interest of such assignee, transferee or participant in the Senior Debt, be entitled to the full rights and benefits hereof.

7.2 Assignment by Subordinated Creditor or Borrower

The Borrower shall not assign all or any portion of its obligations under this Agreement or the Subordinated Debt. The Subordinated Creditor shall not assign all or any portion of its Subordinated Debt, Subordinated Rights or obligations under this Agreement without the prior written consent of the Agent on behalf of the Lenders, which consent may be withheld in their sole discretion.

7.3 Accounts

The accounts and records of the Agent, the Lenders the Subordinated Agent or the TRC Subordinated Unsecured Lenders shall constitute, in the absence of manifest error, *prima facie* evidence of the Senior Debt.

7.4 Further Assurances

Each Party agrees to execute and deliver all deeds, documents, instruments and assurances (including discharges) as may be reasonably required by another Party from time to time (but at the expense of the Borrower) to reflect, confirm or give effect to the terms hereof and to provide such information regarding the indebtedness and the Subordinated Rights as may be reasonably requested from time to time.

7.5 Severability

Any provision of this Agreement which is or becomes prohibited or unenforceable in any jurisdiction does not invalidate, affect or impair the remaining provisions hereof in such jurisdiction and any such prohibition or unenforceability in any jurisdiction does not invalidate or render unenforceable such provision in any other jurisdiction.

7.6 Amendments; Waivers

- (a) No provision of this Agreement may be amended, waived, discharged or terminated orally nor may any breach of any of the provisions of this Agreement be waived or discharged orally, and any such amendment, waiver, discharge or termination may only be made in writing signed by the Agent and the Subordinated Agent on behalf of the Lenders and the TRC Subordinated Unsecured Lenders, respectively, or by the Lenders and the TRC Subordinated Unsecured Lenders, and if such amendment is intended to bind the Subordinated Creditor, by the Subordinated Creditor.
- (b) No failure on the part of the Agent or any Lender to exercise, and no delay in exercising, any right, power or privilege hereunder shall operate as a waiver thereof unless specifically waived in writing, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.
- (c) Any waiver of any provision of this Agreement or consent to any departure by the Agent therefrom shall be effective only in the specific instance and for the specific purpose for which given and shall not in any way be or be construed as a waiver of any future requirement.

7.7 Notice

All notices and other communications provided for hereunder shall be given in the form and manner prescribed by Section 10.02 of the Credit Agreement at the addresses set forth on the signature page hereof or to such other address as a party notifies the other parties as provided

therein. All such notices to the Subordinated Creditor may be given to the Borrower on behalf of the Subordinated Creditor and shall be sufficiently delivered if so given.

7.8 Governing Law

This Agreement is conclusively deemed to be made under, and for all purposes to be governed by and construed in accordance with, the laws of the Province of Alberta and of Canada applicable therein. The Parties hereby irrevocably submit and attorn to the jurisdiction of the courts of the Province of Alberta for all matters arising out of or relating to this Agreement or any of the transactions contemplated hereby.

7.9 Enurement

This Agreement shall be binding upon the Parties and their respective successors and permitted assigns.

7.10 Time of Essence

Time shall be of the essence with respect to this Agreement.

7.11 Entire Agreement

This Agreement contains the entire agreement between the Parties with respect to the matters herein contained and there are no other representations, warranties, covenants or collateral agreements between any of the Parties in connection therewith other than as expressly herein provided.

7.12 Execution by Senior Agent and Subordinated Agent

- (a) Credit Suisse, Toronto Branch is entering into this Agreement in its capacities as:
 - (i) agent under the Credit Agreement and as agent for and on behalf of each of the lenders thereunder (including, for certainty, Credit Suisse, Toronto Branch and including any Hedge Bank in its capacity as a counterparty to any Lender Financial Instrument with the Borrower);
 - (ii) agent under the Unsecured Credit Agreement; and
- (b) WFB is entering into this Agreement in its capacity as agent under the TRC Subordinated Unsecured Loan Agreement.

7.13 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart. Delivery of an executed counterpart of a signature

IN WITNESS WHEREOF each Party has duly executed this Agreement as of the date and year first above written.

CREDIT SUISSE, TORONTO BRANCH,
as Agent

By: [Signature]
Name: _____
Title: **Adm. Counsel**

By: [Signature]
Name: **David M. Ehr**
Title: **Vice President**

WELLS FARGO BANK, N.A.,
as Subordinated Agent

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

TRIDENT EXPLORATION CORP.

By: _____
Name: _____
Title: _____

TRIDENT RESOURCES CORP.

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF each Party has duly executed this Agreement as of the date and year first above written.

CREDIT SUISSE, TORONTO BRANCH,
as Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

WELLS FARGO BANK, N.A.,
as Subordinated Agent

By: _____
Name: **JENNIFER ROSE**
Title: **Vice President**

By: _____
Name:
Title:

TRIDENT EXPLORATION CORP.

By: _____
Name:
Title:

TRIDENT RESOURCES CORP.

By: _____
Name:
Title:

IN WITNESS WHEREOF each Party has duly executed this Agreement as of the date and year first above written.

CREDIT SUISSE, TORONTO BRANCH,
as Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

WELLS FARGO BANK, N.A.,
as Subordinated Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

TRIDENT EXPLORATION CORP.

By: *PL O. J.*
Name:
Title:

TRIDENT RESOURCES CORP.

By: *PL O. J.*
Name:
Title:

Action No.: 0901-13483
Deponent: Reema Kapoor
Date Sworn: October 1, 2009

**IN THE COURT OF QUEEN'S BENCH OF
ALBERTA
JUDICIAL DISTRICT OF CALGARY**

**IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS
AMENDED**

**AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF
TRIDENT EXPLORATION CORP. ULC, FORT
ENERGY CORP. ULC, FENERGY CORP. ULC,
981384 ALBERTA LTD., 981405 ALBERTA LTD.,
981422 ALBERTA LTD., TRIDENT RESOURCES
CORP., TRIDENT CBM CORP., AURORA ENERGY
LLC., NEXGEN ENERGY CANADA, INC. AND
TRIDENT USA CORP.**

AFFIDAVIT

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