SHARE PURCHASE AGREEMENT

AMONG

ENSECO ENERGY SERVICES CORP.

and

1113954 ALBERTA LTD.

1104291 ALBERTA LTD.

FOCUS DIRECTIONAL SERVICES INC.

FOCUS DOWNHOLE TOOLS INC.

and

[NAMES OF SHAREHOLDERS INTENTIONALLY REDACTED]

WITH RESPECT TO

1113954 ALBERTA LTD. AND 1104291 ALBERTA LTD.

NOVEMBER 12, 2009

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SHARE PURCHASE AGREEMENT dated November 12, 2009

AMONG:

ENSECO ENERGY SERVICES CORP., a body corporate having offices in the City of Calgary, in the Province of Alberta (the "**Purchaser**")

and

1113954 ALBERTA LTD., a body corporate having an office in the City of Calgary, in the Province of Alberta ("**HoldCo**")

and

1104291 ALBERTA LTD., a body corporate having an office in the City of Calgary, in the Province of Alberta ("**AssetCo**")

and

FOCUS DIRECTIONAL SERVICES INC., a body corporate having an office in the City of Calgary, in the Province of Alberta ("**Focus Directional**")

and

FOCUS DOWNHOLE TOOLS INC., a body corporate having an office in the City of Calgary, in the Province of Alberta ("**Focus Downhole**")

and

[NAMES OF SHAREHOLDER INTENTIONALLY REDACTED]

(*[NAME OF SHAREHOLDER INTENTIONALLY REDACTED*] are collectively referred to herein as the "**Shareholders**" and AssetCo, HoldCo, Focus Directional and Focus Downhole are collectively, or individually as the context requires, referred to herein as the "**Focus Companies**")

WHEREAS the Shareholders are the legal owners of all of the issued and outstanding shares of each of HoldCo and AssetCo;

AND WHEREAS the Shareholders are the beneficial owners of all of the issued and outstanding shares of each of HoldCo and AssetCo or have obtained the written consent from the beneficial owners of such shares to the transactions contemplated herein;

WHEREAS AssetCo is the legal and beneficial owner of all of the issued and outstanding shares of each of Focus Directional and Focus Downhole;

AND WHEREAS the Shareholders have agreed to sell all of the Shares to the Purchaser (including the interest in such shares that it holds in trust) and the Purchaser has agreed to purchase the same from the Shareholders on the terms and conditions set forth herein;

NOW THEREFORE, in consideration of the covenants and agreements herein and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the Parties covenant and agree as set forth below.

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires:

(a) "**ABCA**" means the *Business Corporations Act* (Alberta), as amended, including the regulations promulgated thereunder;

(b) "**Accounting Documents**" means all accounting ledgers of the Focus Companies and related accounting source documents;

(c) "**Accounts Receivable**" means all accounts receivable, notes receivable and other debts due or accruing due to the Focus Companies in connection with the Business as well as the full benefit of all security for the Accounts Receivable;

(d) "**Additional Earnout Arrangements**" has the meaning set forth in Section 2.6(h);

(e) "**Adjustment Date**" means 11:59 p.m. on September 30, 2009;

(f) "**Affiliate**" of a person means a corporation, partnership, trust or any other legal entity that controls the person, is controlled by the person or is controlled by the same person, corporation, partnership, trust or other legal entity that controls the person, for which purpose a corporation shall be deemed to be controlled by those persons, corporations, partnerships, trusts or other legal entities who own or effectively control, other than by way of security only, sufficient voting shares of such corporation (whether directly through the ownership of shares of the corporation or indirectly through the ownership of shares of another corporation which owns the shares of the corporation) to elect the majority of its board of directors and a partnership, trust or other legal entity shall be deemed to be controlled by those persons, corporations, partnerships, trusts or other legal entities that are able to determine policies or material decisions of that partnership, trust, or other legal entity provided that a partnership which is composed solely of corporations which are Affiliates as described above shall be deemed to be an Affiliate of each such corporation or its other Affiliates;

(g) "**Agreement**" means this agreement, including the recitals and all Schedules attached to this agreement, as amended or supplemented from time to time, and "hereby", "hereof", "herein", "hereunder", "herewith", "hereto" and similar terms refer to this agreement and not to any particular provision of this agreement;

(h) "**Applicable Laws**" means, with respect to any person or property, all federal, provincial, state, municipal and local laws, treaties, statutes, ordinances, regulations, judgments, decrees, injunctions, writs, decisions and orders of any Governmental Authority and rules, regulations, policies and guidelines (in each case, having the force of law), directives, interpretations, licenses, exemptions, approvals and permits of any Governmental Authority, in each case applicable from time to time to such person or property;

(i) "**Applicable Securities Laws**" means, collectively, and as the context may require, the securities legislation of each of the provinces and territories of Canada, and the rules, regulations and policies published and/or promulgated thereunder, as such may be amended from time to time prior to the Closing Date;

(j) "**AssetCo**" has the meaning set out in the recitals;

(k) "**Assets**" means all of the right, title and interest of the Focus Companies in and to the business, properties, assets and rights of every kind and description and wheresoever situate, whether tangible or intangible, and constituting, or used or useful in connection with, or related to, the Business and including, without limitation, the following:

(i) all Contracts;

(ii) all Accounts Receivable;

(iii) all unfilled or outstanding purchase orders, sales contracts, other commitments, contracts and engagements to which a Focus Company is entitled at the Closing and which relate to the Business;

(iv) any insurance of Focus Company in respect of those Assets that are currently engaged in the provision of services for a third party;

(v) all customer, supplier and distributor lists of or used in connection with the Business;

(vi) all Equipment;

(vii) all Inventory;

(viii) all Books and Records;

(ix) all Intellectual Property Rights;

(x) all Permits;

(xi) all software used in the Business;

(xii) all Prepaid Expenses;

(xiii) all rights to the "Focus" name and to each of the Focus Companies website, domain name, telephone and fax numbers used in the Business;

(xiv) all available supplies, sales literature, promotional literature, and display units related to the Business;

(xv) all rights under or pursuant to all warranties, representations and guarantees made by suppliers in connection with the Assets or services furnished to the Focus Companies pertaining to the Business or affecting the Assets; and

(xvi) any goodwill associated with the Business;

(l) "**Authorizations**" means all authorizations, licenses, permits, rights and privileges, decisions, judgments, directions, entitlements, licenses, orders, consents, approvals, exemptions, registrations and certificates and other authorizations issued by a Governmental Authority pursuant to Applicable Laws and all applications therefor;

(m) "**Books and Records**" means (i) all records and lists of the Focus Companies pertaining to the Assets, (ii) all records and lists pertaining to the Business, including those records and lists pertaining to the customers, suppliers or personnel of the Focus Companies used in connection with the Business, (iii) all product, business and marketing plans of the Focus Companies used in connection with the Business and (iv) all files, reports, plans, drawings and operating records of every kind maintained by the Focus Companies relating to the Business, including, without limitation, copies of the Focus Companies' Tax returns, accounting ledgers, trial balances and all related accounting source documents (The Focus Companies will retain the original tax returns, accounting ledgers, trial balances and related accounting source documents);

(n) "**Business**" means the Focus Companies' business of providing directional drilling services;

(o) "**business day**" means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open for the transaction of banking business in Calgary, Alberta;

(p) "**Capital Leases**" means the capital leases as determined in accordance with GAAP and by reference to the Financial Statements;

(q) "**Claim**" means any and all debts, costs, expenses, liabilities, obligations, losses (excluding loss of profits) and damages, penalties, proceedings, actions, suits or claims of whatsoever nature or kind including regulatory or administrative proceedings, or threatened claims, demands or causes of action asserted or brought by any person, including those in direct contractual relationship, (whether or not under common law, on the basis of contract, negligence, strict or absolute liability or liability in tort, or arising out of requirements of Applicable Laws), imposed on, incurred by, suffered by, or asserted against any person or any property, absolute or contingent and, except as otherwise expressly provided herein, includes all reasonable out-of-pocket costs, disbursements and expenses paid or incurred by such person in defending any action and any Tax Claims and Litigation Claims;

(r) "**Closing**" means the closing of the transactions contemplated herein;

(s) "**Closing Date**" means November 30, 2009, or such later date as agreed to by the Purchaser and by *[name of Shareholder intentionally redacted]* on behalf of the Shareholders;

(t) "**Closing Time**" means 6:30 a.m. (Calgary time) or such other time mutually agreed to between the Parties hereto on the Closing Date;

(u) "**Contract**" means any agreement, contract, note, loan, evidence of indebtedness, purchase order, letter of credit, franchise agreement, undertaking, covenant not to compete, employment agreement, license, instrument, obligation or commitment to which a Focus Company is a party or is bound and which relates to the Business or the Assets, whether oral or written, and "**Contracts**" means all Contracts, including without limitation, those Contracts listed on **Schedule 5.2(w)** and those employment agreements listed on **Schedule 5.2(qq)**, all of which are included in the Assets;

(v) "**Directional Drilling Business**" has the meaning set forth in Section 2.6(a)(i);

(w) **"Earnout Amount"** means amounts owing to a Shareholder from time to time pursuant to Section 2.6 of this Agreement;

(x) **"Earnout Security"** has the meaning set forth in Section 2.6(i);

(y) **"EBITDA"** means earnings before interest, taxes, depreciation and amortization (each as defined in accordance with GAAP);

(z) **"Employee Plans"** means all employee benefit, fringe benefit, supplemental unemployment benefit, bonus, incentive, deferred compensation, profit sharing, termination, severance, change of control, pension, retirement, stock option, stock purchase, stock appreciation, phantom stock, savings, health, welfare, medical, dental, disability, life insurance and similar plans, programmes, arrangements or practices relating to the current or former employees, officers or directors of any of the Focus Companies, or their respective dependents or beneficiaries, maintained, sponsored or funded by or on behalf of any of the Focus Companies whether written or oral, funded or unfunded, insured or self-insured, registered or unregistered;

(aa) **"Employee Severance Obligations"** means any and all accrued and accruing liabilities and obligations of the Focus Companies, at law or in contract, on account of the termination of its employees or contractors on or before the Closing Time, including, without limitation, salary, benefits, vacation pay, bonuses and similar payment obligations;

(bb) **"Employment Agreements"** means the employment agreements to be entered into on Closing between the Purchaser and each of the Shareholders in form and substance as attached hereto as **Schedule B**;

(cc) **"Encumbrance"** means any claim, lien, pledge, option, charge, security interest, deed of trust, restriction, burden, mortgage, conditional sales agreement, encumbrance or other right of third parties substantially equivalent thereto, whether voluntarily incurred or arising by operation of law, and includes, without limitation, any agreement to give any of the foregoing in the future, and any contingent sale or other title retention agreement or lease in the nature thereof;

(dd) **"Enseco Shares"** means common shares of the Purchaser as constituted on the date hereof;

(ee) **"Environmental Law"** means Applicable Laws which regulate or relate to the protection or clean-up of the environment, the manufacture, sale, use, treatment, storage, transportation, handling or disposal of hazardous, toxic or otherwise dangerous substances, Hazardous Substances, wastes or materials (whether gas, liquid or solid), the preservation or protection of waterways, surface water, groundwater, drinking water, air, wildlife, plants or other natural resources, or the health and safety of persons or property including, without limitation, protection of the health and safety of employees;

(ff) **"Environmental Liabilities"** means all losses, costs, damages, expenses or claims, direct or indirect, arising in connection with ownership or operation of the Business or Assets (including liabilities to compensate third parties and the effects of and costs of complying with any order, direction or claim of any Governmental Authority), resulting from, but not limited to:

(i) pollution or contamination of or damage to air, the surface and subsurface of the earth, bodies of water (including rivers, streams, lakes and aquifers) and plant and animal life (including human beings) or otherwise to the environment;

(ii) use, storage, treatment, transportation and disposal of environmental contaminants;

(iii) release, spill, escape or emission of Hazardous Substances;

(iv) accrued abandonment and reclamation obligations; or

(v) any violation of Environmental Law;

(gg) **"Equipment"** means all of the furniture, fixtures, furnishings, machinery, automobiles, trucks, spare parts, tools, supplies, equipment and other tangible personal property owned by the Focus Companies and used in connection with the Business, including without limitation all items listed on **Schedule 5.2(z);**

(hh) **"Exempt Event"** has the meaning set forth in Section 2.6(b);

(ii) **"Final Purchase Price Adjustment Statement"** has the meaning ascribed thereto in Section 2.4(b);

(jj) **"Focus Companies"** has the meaning set forth in the recitals;

(kk) **"Focus Directional"** means Focus Directional Services Inc., a corporation organized under the ABCA;

(ll) **"Focus Downhole"** means Focus Downhole Tools Inc., a corporation organized a corporation organized under the ABCA;

(mm) **"Focus Litigation"** means certain outstanding litigation described in **Schedule 5.2(n) below**;

(nn) **"Financial Statements"** means the unaudited reviewed financial statements of Focus Directional and AssetCo for the for the years ended September 30, 2008 and 2007, the unaudited reviewed financial statements of HoldCo for the years ended September 30, 2008 and 2007 and the audited non-consolidated financial statements of Focus Directional for the years ended September 30, 2008 and 2007;

(oo) **"GAAP"** means accounting principles generally accepted in Canada including those set out in the Handbook of the Canadian Institute of Chartered Accountants, at the relevant time applied on a consistent basis;

(pp) **"Governmental Authority"** means any:

(i) national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign;

(ii) subdivision, agent, commission, board or authority of any of the foregoing; or

(iii) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;

(qq) **"Hazardous Substance"** means any quantity of asbestos in any form, urea formaldehyde, PCBs, radon gas, crude oil or any fraction thereof, all forms of natural gas, petroleum products or by-products, any radioactive substance, any toxic, infectious, reactive, corrosive, ignitable or flammable chemical, chemical compound or mixture thereof, any special waste, deleterious substances and any other hazardous substance, material or waste (as defined in or for purposes of any Environmental Law), whether solid, liquid or gas;

(rr) **"HoldCo"** has the meaning set out in the recitals;

(ss) **"HSBC"** means HSBC Bank Canada, the operating lender to each of Enseco and the Focus Companies;

(tt) **"Indemnitee"** and **"Indemnitor"** have the meanings set forth in Section 6.5(a);

(uu) **"Initial Earnout Amount"** means an aggregate amount of $5,000,000 allocated to each of the Shareholders on a pro rata basis;

(vv) **"Intellectual Property Rights"** means any proprietary right provided under patent law, copyright law, trade-mark law, design patent or industrial design law and any other statutory provision or common law principles applicable in relation thereto, and all information and technology, including confidential information, trade secrets, improvements (whether or not patentable), inventions, know-how, show-how, designs (including industrial designs), technologies, algorithms, formulas, processes, compositions of matter, computer programs, moral rights, trademarks, service marks, trade names, whether or not registered, and all forms of expressions of ideas and original works or authorship that are the subject-matter of copyrights (written reports, software, videos, manuals, charts, photographs, models and designs) listed on **Schedule 5.2(aa)**, and the Intellectual Property Rights associated with the software and technology identified in **Schedule 5.2(aa)**;

(ww) "**Interim Purchase Price Statement**" means the interim purchase price statement as mutually agreed to among the Purchaser and the Shareholders and tabled at Closing reflecting the Purchase Price Adjustment Amount;

(xx) "**Inventory**" means all of the Focus Companies new repair or replacement parts, supplies and packaging items and similar items with respect to the Business, in each case wherever the same may be located;

(yy) "**ITA**" means the *Income Tax Act* (Canada);

(zz) "**Leased Facilities**" means the lands and premises listed and described in **Schedule 5.2(x)**, in each case leased by any of the Focus Companies as tenant which are used in the conduct of the Business, including, without limitation, all rights, easements and privileges appertaining or relating thereto and all fixtures and improvements located thereon owned, leased or used by the Focus Companies, as the case may be;

(aaa) "**Leases**" means the leases for the Leased Facilities;

(bbb) "**Litigation Claims**" means any and all costs, expenses, liabilities, obligations, losses (including loss of profits), damages and penalties whatsoever imposed on, incurred by or suffered by any of the Focus Companies or the Purchaser or paid or incurred by any of the Focus Companies or the Purchaser, in connection with, caused by, relating to or arising, directly or indirectly, in connection with or as a result of the Focus Litigation, other than legal fees and expenses paid or incurred by any of the Focus Companies or the Purchaser following the Closing Date;

(ccc) "**material adverse change**" or "**material adverse effect**" means, in respect of a person, any change, effect, event, occurrence or state of facts that is, or would reasonably be expected to be, material and adverse to the capital, assets, liabilities (absolute, accrued, contingent or otherwise), business, operations or condition (financial or otherwise) or results of the operations of the business of the person, as a whole, but shall not include a change resulting from (i) a matter that has been publicly disclosed or which the other Party has been advised in writing prior to the execution of this Agreement, (ii) a change directly resulting from an action taken by one Party to which the other Party hereto consented to in writing, (iii) conditions affecting the oil and gas industry in the jurisdictions in which the Focus Companies and the Purchaser hold their assets, taken as a whole, including, without limitation, changes in commodity prices or taxes, (iv) general economic, financial, currency exchange, securities or commodity market conditions in Canada or elsewhere, or (v) acts of terrorism;

(ddd) "**Material Contract**" means contracts for the provision of services or products which are (i) not terminable by a Focus Company on notice of 30 days or less; (ii) pursuant to which a Focus Company is entitled to receive or obligated to incur expenses in excess of $20,000; (iii) guarantee any third party liability; or (iv) the loss of which would be reasonably anticipated to materially adversely affect the consolidated operations of the Focus Companies; but in each instance does not include "preferred contractor agreements" which outline standard terms but have no firm commitment for take-up or provision of service;

(eee) "**Net Debt**" means the amount that, in accordance with GAAP consistently applied from period to period, would be reflected on an audited consolidated balance sheet of the Focus Companies prepared as at the Adjustment Date in respect of: (i) the current assets of the Focus Companies; less (ii) the total liabilities of the Focus Companies;

(fff) "**Non-Competition Agreements**" means the non-competition agreements to be entered into on Closing between the Purchaser and each of the Shareholders in form and substance as attached hereto as **Schedule A**;

(ggg) "**Party**" means a party to this Agreement, and "**Parties**" means all of them;

(hhh) "**Permits**" means all licenses, permits, franchises, approvals, authorizations, consents or order of, or filings with, any Governmental Authority, whether foreign, federal, provincial or local, or any other person, necessary or desirable for the past, present or anticipated conduct of, or relating to the operation of, the Business;

(iii) "**Permitted Encumbrances**" means any of the following:

(i) as applicable, easements, rights of way, servitudes or other similar rights in land including, without limiting the generality of the foregoing, rights of way and servitudes for sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone, telegraph or cable television conduits, poles, wires and cables;

(ii) rights reserved to or vested in any Governmental Authority to control or regulate the business and operations of the Focus Companies or the Leased Facilities, as applicable, in any manner, and all Applicable Laws, rules and order of any Governmental Authority;

(iii) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority in connection with operations of the Business, but only to the extent those liens relate to costs and expenses for which payment is not due;

(iv) liens granted by any of the Focus Companies to a landlord in connection with the Leases, but only to the extent such liens do not relate to amounts then due and owing; and

(v) the security registered at the PPR against AssetCo in favour of RoyNat Inc. as registration numbers 06113023250, 06113023334, 08080722764 and 080723425;

(vi) the security registered at the PPR against HoldCo in favour of RoyNat Inc. as registration numbers 06113022302, 06113022435, 08080722540 and 08080723133;

(vii) the security registered at the PPR against Focus Directional in favour of RoyNat Inc. as registration numbers 07011516510, 07011516536, 08080722964 and 08080723595; and

(viii) the security registered at the PPR against Focus Directional in favour of HSBC as registration numbers 09051108547, 09051108579 and 09072830485.

(jjj) "**person**" includes an individual, partnership, firm, trust, body corporate, Governmental Authority, unincorporated body of persons or association;

(kkk) "**Personal Information**" means information about an identifiable individual, but does not include an individual's name, position name or title, business telephone number, business address, business email or business fax number;

(lll) "**PPR**" means the personal Property Registry for the Province of Alberta;

(mmm) "**Prepaid Expenses**" means all prepaid expenses including prepaid business and real property taxes and rent and utility deposits, relating exclusively or primarily to the Business, excluding prepaid insurance for which the Focus Companies are entitled to no reimbursement on cancellation;

(nnn) **"Privacy Laws"** means any and all Applicable Laws relating to privacy and the collection, use and disclosure of Personal Information in all applicable jurisdictions, including the *Personal Information Protection and Electronic Documents Act* (Canada) and/or any comparable provincial law (including the *Personal Information Protection Act* (Alberta));

(ooo) **"Public Record"** means all information filed by, or on behalf of, after March 31, 2008 with any securities commission or similar regulatory authority and posted on www.sedar.com;

(ppp) **"Purchase Price"** has the meaning ascribed thereto in Section 2.1;

(qqq) **"Purchase Price Adjustment Amount"** means the amount, if any, by which the Net Debt, as at the Adjustment Date, is greater than $3,300,000 or less than $2,700,000;

(rrr) **"Purchaser"** means Enseco Energy Services Corp., a body corporate incorporated under the laws of the Province of Alberta;

(sss) **"Purchaser Entities"** has the meaning set forth in Section 2.6(b);

(ttt) **"Purchaser Financial Statements"** means the unaudited consolidated financial statements of the Purchaser for the three months ended June 30, 2009 and the audited consolidated financial statements of the Purchaser for the years ended March 31, 2009 and 2008;

(uuu) **"Purchaser Indemnified Parties"** has the meaning set forth in Section 0;

(vvv) **"Records"** means all of a person's books, accounts, files and records relating to its business and affairs, whether any of the foregoing are in books, documents, databases or stored by any means, including electronic, magnetic or machine readable form;

(www) **"Related Person"** means any officer, director or shareholder of a person (or of any corporate shareholder or manager of any shareholder that is a trust), or a member of the immediate family (including spouse, parents, children, siblings and in-laws) of any officer, director or shareholder of a person (or of any corporate shareholder or manager of any shareholder that is a trust), or any corporation or other entity or person controlled by an officer, director or shareholder of any person (or of any corporate shareholder or any manager of any shareholder that is a trust) or an Affiliate of any of the foregoing;

(xxx) **"Security"** means those Encumbrances specifically identified in **Schedule 5.2(y)**;

(yyy) **"Shareholder Indemnified Parties"** has the meaning set forth in Section 6.3;

(zzz) **"Shareholders"** means *[names of Shareholder intentionally redacted]*, or any of them as may be affected in the circumstances;

(aaaa) **"Shares"** means, the 1,000,000 Class A common shares of AssetCo and the 900 Class A common shares of HoldCo, as each is constituted at the date hereof;

(bbbb) **"Survival Period"** has the meaning set forth in Section 6.1;

(cccc) **"Take-over Proposal"** means a proposal or offer (other than the transaction contemplated by this Agreement), whether or not subject to a due diligence condition, whether or not in writing, to acquire in any manner, directly or indirectly, beneficial ownership of all or a material portion of the Assets or the Business or to acquire in any manner, directly or indirectly, beneficial ownership or control or direction over any of the Shares whether by an arrangement, amalgamation, merger, consolidation or other business combination, by means of a sale of shares of capital stock, sale of assets, tender offer or exchange offer or similar transaction involving any of the Focus Companies including without limitation any single or multi-step transaction or series of related transactions which is structured to permit such third party to acquire beneficial ownership of all or a material portion of the Assets or the Business or to acquire in any manner, directly or indirectly, any of the Shares (other than the transactions contemplated by this Agreement);

(dddd) "**Tax Claims**" means Claims in respect of:

(i) any liability of any of the Focus Companies for any Taxes which accrued or were the result of transactions occurring or effective on or prior to the Closing Time, including as a result of a Tax assessment, re-assessment or audit for any Tax period ending on or prior to the Closing Date which relate to Taxes which accrued or were the result of transactions that occurred or were effective on or prior to the Closing Time; and

(ii) all charges, penalties, late fees or similar administrative charges or penalties associated with any of the foregoing;

(eeee) "**Taxes**" means all taxes, however denominated, including any interest, penalties or other additions that may become payable in respect thereof, imposed by any federal, provincial, territorial, state, local or foreign government or any agency or political subdivision of any such government, which taxes shall include all income or profits taxes (including federal income taxes and provincial income taxes), capital taxes (including "large corporations tax" under the ITA), withholding taxes, payroll and employee withholding taxes, employment insurance, social insurance taxes, sales and use taxes, GST, ad valorem taxes, excise taxes, franchise taxes, gross receipts taxes, business license taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, workers' compensation and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing (together with any penalties, interest or other similar amounts thereon); and

(ffff) "**USA**" means the unanimous shareholders agreement made as of June 1, 2004, amongst the Shareholders and HoldCo.

1.2 Schedules

The following Schedules form part of this Agreement:

Schedule A	Non-Competition Agreement
Schedule B	Employment Agreement
Schedule 5.1(a)	Beneficial Interest in Shares (prepared and delivered by Focus Companies)
Schedule 5.2(h)	Energy Services Businesses (prepared and delivered by Focus Companies)
Schedule 5.2(n)	Focus Litigation (prepared and delivered by Focus Companies)
Schedule 5.2(w)	Material Contracts and Bank Accounts (prepared and delivered by Focus Companies)
Schedule 5.2(x)	Leased Facilities (prepared and delivered by Focus Companies)
Schedule 5.2(y)	Security (prepared and delivered by Focus Companies)
Schedule 5.2(z))	Equipment (prepared and delivered by Focus Companies)
Schedule 5.2(aa)	Intellectual Property Rights (prepared and delivered by Focus Companies)
Schedule 5.2(qq)	Employees and Employment Information (prepared and delivered by Focus Companies)
Schedule 5.2(yy)	Employee Plans (prepared and delivered by Focus Companies)
Schedule 5.2(zz)	Insurance (prepared and delivered by Focus Companies)
Schedule 5.2(jjj)	Related Party Transactions (prepared and delivered by Focus Companies)
Schedule 5.2(kkk)	Long Term Debt (prepared and delivered by Focus Companies)
Schedule 5.3(b)	Purchaser's Subsidiaries (prepared and delivered by Purchaser)

1.3 Headings

The division of this Agreement into articles, sections and paragraphs and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement.

1.4 Section References

Unless the context otherwise requires, references in this Agreement to an Article, Section, paragraph, clause, subclause or Schedule, by number, letter or otherwise refer to the article, section, Subsection, paragraph, clause, subclause or schedule, respectively, bearing that designation in this Agreement.

1.5 Gender, Plural and Derivatives

In this Agreement, unless the contrary intention appears, words importing the singular include the plural and vice versa; words importing gender shall include both genders and the neuter. If a term is defined in this Agreement, a derivative of that term shall have a corresponding meaning.

1.6 Date for Actions

In the event that the date on which any action is required to be taken hereunder by any of the Parties is not a business day in the place where the action is required to be taken, such action shall be required to be taken on the next succeeding day which is a business day in such place.

1.7 Statutes

References in this Agreement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

1.8 Currency

Unless otherwise stated, all references in this Agreement to sums of money are expressed in lawful money of Canada.

1.9 Enforceability

All representations, warranties, covenants and opinions in or contemplated by this Agreement as to the enforceability of any covenant, agreement or document are subject to enforceability being limited by applicable bankruptcy, insolvency, reorganization and other laws affecting creditors' rights generally and the discretionary nature of certain remedies (including specific performance and injunctive relief).

1.10 Accounting Terms and Principles

Unless otherwise expressly stated, all accounting terms and principles applicable to this Agreement will be interpreted and applied in accordance with GAAP.

1.11 Other Interpretation Matters

(a) Wherever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation" and the words following "include", "includes" or "including" shall not be considered to set forth an exhaustive list.

(b) The words "hereof", "herein", "hereto", "hereinafter", "hereunder", "hereby" and "similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.

(c) Any reference to the knowledge or awareness of any Party means the actual knowledge of such Party and, in case such Party is not an individual, means the actual knowledge of the directors and officers of such Party; provided that any reference to the knowledge or awareness of a Shareholder or any of the Focus Companies contained in this Agreement shall mean the actual knowledge of any one or more of the Shareholders, after due enquiry.

ARTICLE 2
AGREEMENT OF PURCHASE AND SALE

2.1 Agreement of Purchase and Sale

Subject to the terms and conditions hereafter set forth, the Shareholders hereby agree to sell, assign, transfer and convey their entire right, title and interest in the Shares to the Purchaser and the Purchaser agrees to purchase the Shares from the Shareholders for an amount equal to $14,500,000 (the "**Purchase Price**"), subject to adjustment in accordance with the provisions of Sections 2.4 and 2.5 hereof.

2.2 Payment of Purchase Price

The Purchaser will pay the aggregate Purchase Price to the Shareholders, based on the Interim Purchase Price Statement, as follows:

(a) 45,000,000 Enseco Shares, at a deemed value of $0.10 per share delivered to the Shareholders at Closing in the amounts set forth in Section 2.3;

(b) $5,000,000 (the "**Initial Earnout Amount**"), adjusted by the Purchase Price Adjustment Amount, payable to the Shareholders in accordance with Section 2.6, based upon the allocations set forth in Section 2.3;

(c) the balance in cash, adjusted by the Purchase Price Adjustment Amount, delivered to the Shareholders at Closing based upon the allocations set forth in Section 2.3.

2.3 Allocation of Purchase Price

The allocation of the Purchase Price payable by the Purchaser to each Shareholder is as follows:

Shareholder	Cash ($)	Enseco Shares	Initial Earnout Amount ($)
[NAME OF SHAREHOLDER INTENTIONALLY REDACTED]	1,000,000	9,000,000	1,000,000
[NAME OF SHAREHOLDER INTENTIONALLY REDACTED]	1,000,000	9,000,000	1,000,000
[NAME OF SHAREHOLDER INTENTIONALLY REDACTED]	1,000,000	9,000,000	1,000,000
[NAME OF SHAREHOLDER INTENTIONALLY REDACTED]	1,000,000	9,000,000	1,000,000
[NAME OF SHAREHOLDER INTENTIONALLY REDACTED]	1,000,000	9,000,000	1,000,000

subject to any adjustment in accordance with the provisions of Sections 2.4 and 2.5 and the other provisions hereof.

2.4 Adjustments

(a) *[NAME OF SHAREHOLDER INTENTIONALLY REDACTED]*, on behalf of the Shareholders, shall prepare and deliver the Interim Purchase Price Statement to the Purchaser on or before the second business day prior to the Closing Date which shall set out the Shareholders' reasonable estimate of the Purchase Price Adjustment Amount, and the Purchase Price shall be adjusted on the Closing Date in accordance with the Interim Purchase Price Statement, firstly, through an adjustment to the cash portion of the Purchase Price and secondly, through an adjustment to the Initial Earnout Amount as contemplated in Section 2.5(a).

(b) As soon as is practicable following the Closing Date and in any event on or prior to November 30, 2009, *[NAME OF SHAREHOLDER INTENTIONALLY REDACTED]*, on behalf of the Shareholders, in consultation with the Purchaser shall prepare a final statement of adjustments (the "**Final Purchase Price Adjustment Statement**"), which shall be determined based upon the financial statements referred to in Section 2.7, setting forth the Final Purchase Price Adjustment Amount and any additional additions or reductions pursuant to the provisions hereof, if any. Subject to Section 2.4(e), the Final Purchase Price Adjustment Statement will be final and binding upon all Parties hereto and will not be subject to appeal, absent manifest error.

(c) If the Final Purchase Price Adjustment Statement results in:

(i) a net credit to the Purchaser, payment of the same shall be made through a debit from the Initial Earnout Amount such that the Initial Earnout Amount will be reduced by such net credit, with the balance of any such funds delivered to the Purchaser and, if the net credit to the Purchaser results from the Net Debt being greater than $8,000,000, the Shareholders shall each pay such greater amount to the Purchaser within ten (10) days of determination of the Final Purchase Price Adjustment Statement; or

(ii) a net credit to the Shareholders, payment of the same shall be made through a credit to the Initial Earnout Amount, with the balance of any such funds delivered to the Shareholders pro rata. For greater certainty, if the net credit to the Shareholders results in the adjusted Initial Earnout Amount being greater than $5,000,000, the Purchaser shall pay such greater amount to the Shareholders on a pro rata basis within ten (10) days of determination of the Final Purchase Price Adjustment Statement).

Each of the Parties agrees to cooperate fully in calculating and confirming the amount of any payment that may be necessary as a result of such adjustment and agrees to make payment in such event.

(d) Each of the Parties, at its own cost, and its authorized representatives, shall have the right to examine, copy and audit any records that are relevant to effect any adjustments pursuant to this Section.

(e) If the Purchaser or the Shareholders wish to dispute the determination of the final Purchase Price Adjustment Amount, they may do so by notice ("**Notice of Dispute**") to *[NAME OF SHAREHOLDER INTENTIONALLY REDACTED]*, on behalf of the Shareholders, or the Purchaser, as the case may be, within 20 calendar days of the delivery of the Final Purchase Price Adjustment Statement calculation to the Purchaser. A Notice of Dispute shall specify the basis for the objection and the dollar amount involved, if known. The Parties shall use all commercially reasonable efforts to amicably resolve any matters identified in a Notice of Dispute as promptly as practicable. If any such dispute shall not have been resolved within 10 calendar days following the date on which the Notice of Dispute is given, then the Parties shall refer such unresolved matters to an independent accounting firm (the "**Accountants**") acceptable to the Shareholders and the Purchaser acting reasonably, for determination of the final Purchase Price Adjustment Amount. The determination of the Accountants shall be made within 20 calendar days after the matter has been referred to them. If no Notice of Dispute is given within the time prescribed above, then upon the expiry of said time, the calculation of the final Purchase Price Adjustment Amount prepared by the Purchaser shall be final, binding and conclusive on the Parties as of and from the date of such delivery. If a Notice of Dispute is given in accordance with this Section 2.4, then notwithstanding Article 8, the calculation of the final Purchase Price Adjustment Amount prepared by the Accountants shall be final, binding and conclusive on the Parties as of and from the date of such delivery.

(f) The fees and disbursements of the Accountants shall be shared equally by the Purchaser and the Shareholders.

2.5 Liabilities to be included in Net Debt

The Parties hereto intend that the Purchaser shall be entitled to all revenue and benefits from the operation of the Focus Companies, the Business and the Assets subsequent to the Adjustment Date, and shall also be responsible for all costs therefor in accordance with Section 2.4 hereof. Accordingly, for the purposes of Section 2.4, the Focus Companies' liabilities or obligations, whether actual or contingent, matured or unmatured, liquidated or unliquidated, known or unknown, or related or unrelated to the Business or the Assets prior to the Adjustment Date shall form part of the Net Debt calculation in favour of the Purchaser, which shall include, without limitation:

(a) any liability or obligation to or in respect of any employees or former employees of the Focus Companies with respect to: (i) any employment agreement, whether or not written, between the Focus Companies and any person, which shall have been asserted prior to the Adjustment Date or is based on acts or omissions which occurred prior to the Adjustment Date, (ii) any liability under any Employee Plan at any time maintained, contributed to or required to be contributed to by or with respect to the Focus Companies or under which the Focus Companies may incur liability, or any contributions, benefits or liabilities therefor, or any liability with respect to the Focus Companies' withdrawal or partial withdrawal from or termination of any Employee Plan, which shall have been asserted prior to the Adjustment Date or is based on acts or omissions which occurred prior to the Adjustment Date, (iii) any claim under labour relations or employment standards legislation, any disability claim or any claim under any unemployment compensation or worker's compensation law or regulation or under any federal or provincial human rights and/or employment discrimination law or regulation, which shall have been asserted prior to the Adjustment Date or is based on acts or omissions which occurred prior to the Closing Time, and (iv) any Employee Severance Obligations;

(b) any liability or obligation of the Focus Companies in respect of Taxes of the Focus Companies that accrued prior to the Adjustment Date (other than any future income tax liability required to be recorded in the books of the Corporation in accordance with GAAP) or that are related to income earned prior to the Adjustment Date;

(c) any liability or obligation of the Focus Companies in respect of accounts payable of the Focus Companies relating to the Business or the Assets and which arose or accrued before the Adjustment Date or are otherwise unrelated to the Business or the Assets except for ordinary routine maintenance and repair for which invoices have not yet been received and for which accruals have not occurred in the Purchase Price Adjustment Amount;

(d) any liability arising from any injury to or death of any person or damage to or destruction of any property, whether based on negligence, breach of warranty, strict liability, enterprise liability or any other legal or equitable theory arising from defects in products leased, rented or sold or services performed by or on behalf of the Focus Companies or any other person or entity prior to the Adjustment Date or arising from any other cause including, without limitation, any liabilities arising (on a date of occurrence basis or otherwise) prior to the Adjustment Date relating to the use or misuse of the Focus Companies' products or Equipment or to traffic accidents;

(e) any liability or obligation of the Focus Companies or any of the Shareholders arising out of or related to any action against the Focus Companies or any action which adversely affects the Assets and which shall have been asserted prior to the Adjustment Date (including the Focus Litigation) or to the extent the basis of which shall have arisen prior to the Adjustment Date;

(f) any liability or obligation of the Focus Companies or any of the Shareholders resulting from entering into, performing its obligations pursuant to or consummating the transactions contemplated by, this Agreement;

(g) any liability or obligation related to the Leased Facilities arising or accruing prior to the Adjustment Date except for ordinary routine maintenance and repair for which invoices have not yet been received and for which accruals have not occurred in the Purchase Price Adjustment Amount; and

(h) any Environmental Liability which is based on, or a result of, events, acts or omissions which occurred prior to the Adjustment Date,

provided that, for greater certainty, any such liability will not form an adjustment to the Purchase Price to the extent such liability was reimbursed to the Purchaser or the Focus Companies by insurance. Further provided that any such Excluded Liabilities shall not include any liability or obligation arising as a result of or through the actions of the Purchaser at all times.

2.6 Earnout Payments and Procedure

(a) Each Shareholder shall be entitled to its pro rata share of the Initial Earnout Amount (as adjusted in accordance with Section 2.4) (the amount so adjusted for each Shareholder is referred to as the "**Final Earnout Amount**" and the aggregate of such amounts payable to all of the Shareholders is referred to as the "**Total Final Earnout Amount**") on the following terms and conditions:

(i) payment of the Total Final Earnout Amount shall be made by the Purchaser to the Shareholders based on 50% of the quarterly EBITDA from the Purchaser's directional drilling business which after Closing shall include the Business (collectively, the "**Directional Drilling Business**"), as reported in the segmented report of the Purchaser's quarterly financial statements. The Parties acknowledge and agree that the calculation of EBITDA shall not include any corporate overhead of the Purchaser and shall only include overhead from the Directional Drilling Business. For greater certainty, if there is no positive EBITDA from the Directional Drilling Business for a particular quarter, no payment of the Earnout Amount shall be due or payable for that quarter;

(ii) the first payment of the Earnout Amount shall be calculated and payable for the period commencing on October 1, 2009 and ending on December 31, 2009 and thereafter for each calendar quarter (each such quarterly period referred to herein as an "**Earnout Period**"), with the final Earnout Period ending on December 31, 2014. For greater certainty, no further payments of the Earnout Amount will be due after December 31, 2014, whether or not the Total Final Earnout Amount has been paid in full;

(iii) payments of the Earnout Amount will be allocated to each Shareholder proportionately based on each Shareholder's unpaid Final Earnout Amount; and

(iv) the cumulative total amount of payments of the Earnout Amount payable under this Section 2.6 to each of the Shareholders shall not exceed each Shareholder's Final Earnout Amount and the cumulative total amount of payments of the Earnout Amount payable to all of the Shareholders shall not exceed the Total Final Earnout Amount, in each case, as may be subject to adjustment in accordance with this Agreement.

(b) In order to receive any payments due to a Shareholder pursuant this Section 2.6, the Shareholder must be actively employed on a continuous basis by the Purchaser, a subsidiary of the Purchaser or an Affiliate of the Purchaser, as the case may be (collectively, "**Purchaser Entities**") from the date of this Agreement until the date the applicable payment is due hereunder, unless: (i) the Shareholder's employment is terminated or deemed to have been terminated without cause by the Purchaser; (ii) the Shareholder's employment is terminated as a result of the death or disability of the Shareholder; or (iii) unless otherwise agreed to in writing by any two of the general manager of the Directional Drilling Business, the Vice President Operations of the Purchaser and the Chief Executive Officer of the Purchaser (the events set forth in (i), (ii) and (iii) above shall be referred to as an "**Exempt Event**"). Upon the cessation of active employment with the Purchaser Entities, other than pursuant to an Exempt Event, the Shareholder's right to receive any payments hereunder shall be forfeited and of no further force or effect. Such forfeiture shall occur and be effective upon the earlier of (i) the termination date or the resignation date specified in a written notice of termination or resignation, as applicable; and (ii) the last day on which the Shareholder provided regular and normal services to a Purchaser Entity, on an active basis.

(c) Subject to Section 2.6(d), earnout amounts payable pursuant this Section 2.6, if any, shall be paid quarterly in cash. Within seventy-five (75) days after the end of each Earnout Period, the Purchaser shall deliver to each Shareholder a certificate of the Chief Financial Officer or Controller of Purchaser certifying on behalf of Purchaser the amount of EBITDA from the Directional Drilling Business for the Earnout Period and the amount payable, if any, to each Shareholder, together with a cheque for the amount payable. On at least fifteen (15) days prior written notice from the Shareholder to the Purchaser given within thirty (30) days after the Shareholder's receipt of the foregoing certificate and cheque from the Purchaser, the Shareholder shall have a right to audit the books and records of the Purchaser to verify the Purchaser's pre-tax earnings from the Directional Drilling Business for the applicable Earnout Period.

(d) The Purchaser may accelerate the payment of any earnout payments hereunder, either in whole or in part, if the Purchaser determines that the acceleration is in the best interests of the Purchaser. Unless forfeited pursuant to Section 2.6(b), the Purchaser shall pay interest to each Shareholder equal to eight (8%) percent per annum on such Shareholder's unpaid Final Earnout Amount (less any amounts that have reduced the earnout amount payable to the Shareholder pursuant to this Agreement), such interest to be payable after maturity, default, judgement or enforcement by the Shareholder(s).

(e) If a Shareholder disagrees with the Purchaser's calculation of the Earnout Amount payable to the Shareholder for the Earnout Period, the Shareholder shall deliver to the Purchaser, by the date 45 days after the date on which Purchaser shall have delivered to the Shareholder the certificate indicating the amount of Purchaser's EBITDA from the Directional Drilling Business for and any applicable amounts payable to the Shareholder for the Earnout Period (the "**Objection Deadline Date**"), a reasonably detailed statement describing its objections (if any) to Purchaser's calculations and its assertion of the appropriate calculation of earnout payment for the applicable Earnout Period. If the Shareholder timely objects to such calculations from the Purchaser and offers its own calculation, such objections shall be resolved as follows:

(i) the Purchaser and the Shareholder shall first use reasonable efforts to resolve such objections; and

(ii) if the Purchaser and the Shareholder do not reach a resolution of all objections set forth on the Shareholder's statement of objections within 30 days after delivery of such statement of objections, then the dispute resolution provisions contained in Article 8 of this Agreement shall apply.

(f) Subject to Sections 2.6(g), 2.6(h) and 2.6(i), nothing contained in this Section 2.6 shall impair the Purchaser's ability to conduct its business including the taking any action that would result in the sale, lease, exchange, distribution or mortgage of any assets of the Directional Drilling Business provided that during the Earnout Period, Purchaser shall not take any action with respect to the operation of Purchaser that is in bad faith for the purpose of decreasing the pre-tax earnings from the Directional Drilling Business or otherwise primarily designed to avoid the payment of the Earnout Amount.

(g) If the Purchaser sells all or substantially all of the assets of the Directional Drilling Business prior to the earlier of: (i) the date that the Final Earnout Amount (less any amounts that have reduced the amounts payable to the Shareholders pursuant to this Section 2.6 but inclusive of interest as set out above) has been fully paid; and (ii) December 31, 2014, all unpaid amounts up to the Initial Earnout Amount, as adjusted (less any amounts that have reduced the earnout amounts payable to the Shareholders pursuant to this Agreement but inclusive of interest as set out above) shall be due and payable.

(h) During the period commencing on the Closing Date and ending on the earlier of: (i) the date that the Final Earnout Amount (less any amounts that have reduced the earnout amounts payable to the Shareholders pursuant to this Agreement) has been fully paid; and (ii) December 31, 2014, unless otherwise consented to by the Shareholders, the Purchaser shall not enter into any agreement or arrangement with any person providing for an earnout arrangement with respect to the Directional Drilling Business (other than with respect to the Earnout Amount provided for in this Agreement) (the "**Additional Earnout Arrangements**"), if such Additional Earnout Arrangements are or would reasonably be expected to impair or prejudice the rights of the Shareholders to receive the payments of the Earnout Amount provided for in this Section 2.6.

(i) The Parties agree that the Purchaser shall provide, or cause to provide, the Shareholders with second priority collateral security in respect of the Assets and in respect of the property, assets and undertaking of Enseco prior to or at Closing (the "**Earnout Security**") to secure the payment of the Earnout Amount, to be satisfactory to the Purchaser and the Shareholders, acting reasonably. The Earnout Security shall only be subordinate to the prior security interests of HSBC and security interests previously granted by the Purchaser pursuant to certain convertible debentures.

2.7 Preparation of Financial Statements and Tax Returns

As soon as practicable after the date hereof, the Shareholders and the Purchaser shall have two years of annual audited consolidated comparative financial statements of the Focus Companies prepared in accordance with GAAP and any income tax returns of the Focus Companies required to be prepared as a result of the transactions contemplated hereby prepared by an accounting firm acceptable to the Purchaser. Such financial statements and tax returns are required for the purpose of determining the final Purchase Price Adjustment Amount. The Purchaser will bear the costs associated with the preparation of such financial statements and tax returns, to a maximum of $5,000.

2.8 Tax Elections

(a) For the purpose of Subsection 85(1) of the Act, the Purchaser shall jointly elect with each Shareholder in prescribed form and within the time referred to in Subsection 85(6) thereof with respect to the purchase and sale of the Shares and the amount agreed (the "**Agreed Amount**") upon in their election shall be the lowest amount permitted under section of the Act, or such other amount as the Shareholder and the Purchaser agree.

(b) Each Shareholder shall determine the Agreed Amount of its respective Shares, and shall prepare an election in prescribed form (the "**Election Form**") pursuant to Subsection 85(1) of the Act with respect to the purchase and sale of the Shares herein on behalf of the Shareholder and the Purchaser and shall provide such Election Form to the Purchaser.

(c) Upon receiving an Election Form from a Shareholder, as described in Section 2.8(b) hereof, the Purchaser shall sign such Election Form and return it to the Shareholder, within a reasonable time. Each Shareholder shall be responsible for filing its respective Election Form within the time referred to in Subsection 85(6) of the Act, and the Purchaser shall not be liable for any taxes, penalties, interest or other amounts that arise as a result of the Shareholder's failure to complete an Election Form, or failure to file an Election Form within the time referred to in Subsection 85(6) of the Act.

ARTICLE 3
CLOSING

3.1 Place of Closing

Closing shall take place in Calgary, Alberta, at the offices of Burnet, Duckworth & Palmer LLP, 1400, 350 – 7th Avenue S.W., Calgary, Alberta on the Closing Date, or at such other place as may be agreed upon by the Parties.

3.2 The Focus Companies' and the Shareholders' Deliveries at Closing

At Closing, the Focus Companies and the Shareholders shall deliver the following to the Purchaser:

(a) share certificates representing the Shares duly endorsed in blank for transfer or accompanied by duly executed powers of attorney for transfer;

(b) such certificates of officers of the Focus Companies and the Shareholders to evidence compliance with such conditions to Closing as may be reasonably requested by the Purchaser including, without limitation, a certificate of the Focus Companies signed by a duly authorized officer and a certificate of each Shareholder, dated the date of the Closing, stating that (a) the person signing such certificate has made or has caused to be made such investigations as are reasonably necessary to permit such person to certify the accuracy of the information set forth therein, (b) all of the Shareholders' conditions precedent to the completion of the transactions contemplated in this Agreement, including, without limitation, those set forth in Section 4.1 hereof, have been satisfied or waived, (c) the representations and warranties of the Shareholders contained in this Agreement are true and correct in all material respects with the same effect as though made at the Closing Time, and (d) each Shareholder has performed and complied in all material respects with all agreements, covenants and conditions contained in this Agreement to be performed or complied with by him prior to the Closing Date;

(c) resignations and releases from the directors, officers and Shareholders of the Focus Companies in a form satisfactory to the Purchaser to the effect that such persons have no claims (other than for agreed compensation) against the Focus Companies, the Assets or the Business at Closing;

(d) the Employment Agreements duly executed by each of the Shareholders;

(e) Non-Competition Agreements executed by each of the Shareholders;

(f) waiver and termination of the USA;

(g) a certified copy of a resolution of the directors of each of the Focus Companies authorizing the transactions contemplated hereby, and the transfer of the Shares to the Purchaser;

(h) evidence satisfactory to the Purchaser that all persons holding beneficial interests in the Shares have consented to and authorized the transactions contemplated hereby and the transfer of the Shares to the Purchaser and have irrevocably waived any rights to the Purchase Price or any portion thereof with respect to the Purchaser;

(i) all material third party consents to the change of control of the Focus Companies;

(j) evidence satisfactory to the Purchaser that all PPR or similar registrations affecting the Shares, the Focus Companies or the Assets have been discharged, other than those pertaining to the Permitted Encumbrances, and further provided that the RoyNat Security, as set out on **Schedule 5.2(g)**, shall, subject to Section 4.1 (a) hereof, have been paid out and the Focus Companies released prior to or at Closing and applicable documentation shall be delivered; and

(k) such other documents as may be specifically required under this Agreement or as may be reasonably requested by the Purchaser upon reasonable notice to the Shareholders.

3.3 Purchaser's Deliveries at Closing to Shareholders

At Closing, the Purchaser shall deliver the following to the Shareholders:

(a) the cash portion of the Purchase Price and those Enseco Shares forming a portion of the Purchase Price pursuant to and in accordance with the provisions of Section 2.2;

(b) evidence that the Purchaser is not on the list of defaulting issuers under Applicable Securities Laws;

(c) such certificates of officers of the Purchaser to evidence compliance with such conditions to Closing as may be reasonably requested by *[NAME OF SHAREHOLDER INTENTIONALLY REDACTED]*, acting on behalf of the Shareholders, including, without limitation, a certificate of the Purchaser signed by a duly authorized officer and a certificate of the Purchaser, dated the Closing Date, stating that (a) the person signing such certificate has made or has caused to be made such investigations as are reasonably necessary to permit such person to certify the accuracy of the information set forth therein, (b) all of the Purchaser's conditions precedent to the completion of the transactions contemplated in this Agreement, including, without limitation, those set forth in Section 4.2 hereof, have been satisfied or waived, (c) the representations and warranties of the Purchaser contained in this Agreement are true and correct in all material respects with the same effect as though made at the Closing Time, and (d) Purchaser has performed and complied in all material respects with all agreements, covenants and conditions contained in this Agreement to be performed or complied with by it prior to the Closing Date;

(d) the Non-Competition Agreements duly executed by the Purchaser;

(e) the Employment Agreements duly executed by the Purchaser;

(f) the Earnout Security, with such subordination arrangement as may be required by HSBC; and

(g) such other documents as may be specifically required under this Agreement or as may be reasonably requested by the Shareholders upon reasonable notice to the Purchaser.

ARTICLE 4
CONDITIONS OF CLOSING

4.1 Shareholders' Conditions

The Shareholders' respective obligations to complete the transactions contemplated by this Agreement are subject to satisfaction or waiver of the following conditions on or by the Closing Time:

(a) approval from and funding by HSBC to Enseco to pay out the existing credit facilities of the Focus Companies with RoyNat Inc.;

(b) receipt of stock exchange approval of: (i) the transactions contemplated herein; and (ii) issuance and listing of the Enseco Shares issuable hereunder;

(c) the representations and warranties of the Purchaser set forth in Section 5.3 shall be true and correct at the date of the Agreement and as of the Closing Date, with the same force and effect as if made then;

(d) the Purchaser shall have performed or complied in all material respects with all of the terms, covenants and conditions of this Agreement to be performed or complied with by it at or prior to the Closing Time;

(e) the Purchaser shall have tendered all deliveries to be made by it pursuant to Sections 3.3;

(f) there shall not have occurred any change after the date hereof, or prior to the date hereof which had not been publicly disclosed prior to the date hereof (or any condition, event or development involving a prospective change) in the business, affairs, operations, assets, capitalization, financial condition, prospects, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise, of the Purchaser and which, in the judgment of the Shareholders, acting reasonably, is or would reasonably be expected to cause a material adverse change with respect to the Purchaser on a consolidated basis;

(g) as at the Closing Time there shall have been no action taken under any Applicable Law or regulation, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any court, department, commission, board, regulatory body, government or governmental authority or similar agency, domestic or foreign, that:

(i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the transactions contemplated herein; or

(ii) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated herein;

provided that, if any one or more terms, covenants or conditions of the Purchaser to be performed or complied with on or prior to the Closing Time shall not have been performed or complied with in all material respects on or prior to the Closing Time, the Shareholders shall either: (i) rescind this Agreement by notice in writing to the Purchaser, and the Shareholders, the Focus Companies and the Purchaser shall thereupon be released from all obligations hereunder; or (ii) waive, in writing, performance of, or compliance with, any such term, covenant or condition in whole or in part, without recourse to the Purchaser for such non-performance, provided that such waiver will be without prejudice to any of its rights of rescission in the event of non-performance of, or a failure to comply with, any other term, covenant or condition in whole or in part.

4.2 Purchaser's Conditions

The Purchaser's obligation to complete the transactions contemplated under this Agreement is subject to the satisfaction or waiver of the following conditions on or by the Closing Time or such other date indicated:

(a) receipt of stock exchange approval of: (i) the transaction contemplated herein; and (ii) issuance and listing of the Enseco Shares issuable hereunder;

(b) the representations and warranties of each of the Focus Companies and the Shareholders set forth in Sections 5.1 and 5.2 shall be true and correct at and as of the date of this Agreement and the Closing Date, with the same force and effect as if made then in each case;

(c) each of the Focus Companies and the Shareholders shall have performed or complied with all of the terms, covenants and conditions of this Agreement to be performed or complied with by them at or prior to the Closing Time;

(d) the Shareholders shall have made all deliveries to be made by them pursuant to Section 3.2;

(e) the Purchaser shall be satisfied that all persons holding beneficial interests in the Shares have consented in writing to and authorized the transactions contemplated hereby, and the transfer of the Shares to the Purchaser and have irrevocably waived any rights to the Purchase Price or any portion thereof with respect to the Purchaser;

(f) the Purchaser shall be satisfied that the Net Debt, as at the Closing Date, does not exceed a deficiency of $8,000,000;

(g) as at the Closing Time there shall have been no action taken under any Applicable Law or regulation, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any court, department, commission, board, regulatory body, government or governmental authority or similar agency, domestic or foreign, that:

(i) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the transactions contemplated herein;

(ii) results in a judgment or assessment of material damages directly or indirectly relating to the transactions contemplated herein; or

(iii) imposes or confirms material limitations on the ability of the Purchaser to effectively exercise full rights of ownership of the Shares, including, without limitation, the right to vote any such securities;

(iv) there shall be no claims or proceedings threatened or pending involving the Focus Companies, the Shareholders or the Assets which claims or proceedings in the aggregate would, in the opinion of the Purchaser, have a material adverse effect on the Focus Companies, the Assets or the Business, taken as a whole; and

(h) there shall not have occurred any change after the date hereof, or prior to the date hereof which had not been disclosed to the Purchaser in writing prior to the date hereof (or any condition, event or development involving a prospective change) in the business, affairs, operations, assets, capitalization, financial condition, prospects, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise, of the Focus Companies and which, in the judgment of the Purchaser, acting reasonably, is or would reasonably be expected to cause a Material Adverse Change with respect to the Focus Companies on a consolidated basis;

provided that, if any one or more terms, covenants or conditions of the Shareholders to be performed or complied with on or prior to the Closing Time shall not have been performed or complied with on or prior to the Closing Time, the Purchaser shall, at its sole option, either: (i) rescind this Agreement by notice in writing to the Focus Companies and the Shareholders, and the Focus Companies, the Shareholders and the Purchaser shall thereupon be released from all obligations hereunder; or (ii) waive, in writing, performance of, or compliance with, any such term, covenant or condition in whole or in part, without recourse to the Focus Companies or the Shareholders for such non-performance, provided that such waiver will be without prejudice to any of its rights of rescission in the event of non-performance of, or a failure to comply with, any other term, covenant or condition in whole or in part.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of Shareholders

Each of the Shareholders severally represents and warrants to the Purchaser and acknowledges that Purchaser is relying thereon, that:

Ownership of Shares

(a) except as described in **Schedule 5.1(a)**, he is and will be on the Closing Date the registered and beneficial owner of his Shares, consisting of such number of common shares in the capital of AssetCo and such number of common shares in the capital of HoldCo as set forth in **Schedule 5.1(a)**, in each case, with good and marketable title, free and clear of all Encumbrances;

(b) any person, each of which is described in **Schedule 5.1(a)**, holding a beneficial interest in his Shares has consented in writing to and authorized the transactions contemplated hereby, and the transfer of the Shares to the Purchaser and has irrevocably waived any rights to the Purchase Price or any portion thereof with respect to the Purchaser;

Power

(c) he has the full power, legal capacity and authority to execute and deliver this Agreement and all other documents contemplated by this Agreement to which he is or will be a party. This Agreement constitutes, and each such other document, when executed and delivered on behalf of such Shareholder, will constitute the legal, valid and binding obligation of that Shareholder, enforceable against the Shareholder in accordance with its terms, except as that enforceability may be (i) limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, and (ii) subject to general principles of equity (regardless of whether that enforceability is considered in a proceeding in equity or at law);

No Conflicts or Litigation

(d) the execution, delivery and performance by the Shareholder in accordance with the terms of this Agreement and the other documents to which the Shareholder is a party, does not and will not (i) violate or conflict with any provision of law or administration regulation or any judicial or administrative order, award, judgement or decree applicable to the Shareholder, (ii) breach or constitute a default under any agreement or instrument to which the Shareholder is a party or by which the Shareholder is bound, or (iii) result in the creation or imposition of, or afford any person the right to obtain, any Encumbrance upon any of the Shares of the Shareholder;

(e) he has not has received notice of any Claim pending or threatened, to which he is or may become a party which questions or involves the validity or enforceability of his obligations under any transaction document or seeks (or reasonably may be expected to seek) (i) to prevent or delay the consummation by him of the transactions contemplated by this Agreement, or (ii) damages in connection with any consummation by him of the transactions contemplated by this Agreement;

No Brokers

(f) he has not, on behalf of himself or any of the Focus Companies, directly or indirectly, in connection with this Agreement or the transactions contemplated hereby (i) employed any broker, finder or agent, or (ii) agreed to pay or incurred any obligation to pay any broker's or finder's fee, any sales commission or any similar form of compensation for which any of the Focus Companies or the Purchaser will have any liability;

Pre-emptive and Other Rights; Waiver

(g) there are no consents to be obtained for the sale of his Shares other than the approval of the directors of HoldCo and AssetCo to the transfer of such Shares, which approval has been obtained, nor does any person have any agreement, option or any right or privilege capable of becoming an agreement or option of any nature for the purchase from him of any of his Shares;

(h) he either (i) does not own or otherwise have any statutory or contractual pre-emptive or other right of any kind (including any right of first offer or refusal) to acquire any Shares of any of the Focus Companies or (ii) hereby irrevocably waives each right of that type that he does own or otherwise has;

Tax Status

(i) he is a resident of Canada within the meaning of the ITA;

Enseco Shares

(j) he has such knowledge and experience in financial and business matters such that he is capable of evaluating the merits and risks of his acquisition of the Enseco Shares resulting from the transactions contemplated by this Agreement;

(k) he is acquiring the Enseco Shares for investment and not with a view toward or for sale in connection with any distribution thereof in violation of any Applicable Securities Laws;

(l) he is not acting jointly or in concert with any of the other Shareholders in the matters of the Purchaser and does not have any agreement, arrangement, commitment or understanding with any other person with respect to the Purchaser or the voting of the Enseco Shares to be acquired by him pursuant to the transactions contemplated by this Agreement.

5.2 Representations and Warranties of the Focus Companies and the Shareholders

Each of the Focus Companies and each of the Shareholders jointly and severally represents and warrants to the Purchaser and acknowledges that Purchaser is relying thereon, that:

Corporate Standing, Power and Authorizations

(a) each of the Focus Companies is duly incorporated, organized and validly existing under the law of the jurisdiction of its incorporation, has the corporate power and capacity to own or lease its property and assets and to carry on its business as now conducted by it and is duly qualified to carry on business in each jurisdiction in which the nature of its business or the property or assets owned or leased by it makes such qualification necessary;

(b) each of the Focus Companies has the requisite power and authority to enter into this Agreement and all agreements contemplated hereunder and to carry out its obligations hereunder and thereunder. The consummation by the Focus Companies of the transactions contemplated hereby and thereby have been duly authorized by the board of directors of the Focus Companies, where applicable, and no other corporate proceedings on the part of the Focus Companies are or will be necessary to authorize this Agreement and the transactions contemplated hereby. This Agreement has been duly executed and delivered by each of the Focus Companies and all documents to be delivered by the Focus Companies, or any one of them, pursuant hereto will be duly executed and delivered and this Agreement does and such documents will constitute legal, valid and binding obligations of the Focus Companies enforceable against them in accordance with their respective terms except as that enforceability may be (i) limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, and (ii) subject to general principles of equity (regardless of whether that enforceability is considered in a proceeding in equity or at law;

(c) the Focus Companies (other than Focus Downhole) do not own or lease any property or assets or carry on any business in any jurisdiction other than Alberta, British Columbia, Saskatchewan, Manitoba and Montana and Focus Downhole has no assets or liabilities and has not conducted any business whatsoever;

(d) the authorized capital of AssetCo consists of an unlimited number of Class A common shares, of which 1,000,000 Class A common shares are issued and outstanding, which are all of the issued and outstanding securities in the capital of AssetCo and such shares are validly issued and fully paid as non-assessable; and no person has any right, agreement or option, present or future, contingent or absolute, or any other right capable of becoming a right, agreement or option, for the purchase of the 1,000,000 Class A common shares or for the issue or allotment of any unissued shares in the capital of AssetCo or any other security convertible into or exchangeable for any such shares;

(e) the authorized capital of HoldCo consists of an unlimited number of common shares, of which 900 Class A common shares are issued and outstanding, which are all of the issued and outstanding securities in the capital of HoldCo and such shares are validly issued and fully paid as non-assessable; and no person has any right, agreement or option, present or future, contingent or absolute, or any other right capable of becoming a right, agreement or option, for the purchase of the 900 Class A common shares or for the issue or allotment of any unissued shares in the capital of HoldCo or any other security convertible into or exchangeable for any such shares, except as provided in the USA;

(f) the authorized capital of Focus Directional consists of an unlimited number of common shares, of which 100 Class A common shares are issued and outstanding, which are all of the issued and outstanding securities in the capital of Focus Directional and such shares are validly issued and fully paid as non-assessable; and no person has any right, agreement or option, present or future, contingent or absolute, or any other right capable of becoming a right, agreement or option, for the purchase of the 100 Class A common shares or for the issue or allotment of any unissued shares in the capital of Focus Directional or any other security convertible into or exchangeable for any such shares;

(g) the authorized capital of Focus Downhole consists of an unlimited number of common shares, of which 100 Class A common shares are issued and outstanding, which are all of the issued and outstanding securities in the capital of Focus Downhole and such shares are validly issued and fully paid as non-assessable; and no person has any right, agreement or option, present or future, contingent or absolute, or any other right capable of becoming a right, agreement or option, for the purchase of the 100 Class A common shares or for the issue or allotment of any unissued shares in the capital of Focus Downhole or any other security convertible into or exchangeable for any such shares;

(h) except as described in **Schedule 5.2(h)** and in the case of the Shareholders only, except where such ownership constitutes less than 5% of the outstanding shares of a publicly traded company, none of the Shareholders or the Focus Companies owns, whether directly or indirectly, any stock or other equity or ownership interest (whether controlling or not) in any corporation, association, partnership, joint venture or other entity which owns or operates energy services or provides any ancillary services to any of the Focus Companies;

(i) HoldCo is, and will be on the Closing Date, the legal and beneficial owner of all of the issued and outstanding shares of Focus Directional and Focus Downhole, with good and marketable title thereto, free and clear of all Encumbrances and no person has any right, agreement or option, present or future, contingent or absolute, or any other right capable of becoming a right, agreement or option, for the purchase of the any shares of Focus Directional and Focus Downhole or for the issue or allotment of any unissued shares in the capital of Focus Directional and Focus Downhole or any other security convertible into or exchangeable for any such shares;

(j) the execution and delivery of this Agreement by the Focus Companies and each of the Shareholders and all documents to be delivered pursuant hereto, the performance of the terms hereof and thereof and the consummation of the transactions contemplated herein and therein do not and will not:

    (i) result in the breach of or violate any term or provision of the articles, by-laws or other governing documents of the Focus Companies;

    (ii) conflict with, result in breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, licence, permit or authority to which any of the Focus Companies is a party, by which any of them are bound or to which any of their respective assets is subject except as listed in **Schedule 5.2(j)**;

    (iii) give to any person any interest or right, including any right of purchase, termination, cancellation or acceleration under any agreement, instrument, license, permit or authority; or

    (iv) result in the creation of any Encumbrance upon the Shares or any of the Assets; or

    (v) violate any provision of law or administrative regulation or any judicial or administrative order, award, judgment or decree applicable to the Shares, the Focus Companies, or the Assets, as applicable;

(k) there is no legal impediment to the consummation by the Focus Companies and the Shareholders of the transactions contemplated by this Agreement and no filing or registration with, or authorization, consent or approval of, any domestic or foreign public body or authority is necessary in connection with the making or the consummation of this Agreement, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals, which, if not received, would not have any material adverse effect on the ability of the Focus Companies or the Shareholders to consummate the transactions contemplated hereby;

Finder's Fees

(l) none of the Focus Companies nor any of the Shareholders have incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, agent's commission or other similar forms of compensation payable with respect to the transactions contemplated herein for which the Purchaser or the Focus Companies will have any obligation or liability;

Liabilities and Claims

(m) other than the Focus Litigation and an anticipated Revenue Canada payroll audit, there are no actions, suits, investigations, proceedings or claims, commenced or to its knowledge, pending or threatened, at law or in equity or before or by any court or other Governmental Authority with respect to the Focus Companies, the Assets or the Business or on the completion of the transactions contemplated hereby; and to its knowledge there are no grounds upon which any such action, suit, investigation, proceeding or claim may be commenced with a reasonable likelihood of success;

(n) the description of the Focus Litigation set forth in **Schedule 5.2(o)** is true and complete in all material respects and there has been no change, condition, event or occurrence which, has resulted in or could result in, a change in the status of or outcome of the claim since December 31, 2008 except as described in **Schedule 5.2(o)**;

(o) the Focus Companies have no material liabilities of any nature (matured or unmatured, fixed or contingent), other than:

(i) those set forth or adequately provided for in the Financial Statements;

(ii) those incurred in the ordinary course of business and not required to be set forth in the Financial Statements under GAAP; and

(iii) those incurred in the ordinary course of business since the dates of the Financial Statements and consistent with past practice;

(p) there are no known or reasonably anticipated liabilities, whether contingent or otherwise, of any kind whatsoever, whether or not determined or determinable, other than as required to be recorded in the financial statements of the Focus Companies in accordance with GAAP or which have not had and would not reasonably be expected to have a material adverse effect on the Focus Companies, and since the date hereof, there has been no change, condition, event or occurrence which, in its reasonable judgment, has resulted in or is reasonably likely to result in a material adverse change in the Focus Companies;

Subsidiaries

(q) each of AssetCo, Focus Directional and Focus Downhole have no subsidiaries and HoldCo has no subsidiaries other than Focus Directional and Focus Downhole;

Compliance With Laws

(r) each of the Focus Companies:

(i) has conducted and is conducting its business in compliance in all material respects with all Applicable Laws and, in particular, all material applicable licensing and environmental legislation, regulations or by laws or other lawful requirements of any governmental or regulatory bodies applicable to it in each jurisdiction in which it carries on its business;

(ii) holds all licenses, registrations and qualifications in all jurisdictions in which it carries on a material portion of its business which are necessary to carry on its business as now conducted, and all such material licenses, registrations or qualifications are valid and existing and in good standing; and

(iii) has not received any notice of proceedings relating to the revocation or modification of any such licenses, certificates, authorities, permits, consents or qualifications which, if the subject of an unfavourable decision, ruling or finding would materially and adversely affect the conduct of the business, operations, financial condition, or income of any of them;

(s) no dissolution, winding-up, bankruptcy, liquidation or similar proceedings have been commenced or to its knowledge, are pending or proposed in respect of the Focus Companies;

No Orders

(s.1) no order, ruling or determination having the effect of suspending the sale of, or ceasing the trading of, the Shares or any other securities of the Focus Companies has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted, are pending or, to its knowledge, are contemplated or threatened under any Applicable Laws or by any other regulatory authority;

Records and Financial Statements

(t) the Books and Records of the Focus Companies are true and correct in all material respects;

(u) the Financial Statements present fairly in accordance with GAAP, the financial position of the Focus Companies as of the date provided therein and the results of operations and the changes in financial position for the periods then ended;

(v) none of the Focus Companies is a party to or bound by any agreement of guarantee, indemnification, assumption or endorsement or any other like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any other person other than a guarantee of the indebtedness in relation to Permitted Encumbrances;

Assets

(w) **Schedule 5.2(w)** contains a complete list of the Material Contracts and Bank Accounts maintained by the Focus Companies;

(x) **Schedule 5.2(x)** contains a complete list of the Leased Facilities leased or owned by the Focus Companies;

(y) there is no Security registered or unregistered against the Assets, other than Permitted Encumbrances or the Security set forth in **Schedule 5.2(y)**;

(z) **Schedule 5.2(z)** sets forth a general description of all Equipment as of the Closing Date. All of the Equipment listed on **Schedule 5.2(z)** which is material for the operation of the Business is, and on the Closing Date will be, fully operational and accounted for reasonable wear and tear excepted or as identified as "scrap" or otherwise of nominal value on **Schedule 5.2(z)**. The Focus Companies do not have any Inventory;

(aa) **Schedule 5.2(aa)** sets out all of the Intellectual Property Rights owned or used by any of the Focus Companies which are material to its Business, and each of the Focus Companies owns or has the right to use all Intellectual Property Rights material to its Business and the Intellectual Property Rights do not infringe upon the Intellectual Property Rights of any third party and, to the best of its knowledge, there are no third party claims of infringement;

(bb) except as set forth in **Schedule 5.2(aa)**, the Focus Companies do not pay, and will not be obligated to pay, any material royalties or other material fees in connection with the license or use of the Intellectual Property Rights currently owned or licensed by or used by any of the Focus Companies in connection with its Business;

(cc) the Focus Companies are and will be on the Closing Date, the legal and beneficial owner of the Assets with good and marketable title thereto, free and clear of all Encumbrances other than the Permitted Encumbrances and the Security, it has not encumbered or alienated the Assets or any interest therein, other than as contemplated by this Agreement, and expect as provided in **Schedule 5.2(z)**, the Assets are (i) fully operational and are in good operating condition and repair, subject to ordinary wear and tear, (ii) not in need of maintenance or repair except for ordinary routine maintenance and repair, and (iii) sufficient for the operation of the Business as presently conducted, except in each case as identified as "scrap" or otherwise of nominal value in **Schedule 5.2(z)**;

(dd) each of the Focus Companies have been receiving all revenues to which it is entitled by virtue of its ownership of the Assets;

(ee) all Permits required for the conduct of the operation of the Business and the owning of the Assets have been obtained, are validly issued and are in good standing;

(ff) subject to Permitted Encumbrances, the Purchaser may, upon Closing, take possession of, hold, own and operate the Assets free and clear of any Encumbrances;

(gg) the Purchaser has been provided with access to all Material Contracts and it has no knowledge of any material default or notice of material default relating to the Assets or any of them, nor has it been informed of any material physical damage to or alteration in or to the Assets which would materially adversely affect the Assets;

(hh) no Shareholder holds any property, whatsoever, in the name of, on behalf of, or in trust for, the Focus Companies nor does any of the Focus Companies hold any property in trust for any other person;

Tax Matters

(ii) each of the Focus Companies has paid all assessments and reassessments that it has received in respect of Taxes and all Taxes due and payable as reflected in its Tax returns filed through the date hereof. Provision has been made in the Financial Statements for the payment of all other Taxes accruing due;

(jj) each of the Focus Companies has filed in a timely manner all Tax returns that it is required to file through the Closing Date (all of which returns were correct and complete in all material respects);

(kk) proper and accurate amounts of Taxes have been or will be withheld by each of the Focus Companies from its employees and collected from customers and, in each case, paid over to appropriate Governmental Authorities for all periods up to and through the Closing Date in full and complete compliance with applicable federal and provincial laws;

(ll) other than an anticipated Revenue Canada payroll audit, there are no ongoing, or to its knowledge, threatened or proposed audit of the Tax returns or liability for Taxes for each fiscal year for which the statute of limitations has not expired, including the amounts of any deficiencies and additions to Tax, interest and penalties indicated on any notices of proposed deficiency or statutory notices of deficiency that may have been issued in connection therewith. Each of the Focus Companies has not entered into any waiver of or agreed to extend any federal, provincial or local filing deadline for any Tax return or any statute of limitations with respect to any Tax;

Leased Facilities and Real Property

(mm) the Focus Companies do not own any real property used in connection with the Business. Each of the Focus Companies enjoys peaceful and undisturbed possession of the Leased Facilities and is not in default of any terms or conditions of the Leases. There are no subleases, licenses, occupancy agreements, options, rights, concessions or other agreements or arrangements, written or oral, where the Focus Companies grants to any person the right to use or occupy the Leased Facilities or any portion thereof. The Leased Facilities have installed utilities and other services necessary for the operation of the Business;

(nn) the Leased Facilities are (i) insured and all policies of insurance coverage relating to the Leased Facilities are in full force and effect, (ii) to its knowledge, structurally sound with no known material defects, (iii) in good operating condition and repair, subject to ordinary wear and tear, (iv) not in need of maintenance or repair except for ordinary routine maintenance and repair, the cost of which would not be material, (v) sufficient for the operation of the Business as presently conducted, and (vi) to its knowledge, operated and maintained in conformity with all applicable regulations relating thereto currently in effect. None of the improvements are subject to any commitment or other arrangement for their sale or use by any third parties;

(oo) to its knowledge, all Leased Facilities have received all required approvals of Governmental Authorities (including without limitation Permits and a certificate of occupancy or other similar certificate permitting lawful occupancy of the Leased Facilities) required in connection with the operation thereof. No alteration, repair, improvement or other work has been ordered, directed or requested in writing to be done or performed to or in respect of the Leased Facilities or to any of the plumbing, heating, elevating, water, drainage or electrical systems, fixtures or works by any municipal, provincial or other competent authority, which alteration, repair, improvement or other work has not been completed, and no written notification has been given to the Focus Companies of any such outstanding work being ordered, directed or requested, other than those that have been complied with;

(pp) all accounts for work and services performed and materials placed or furnished upon or in respect of the Leased Facilities at the request of the Focus Companies have been fully paid and satisfied, and to the best of its knowledge, no person is entitled to claim a lien against the Leased Facilities or any part thereof, other than current accounts in respect of which the payment due date has not yet passed;

Employment

(qq) **Schedule 5.2(qq)** sets forth (i) a list of all employees of the Focus Companies who are engaged in the Business and their positions/titles and wage rates or salaries, as of the date of this Agreement, and (ii) the dates of commencement of employment for such employees;

(rr) all employee and consulting salaries, remuneration, benefits (including, without limitation, any benefits or entitlements under the Employee Plans), deductions, contributions, holiday or vacation pay (including sick leave) and workers' compensation payments for all employees of the Focus Companies have been fully accrued for in the Financial Statements or paid and satisfied in full;

(ss) there are no existing claims or, to its knowledge, claims pending or threatened by any present or former employees of the Focus Companies against the Focus Companies, as applicable, for any reason whatsoever including, without limiting the generality of the foregoing, for any unpaid wages, bonuses, commissions or any other compensation. Each of the Focus Companies is up to date in making Employment Insurance payments, payments pursuant to the Canada Pension Plan, income tax withholding payments and workers' compensation payments and payments to any other pension or insurance programs to which it may be a party, including the payment of any union or association dues or fitness plans, arrangements or agreements to which it is a party or by which it is bound;

(tt) there is not, and will not be at the Closing Time, any trade union or association certified by competent authority or recognized by the Focus Companies as bargaining agent for any of its employees or any of its Affiliates, and the Focus Companies and its Affiliates are not, and will not be at the time of Closing, a party to any collective agreement with any labour union or association of employees;

(uu) there are not any outstanding orders under applicable federal or provincial occupational health and safety legislation affecting the Focus Companies;

(vv) the Focus Companies will not at the Closing Date have any outstanding liabilities for payment of wages, sick pay, salaries, pensions, for contributions or entitlements under any employee benefit plan (including, without limitation, the Employee Plans) or for any other compensation, current or deferred under any labour or employment contract, whether oral or written, except for (i) vacation days and bonus amounts which shall specifically be addressed by the Purchaser and the Shareholders in the Interim Purchase Price Statement and, as applicable, the Interim Purchase Price Statement; and (ii) normal accruals for wages, vacation pay, salaries or other similar expenses and normal day to day operating expenses and except for contracts terminable at the option of the Focus Companies, and the Focus Companies will not have any outstanding liabilities to any employee arising under any applicable statute or regulation including, without limitation, any employment standards, human rights, workers' compensation or occupational health and safety legislation, or under the ITA;

(ww) except as set forth in **Schedule 5.2(qq)**, none of the Focus Companies is a party to any written or oral contract: (i) for the employment of any officer or individual employee; (ii) that provides for any agreed upon severance payment or any other form of compensation in the event of the termination of employment of any officer or individual employee, or in the event of a change of control; (iii) that provides for any bonus or incentive payment or any other form of compensation to any employee in the event that they remain in their employment for a period of time; (iv) with any labour or trade union; or (v) for consulting services on an ongoing basis which cannot be terminated without penalty or additional compensation within 30 days of the Closing Date;

(xx) each of the Focus Companies is in compliance in all material respects with all applicable statutes and regulations in Canada, under provincial and federal authority, respecting employment and employment practices, terms and conditions of employment in wages and hours and is not engaged in unfair labour practice. To its knowledge, (i) there is no unfair labour practice or other complaint against the Focus Companies pending before any governmental authority, board or agency; (ii) there is no labour strike, dispute, slowdown or stoppage pending or, to its knowledge, threatened against, or affecting the Focus Companies or any of its properties or assets; and (iii) no arbitration proceeding arising out of or under any collective bargaining agreement is pending or threatened;

Pension and Benefit Plans

(yy) **Schedule 5.2(yy)** sets forth all the Employee Plans which as of the date hereof are currently maintained or contributed to, or any time within the last five (5) calendar years were maintained or contributed to, by the Focus Companies or in which any employee or former employee is or was eligible to participate and with respect to which the Focus Companies has any actual or potential liability;

Insurance

(zz) **Schedule 5.2(zz)** describes all policies of insurance currently in force (including the insurer, type of insurance and period of coverage) to which any of the Focus Companies is a party or under which any of the Focus Companies, or any Assets, operations and personnel of the Business is or has been insured;

(aaa) each of the Focus Companies has paid all accumulated premiums due or has accrued same as a liability and has otherwise performed substantially all of its obligations under each such current insurance policy;

Environmental Matters

(bbb) there has not been up to the Closing Time:

(i) any release, spill or emission that is reportable by any of the Focus Companies or the owner of the lands affected thereby under Applicable Laws regarding the environment and that has not been reported, or

(ii) any material violation by the Focus Companies of any Environmental Laws;

(iii) neither the Focus Companies nor any of the Shareholders has received any written communication, nor, to its knowledge, has the owner of any lands which may be affected, received any written communication, to the effect that it (or the current owner, as applicable) is not in compliance with any Applicable Laws regarding the environment;

(ccc) all Records of the Focus Companies relating to environmental compliance are complete and accurate in all material respects;

(ddd) neither the Focus Companies or any of the Shareholders is aware of or has received:

(i) any orders or directives which relate to environmental matters and which require any work, repairs, construction or capital expenditures with respect to the Assets, where such orders or directives have not been complied with in all material respects;

(ii) any demand or notice with respect to the breach of any Environmental Law applicable to the Assets or the Business, including, without limitation, respecting the use, storage, treatment, transportation or disposition of Hazardous Substances, which demand or notice remains outstanding; or

(iii) any information relating to any facts or circumstances which could give rise to a demand, notice, an order or directive as set out in paragraphs (i) and (ii) above;

(eee) the Business has been operated and maintained in material compliance with all Environmental Laws, except where the failure would not have a material adverse effect;

(fff) neither the Focus Companies or any of the Shareholders has received any notice at any time that any of the Focus Companies is or was claimed to be in violation of the provisions of any Environmental Law as it pertains to the Business where such claim or violation has not been resolved, and, to its knowledge, there is no pending or threatened lawsuit, administrative, governmental or other legal action to that effect;

(ggg) to its knowledge, there is not now pending or threatened, nor, to its knowledge, any basis for, nor has there ever been, any legal action against the Focus Companies, nor, to its knowledge, any basis for any legal action, under any Environmental Law pertaining to the Business or otherwise with respect to any release, spill or handling of any Hazardous Substance used in conducting the Business;

(hhh) to its knowledge, there is not and has not been any Hazardous Substance used, generated, treated, stored, transported, disposed of, handled or otherwise existing on, under, about or from any Leased Facility, except for quantities of any such Hazardous Substances stored or otherwise held on, under or about any such Leased Facility in full compliance with all Environmental Laws and necessary for the operation of the Business;

(iii) to its knowledge there are no present or past Environmental Conditions (as defined below) in any way relating to the Business or, to its knowledge, the Leased Facilities. "**Environmental Conditions**" means the introduction by the Focus Companies into the soil, groundwater or environment of the Leased Facilities (through leak, spill, release, discharge, escape, emission, dumping, disposal or otherwise) of any pollution prior to the Closing Time including, without limitation, any contaminant, irritant or pollutant or Hazardous Substance (whether or not such pollution constituted at the time thereof a violation of any Environmental Law) as a result of which either the Focus Companies or, after the Closing, the Purchaser has or may become liable to any person or federal, provincial or local government or agency or by reason of which any of the Assets may suffer or be subjected to any lien;

Related Party Transactions

(jjj) other than as set forth in **Schedule 5.2(jjj)**:

(i) none of the Focus Companies is a party to any contract or agreement (whether written or oral) under which it is obligated to purchase goods or services from, or provide goods and services to, any Related Person;

(ii) other than the Focus Companies no Related Person to the Focus Companies or to the Shareholders, owns, holds title to, licenses or permits use of, any of the Assets or any Authorizations relating to the Business; and

(iii) at Closing, the Focus Companies will not have any loans or other indebtedness outstanding which have been made to or from any of its Shareholder, officers, directors or employees, past or present, or any Related Person,

Long Term Debt

(kkk) **Schedule 5.2(kkk)** sets forth all of the long term debt (the "**Long Term Debt**") of each of the Focus Companies, which Long Term Debt includes all amounts owing in relation to the Permitted Encumbrances described in paragraphs 1.1(iii)(i) to (v), inclusive and all amounts owing to any of the Shareholders or their Affiliates;

(lll) as at the Closing Date, there will be no Long-Term Debt, Capital Leases or Shareholder Loans, other than the Long-Term Debt, Capital Leases and Shareholder Loans set forth in **Schedule 5.2(kkk);**

Certain Payments

(mmm) neither the Corporation nor any Shareholder, director, officer, agent, or employee of the Corporation, or any other person associated with or acting for or on behalf of any of the Focus Companies, has directly or indirectly on behalf of any of the Focus Companies (i) made any contribution, gift, rebate, secret payment or commission, or other payment to any person, private or public, regardless of form, whether in money, property, or services other than the promotional gifts or hospitality of such nature as is commonly provided in the ordinary course by Canadian businesses or donations to any registered charity, (A) to obtain favourable treatment in securing business, (B) to pay for favourable treatment for business secured, (C) to obtain special concessions or for special concessions already obtained, for or in respect of any of the Focus Companies out of the funds or assets of any of the Focus Companies, or (D) in violation of any legal requirement, or (ii) established or maintained any fund or asset that has not been recorded in the books and records of any of the Focus Companies; and

No Material Change

(nnn) since the Adjustment Date, other than as disclosed herein: (i) the business of each of the Focus Companies has been conducted only in the ordinary and normal course; (ii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to any of the Focus Companies, has been incurred other than in the ordinary course of business; (iii) there has not been any Material Adverse Change in respect of any of the Focus Companies; and (iv) each of the Focus Companies has complied with the covenants set forth in Section 7.2(c) as if such covenants were applicable for the period from the Adjustment Date to the date hereof.

5.3 Representations and Warranties of the Purchaser

The Purchaser represents and warrants to the Focus Companies and the Shareholders and acknowledges that the Focus Companies and the Shareholders are relying thereon, that:

Corporate Standing, Power and Authorizations.

(a) the Purchaser is duly incorporated, organized and validly existing under the law of the jurisdiction of its incorporation, has the corporate power and capacity to own or lease its property and assets and to carry on its business as now conducted by it and is duly qualified to carry on business in each jurisdiction in which the nature of its business or the property or assets owned or leased by it makes such qualification necessary;

(b) except as disclosed in **Schedule 5.3(b)**, the Purchaser has no subsidiaries;

(c) the Purchaser has the full power, legal capacity and authority to execute and deliver this Agreement and all other documents contemplated by this Agreement to which it is or will be a party. The consummation by the Purchaser of the transactions contemplated herein and in all agreements contemplated hereunder have been duly authorized by the board of directors of the Purchaser, where applicable, and no other corporate proceedings on the part of the Purchaser are or will be necessary to authorize this Agreement or the transactions contemplated hereby. This Agreement constitutes and each such other documents when created and delivered by the Purchaser, will constitute the legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with their respective terms except as that enforceability may be (i) limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally, and (ii) subject to general principles of equity (regardless of whether that enforceability is considered in a proceeding in equity or at law;

(d) except in connection with its credit facilities in respect of which the Purchaser has received the consent of its lender to the transactions contemplated herein, the execution and delivery of this Agreement and all documents to be delivered pursuant hereto, the performance of the terms hereof and thereof and the consummation of the transactions contemplated herein and therein do not and will not:

  (i) result in the breach of or violate any term or provision of its articles, by-laws or other governing documents ;

  (ii) conflict with, result in breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument, licence, permit or authority to which it is a party, by which it is bound or to which any of its property or assets is subject; or

  (iii) give to any person any interest or rights, including any right of purchase, termination, cancellation or acceleration under any agreement, instrument, permit or authority; or

  (iv) result in the creation of any Encumbrance upon the Enseco Shares; or

  (v) violate any provision of law or administrative regulation or any judicial or administrative order, award, judgment or decree applicable to it or of its property or assets;

(e) there is no legal impediment to the consummation by the Purchaser of the transactions contemplated by this Agreement and no filing or registration with, or authorization, consent or approval of, any domestic public body or authority is necessary in connection with the making or the consummation of this Agreement, other than approval of the TSX Venture Exchange and the Purchaser's banker and such other filings or registrations which, if not made, or for such authorizations, consents or approvals, which, if not received, would not have any material adverse effect on the ability of the Purchaser to consummate the transactions contemplated hereby;

Capitalization

(f) as of the date hereof, the authorized capital of the Purchaser consists of an unlimited number of Enseco Shares and an unlimited number of first preferred shares. As of the date hereof, there were issued and outstanding not more than 45.5 million Enseco Shares and no first preferred shares. Other than:

(i) 4,087,500 Enseco Shares reserved for issuance pursuant to the Purchaser's Stock Option Plan;

(ii) 8,500,000 Enseco Shares to be issued to Lane Roberts pursuant to a previously announced private placement; and

(iii) Enseco Shares which may be issued upon conversion of currently outstanding convertible debentures;

there are no options, warrants or other rights, agreements or commitments of any character whatsoever requiring the issuance, sale or transfer by the of any securities of the Purchaser (including Enseco Shares) or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any securities of the Purchaser (including Enseco Shares). All outstanding Enseco Shares have been duly authorized and validly issued, are fully paid and non-assessable and are not subject to, nor were they issued in violation of, any pre-emptive rights;

Finders Fees

(g) the Purchaser has not directly or indirectly, in connection with this Agreement or the transactions contemplated hereby (i) employed any broker, finder or agent, or (ii) agreed to pay or incurred any obligation to pay any broker's or finder's fee, any sales commission or any similar form of compensation for which the Shareholders will have any liability;

Claims

(h) there are no actions, suits, investigations, proceedings or claims, commenced or to its knowledge, pending or threatened, at law or in equity or before or by any court or other Governmental Authority with respect to the Purchaser or on the completion of the transactions contemplated hereby; and to its knowledge there are no grounds upon which any such action, suit, investigation, proceeding or claim may be commenced with a reasonable likelihood of success;

Compliance With Laws

(i) the Purchaser:

(i) has conducted and is conducting its business in compliance in all respects with all Applicable Laws and, in particular, all applicable licensing and environmental legislation, regulations or by laws or other lawful requirements of any governmental or regulatory bodies applicable to it in each jurisdiction in which it carries on its business, and where it is not in compliance, such non compliance does not have a material adverse effect;

(ii) holds all licenses, registrations and qualifications in all jurisdictions in which it carries on a material portion of its business which are necessary to carry on its business as now conducted, and all such material licenses, registrations or qualifications are valid and existing and in good standing; and

(iii) has not received any notice of proceedings relating to the revocation or modification of any such licenses, certificates, authorities, permits, consents or qualifications which, if the subject of an unfavourable decision, ruling or finding would materially and adversely affect the conduct of the business, operations, financial condition, or income of any of them;

(j) no dissolution, winding-up, bankruptcy, liquidation or similar proceedings have been commenced or to its knowledge, are pending or proposed in respect of the Focus Companies;

No Orders

(j.1) no order, ruling or determination having the effect of suspending the sale of, or ceasing the trading of, the Enseco Shares or any other securities of the Purchaser has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted, are pending or, to the knowledge of the Purchaser, are contemplated or threatened under any Applicable Laws or by any other regulatory authority;

Public Record

(k) the Purchaser has filed all documents required to be filed by it in accordance with Applicable Securities Laws and all such documents were, as of their respective dates, in compliance in all material respects with all Applicable Securities Laws and at the time filed did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(m) since March 31, 2009, other than as disclosed in the Public Record, (i) the Purchaser has conducted its business only in the ordinary and normal course, (ii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to the Purchaser, has been incurred other than in the ordinary course of business, and (iii) there has not been any material adverse change in respect of the Purchaser;

(l) the Purchaser Financial Statements were prepared in accordance with GAAP and present fairly in accordance with GAAP the consolidated financial position, results of operations and cash flows of the Purchaser on a consolidated basis as of the dates thereof and for the periods indicated therein (subject, in the case of any unaudited interim financial statements, to normal year-end audit adjustments) and reflect appropriate and adequate reserves in respect of contingent liabilities, if any, of the Purchaser on a consolidated basis;

(m) the Purchaser has no material liabilities of any nature (matured or unmatured, fixed or contingent), other than:

(i) those set forth or adequately provided for in the Purchaser Financial Statements;

(ii) those incurred in the ordinary course of business and not required to be set forth in the Purchaser Financial Statements under GAAP;

(iii) those incurred in the ordinary course of business since the dates of the Purchaser Balance Sheets and consistent with past practice;

(iv) those disclosed in the Public Record; and

(v) those incurred in connection with the execution of this Agreement;

Securities Matters

(g) the Purchaser is a reporting issuer in the province of Alberta and is in material compliance with all Applicable Canadian Securities Laws therein and the Enseco Shares are listed and posted for trading on the TSX Venture Exchange and the Purchaser is in material compliance with the rules of the TSX Venture Exchange;

(n) the Purchaser has, as of the date hereof, the full legal right, power and authority to issue the Enseco Shares issuable pursuant to this Agreement and, upon issuance, such Enseco Shares will be issued as fully paid and non assessable and will not contain any legends restricting the resale of such shares or be subject to escrow provisions which may restrict the trading of such shares; and

(o) the TSX Venture Exchange has conditionally approved the listing of the Enseco Shares issuable pursuant to this Agreement on the TSX Venture Exchange, subject to the Purchaser fulfilling the requirements of the TSX Venture Exchange set forth in the conditional approval letter.

ARTICLE 6
INDEMNITIES AND SURVIVAL

6.1 Survival

The representations, warranties, covenants and agreements herein and in any document delivered pursuant hereto shall survive the Closing and remain in full force and effect provided that no Party shall be liable in respect of any representation, warranty, covenant or agreement unless the Party seeking to rely upon such representation, warranty, covenant or agreement shall have given notice to the Party who made such representation, warranty, covenant or agreement of its intention to rely thereon on or before:

(a) in the case of a Tax Claim, the date which is the earlier of:

  (i) the date that such Tax Claim is statute barred under Applicable Laws (i.e. until the expiration of the period, if any, during which an assessment, reassessment or other recognized form of document assessing liability for Taxes under Applicable Laws relating to Taxes in respect of any taxation year to which any applicable representations or warranties relate could be issued, provided that no Party shall file any waiver or other document extending such period without the express prior written consent of the Party against whom a Claim is being made); and

  (ii) seven years after the Closing Date,

(b) in the case of a Litigation Claim, the date which is 10 years following the Closing Date; and

(c) in the case of all other Claims, 24 months following the Closing Date.

(as applicable, the "**Survival Period**").

6.2 Shareholders' Indemnities

With respect to Claims imposed on, incurred or suffered by, or asserted against the Purchaser within the applicable Survival Period, but subject to the limitations set forth in Section 6.4, each of the Shareholders will jointly and severally indemnify (except with respect to Claims arising pursuant to a breach or representation or warranty of a Shareholder in Section 5.1, where the indemnity shall be on a several basis only) the Purchaser, and any of its officers, directors, employees, agents, affiliates, successors and permitted assignees (collectively, the "**Purchaser Indemnified Parties**") from and against, and save and hold each Purchaser Indemnified Party harmless from all Claims against or affecting a Purchaser Indemnified Party resulting from or attributable to: (i) a Litigation Claim; (ii) a breach of a representation or warranty set forth in Section 5.1 or 5.2; or (iii) a breach of a term or covenant of the Shareholders (or any one of them) or any of the Focus Companies under this Agreement.

6.3 Purchaser's Indemnities

The Purchaser will, with respect to Claims imposed on, incurred or suffered by, or asserted against any of the Shareholders within the applicable Survival Period, subject to Section 6.4, indemnify the Shareholders, and any of their successors or permitted assignees, or heirs, or legal representatives (collectively, the "**Shareholder Indemnified Parties**") from and against, and save and hold each Shareholder Indemnified Party harmless from, all

Claims against or affecting a Shareholder Indemnified Party resulting from or attributable to any misrepresentation or breach of warranty set forth in Section 5.3, or a breach by it of any of the covenants or agreements to be performed by it under this Agreement.

6.4 Limitations on Indemnity and Liability

Notwithstanding anything to the contrary contained in this Agreement:

(a) no Party will be liable hereunder for any Claims of an indirect, special or consequential nature suffered by any other Party or claimed by a third party against any other Party, or any exemplary or punitive damages, costs or expenses or loss of profits suffered by any other Party;

(b) any Parties against whom a breach of representation, warranty or covenant is being asserted by another Party shall have reasonable opportunity, not to exceed 10 business days unless otherwise agreed by the affected Parties, to remedy any alleged breach of a representation, warranty or covenant which is capable of being remedied before any indemnification obligation will arise;

(c) the Purchaser will not be liable for any Claims exceeding the aggregate Purchase Price;

(d) the amount of liability for any Tax Claim shall be reduced by the value of any tax benefit that an affected Party, or any of its Affiliates or Subsidiaries, may be entitled to receive or arising as a result of the Tax Claim (taking into account when such Tax benefits arise);

(e) other than Litigation Claims, no claim(s) for indemnity shall be made hereunder unless the aggregate amount of the Claims exceed $100,000, at which time the affected Parties shall be entitled to claim the full amount of the Claims;

(f) the Shareholders' aggregate liability to the Purchaser in respect of all Claims (other than Litigation Claims) shall not exceed the Purchase Price;

(g) other than Litigation Claims, any Claim of the Purchaser against the Shareholders or any one of them, shall first be set off against amounts owing to the Shareholders or any one of them pursuant to Section 2.6,

(h) no Party will be entitled to indemnity in respect of a Claim (other than a Litigation Claim) if such Party has been advised in writing or otherwise has actual knowledge prior to the Closing Time of the inaccuracy, non-performance, non-fulfilment or breach which is the basis for such Claim and such Party completes the transactions hereunder notwithstanding such inaccuracy, non-performance, non-fulfilment or breach; and

(i) the amount of any damages which may be claimed by a Party pursuant to a Claim shall be calculated to be the amount of the Claim after giving effect to any insurance proceeds available to such Party or its officers, directors, employees, agents, affiliates, successors or permitted assignees or in relation to the matter which is the subject of the Claim.

6.5 Third Party Indemnity Claim Provisions

The following provisions will apply to any claim for indemnification arising out of a Claim imposed on, incurred by, suffered by, or asserted against a third party:

(a) promptly upon becoming aware of any matter that may give rise to a third party Claim, the Party entitled to be indemnified (the "**Indemnitee**") shall provide the indemnifying Party (the "**Indemnitor**") with written notice of the claim specifying, to the extent the information is available, the factual basis for the claim and the amount thereof, or if an amount is not then determinable, an estimate of the amount;

(b) the Indemnitee shall not negotiate, settle, compromise or pay (except in the case of a judgment) any Claim which relates to rights asserted by a third party except with the prior written consent of the Indemnitor, such consent not to be unreasonably withheld; and

(c) the Indemnitor may, at its option, assume carriage of negotiations respecting the compromise or settlement of any third party Claim and the conduct of the related legal, administrative or other proceedings, but the Indemnitee shall have the right and shall be given the opportunity to participate in the defence of any claim which relates to rights asserted by a third party and to consult in relation to the settlement thereof and the conduct of related legal, administrative or other proceedings, at its sole cost and expense, and in any event the Indemnitee shall cooperate with the Indemnitor in such defence, including by providing access to such information as is in the Indemnitee's possession or power to obtain as is necessary or desirable for such defence.

6.6 Books and Records

Each Party agrees that it will cooperate with and make available to the other Party, during normal business hours, all Books and Records and information retained and remaining in existence after the Closing which are necessary or useful in connection with any investigation, dispute or litigation with respect to a Claim for which indemnification has been sought.

ARTICLE 7
COVENANTS AND ACKNOWLEDGMENTS

7.1 Covenants of the Purchaser Regarding Interim Period

From the date hereof until the Closing Date or termination of this Agreement, except with the prior written consent of *[NAME OF SHAREHOLDER INTENTIONALLY REDACTED]*, on behalf of the Shareholders and except as otherwise expressly permitted or specifically contemplated by this Agreement or required by Applicable Laws:

(a) the Purchaser's business and affairs shall be conducted only in the usual and ordinary course consistent with past practices and it shall use all commercially reasonable efforts to maintain and preserve its business, assets and advantageous business relationships, provided that nothing contained in this clause shall restrict the Purchaser from resolving to, or entering into or performing any contract, agreement, commitment or arrangement with respect to the acquisition of any business or assets in any manner, including other than in the usual and ordinary course consistent with past practices and provided that the doing of any such thing does not result in a material adverse effect on the Purchaser on a consolidated basis;

(b) the Purchaser shall not directly or indirectly do or permit to occur any of the following: (i) amend its constating documents; (ii) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of its outstanding common shares; (iii) redeem, purchase or otherwise acquire any of its outstanding common shares or other securities; (iv) split, combine or reclassify any of its common shares; (vi) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization of the Purchaser; or (vii) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing, provided that this clause shall not restrict the Purchaser from resolving to enter into or perform, or entering into or performing, any contract, agreement, commitment or arrangement with respect to the acquisition of any assets or businesses in any manner, including by doing any of the things specifically enumerated herein and provided that the doing of any such thing does not result in a material adverse effect on the Purchaser on a consolidated basis; and

(c) the Purchaser shall promptly notify *[NAME OF SHAREHOLDER INTENTIONALLY REDACTED]*, on behalf of the Shareholders, in writing of any material change (actual, anticipated, contemplated or, to the knowledge of the Purchaser threatened, financial or otherwise) in its business, operations, affairs, assets, capitalization, financial condition, prospects, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise, or of any change in any representation or warranty provided by the Purchaser in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and the Purchaser shall in good faith discuss with and notify *[NAME OF SHAREHOLDER INTENTIONALLY REDACTED]*, on behalf of the Shareholders any change in circumstances (actual, anticipated, contemplated, or to the knowledge of the Purchaser, threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to the Shareholders pursuant to this provision.

7.2 Covenants of the Focus Companies Regarding Interim Period

From the date hereof until the Closing Date or termination of this Agreement, except with the prior written consent of the Purchaser and except as otherwise expressly permitted or specifically contemplated by this Agreement or required by Applicable Laws:

(a) the affairs and the business of each of the Focus Companies shall be conducted only in the usual and ordinary course consistent with past practices and each of the Focus Companies shall use all commercially reasonable efforts to maintain and preserve its business, assets and advantageous business relationships;

(b) each of the Focus Companies shall not directly or indirectly do or permit to occur any of the following: (i) amend its constating documents; (ii) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of its outstanding shares; (iii) issue, grant, sell or pledge or agree to issue, grant, sell or pledge any shares or other securities of it, including, without limitation, securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, its shares; (iv) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization; or (v) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing;

(c) each of the Focus Companies will not, directly or indirectly, do any of the following:

(i) voluntarily assume any obligations or commitments with respect to the Assets or the Business out of the ordinary course of the business or in excess of $50,000 without first consulting the Purchaser;

(ii) surrender or abandon any Assets having a value in excess of $50,000;

(iii) amend any agreement or enter into any agreement respecting the Assets or the Business having a value in excess of $50,000;

(iv) sell, transfer or otherwise dispose of the Business or the Assets or any of them having a value in excess of $50,000, except to the Purchaser in accordance with the provisions hereof; and

(v) grant an Encumbrance with respect to any of the Assets having a value in excess of $50,000;

(d) each of the Focus Companies and the Shareholders shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect; and

(e) each of the Focus Companies and the Shareholders shall promptly notify the Purchaser in writing of any material change (actual, anticipated, contemplated or, to its knowledge threatened, financial or otherwise) in its business, operations, affairs, assets, capitalization, financial condition, prospects, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise, or of any change in any representation or warranty provided by it in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and *[NAME OF SHAREHOLDER INTENTIONALLY REDACTED]*, on behalf of the Focus Companies and the Shareholders, shall in good faith discuss with the Purchaser any change in circumstances (actual, anticipated, contemplated, or to its knowledge of the Focus Companies and/or the Shareholders threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to the Purchaser pursuant to this provision.

7.3 Non-Solicitation

The Focus Companies and each of the Shareholders shall immediately cease and cause to be terminated from the date hereof any existing solicitation, initiation, encouragement, activity, discussion or negotiation with any parties conducted heretofore by it or its officers, directors, employees, consultants, financial advisors, representatives and agents ("**Representatives**") with respect to a Take-over Proposal whether or not initiated and in connection therewith, the Focus Companies shall not release any third party from any confidentiality or standstill agreement to which any of the Focus Companies and such third party is a party or amend any of the foregoing and shall exercise all rights to require the return of information regarding the Focus Companies. From and after the date hereof, the Focus Companies and each of the Shareholders will not, and will not authorize or permit any of its Representatives to, directly or indirectly, solicit, initiate or encourage (including by way of furnishing information) or participate in, or take any other action to facilitate any inquiries or the making of any proposal which constitutes or may reasonably be expected to lead to a Take-over Proposal from any person, or engage in any discussion, negotiations or inquiries relating thereto or accept any Take-over Proposal.

7.4 Confidential Information

All information and data, in whatever form, obtained by the Purchaser in respect of the subject-matter of this Agreement (the "**Confidential Information**") shall be held by the Purchaser in the strictest confidence and shall not be disclosed prior to Closing; provided that such Confidential Information may be disclosed if the disclosure (i) is made with the consent of all the Parties; (ii) is required by law, by a government or governmental department, ministry, board, commission or agency or by a court or other tribunal of competent jurisdiction (but only after prior written notice to the Shareholders); (iii) is required by a securities commission or stock exchange having jurisdiction over the Purchaser or an Affiliate of the Purchaser (but only after prior written notice to the Shareholders); (iv) is in respect of information or data that is in the public domain at the time of the disclosure through no fault of the Purchaser; (v) is made on a need-to-know basis to outside consultants, accounting, business or legal advisors who agree to maintain the confidentiality of the Confidential Information. If the Closing does not occur (i) such confidence shall be maintained by the Purchaser and Purchaser shall cause its officers and directors and Affiliates and shall use reasonable efforts to cause such other persons to maintain such confidence, except to the extent such information comes into the public domain (other than as a result of an action by Purchaser, its officers, directors or such other persons in contravention of this Agreement), (ii) Purchaser shall and shall cause its officers and directors and Affiliates and shall use reasonable efforts to cause such other persons to refrain from using any of such Confidential Information except in connection with the Agreement, and (iii) upon the request of any party, the other party shall promptly return to the requesting party any written materials remaining in its possession, which materials it has received from the requesting party, or their respective representatives.

7.5 Notice of Events

During the period from the date hereof to the Closing Date, each Party to this Agreement shall promptly notify the other Parties to this Agreement of (i) any event, condition or circumstance occurring from the date hereof through the Closing Date that may constitute a violation or breach of this Agreement, or (ii) any event, occurrence, transaction or other item which would have been required to have been disclosed on any Schedule, had such event, occurrence, transaction or item existed on the date hereof, other than items arising in the ordinary course of business which would not render any representation or warranty misleading.

7.6 Audit of Financial Statements

The Focus Companies and each of the Shareholders agree, from the date hereof to the Closing Date, and thereafter, from time to time, at the request of the Purchaser, to provide to the Purchaser and its representatives access necessary to prepare audited financial statements and render such assistance as is reasonably necessary to the Purchaser and its representatives in connection with the preparation of audited financial statements for prior fiscal periods to the extent the Purchaser determines it reasonably necessary to comply with future disclosure requirements under applicable corporate or securities law.

7.7 Break Fee

If, as a result of a breach or non compliance by the Focus Companies or any Shareholder of a representation, warranty, term, condition or covenant hereof (and the Purchaser is not otherwise in material breach of this Agreement), Closing does not occur on or prior to the Closing Date or such other date as agreed to by the Purchaser and the Shareholders in writing, on the Purchaser's election by written notice to the Focus Companies, the Focus Companies shall forthwith pay to the Purchaser $500,000 as liquidated damages, which amount the Parties hereby agree shall constitute a genuine pre-estimate of the liquidated damages which will be suffered by the Purchaser if Closing does not occur due to a breach of this Agreement by the Focus Companies or any of the Shareholders, and thereupon this Agreement shall be terminated and no longer of any force or effect. Such payment shall be made in immediately available funds to an account designated by the Purchaser.

7.8 Permitted Encumbrances Indemnification

The Purchaser agrees to indemnify each of the Shareholders for any liability which they may incur by virtue of claims arising against them resulting from or attributable to the Permitted Encumbrances described in Section 1.1(iii)(v).

ARTICLE 8
DISPUTE RESOLUTION

8.1 Disputes

This Article 8 shall apply to any dispute arising under or related to this Agreement (whether arising in contract, tort or otherwise, and whether arising at law or in equity), before or after Closing, including (i) any dispute regarding the construction, interpretation, performance, validity or enforceability of any provision of this Agreement or whether any person is in compliance with, or breach of, any provisions of this Agreement, and (ii) the applicability of this Article 8 to a particular dispute. Any dispute to which this Article 8 applies is referred to herein as a "**Dispute.**" With respect to a particular Dispute, each party that is a party to such Dispute is referred to herein as a "**Disputing Party**". The provisions of this Article 8 shall be the exclusive method of resolving Disputes.

If the Parties are unable to resolve the Dispute, any Party to the Dispute may submit the Dispute to binding arbitration before a single arbitrator in Calgary, Alberta. The arbitration shall be administered by the Canadian Foundation for Dispute Resolution (the "**Foundation**") in accordance with its "Commercial Arbitration Rules" (the "**Rules**"), except as modified in this Article 8.

8.2 Negotiations to Resolve Disputes

The Parties shall endeavour to resolve any Dispute in a prompt and equitable manner. In the event a Dispute arises which the Parties are unable to resolve, the Parties shall, prior to the initiation of any claim or cause of action, each appoint an officer or representative who has settlement authority to meet (in person or by telephone conference) in an effort to resolve the Dispute equitably, in good faith and as quickly as reasonably possible. The Parties shall appoint their officer or representative within five (5) business days of one Party notifying the other Party of the appointment of the applicable representative. The responsibility of these representatives shall be to resolve the matter or propose a method of resolving the matter, if possible. No settlement shall be binding until reduced to writing and signed by the Parties. If the Dispute is not settled or resolved by the earlier of (i) 20 business days following the first meeting of the representatives and (ii) at such time as the representatives unanimously agree that a resolution of the Dispute is not possible, then the Parties may proceed as set forth below.

8.3 Appointment of Arbitrator

(a) A Party (the "**Initiating Party**") wishing to submit the Dispute to arbitration shall select one representative, which representative shall not be an employee, officer or director of the Initiating Party or of any Affiliate of the Initiating Party. The Initiating Party shall send a Notice of a Request to Arbitrate in the form prescribed by the Rules (the "**Arbitration Notice**") to the other Party setting out the name of its representative. The Initiating Party shall be responsible for notifying the Foundation of the Arbitration under its Rules and for paying the administrative fee for the arbitration to the Foundation.

(b) The other Party (the "**Receiving Party**") shall have seven (7) calendar days from receipt of the Arbitration Notice to select its own representative and to notify the Initiating Party of the name of the representative selected by the Receiving Party. The representative of a Receiving Party shall not be an employee, officer or director of the Receiving Party or of any Affiliate of the Receiving Party.

(c) Promptly upon their selection and, in any event within fourteen calendar (14) days of notification of the appointment of the Initiating Party's representative, the representatives then selected shall appoint a single Arbitrator.

(d) If the Receiving Party fails to appoint a representative, or the selected representatives fail to agree upon an Arbitrator, then, pursuant to the Rules, either Party or its representative may request the Foundation to promptly appoint the Arbitrator and to notify the Parties of such appointment.

(e) The Arbitrator appointed pursuant to Subsection 8.3(c) or 8.3(d) as the case may be, shall be qualified by education and experience to determine the matter in dispute.

8.4 Procedure

(a) The Parties shall agree in advance as to the manner in which the Arbitrator shall promptly hear witnesses and arguments, review documents and otherwise conduct the arbitration procedures. Failing such agreement within ten (10) days from the date of selection or appointment of the Arbitrator, the Arbitrator shall use the Rules and promptly commence and expeditiously conduct the arbitration proceedings.

(b) Nothing in this Section shall prevent a Party from applying to a court of competent jurisdiction pending final disposition of the arbitration proceeding for such relief as may be necessary to assist the arbitration process, to ensure that the arbitration is carried out in accordance with the Arbitration Procedure or to prevent manifestly unfair or unequal treatment of any Party to the arbitration.

(c) In no event shall the Arbitrator have the jurisdiction to amend or vary the terms of this provision or of the Rules.

(d) Any immaterial deviation from the rules or procedures set out in this Article 8 shall not negate the provisions of this Article 8.

8.5 Awards

(a) The arbitration award shall be given in writing, shall be final and binding on the Parties, not be subject to any appeal and shall deal with the question of costs of the arbitration and all other related matters.

(b) Judgment upon the arbitration award may be entered in any court having jurisdiction, or, application may be made to such court for a judicial recognition of the arbitration award or an order of enforcement thereof, as the case may be.

(c) Subject to Section 8.4(b), the Parties agree that arbitration pursuant to the Arbitration Procedure shall be the final and exclusive forum for the resolution of a Dispute.

ARTICLE 9
NOTICES

9.1 Notices

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a Party to any other Party shall be in writing and shall be delivered by mail, hand delivery or facsimile transmission, addressed to the Party to whom the notice is to be given, at its address for service herein. Any notice, consent, waiver, direction or other communication aforesaid shall, if hand delivered or delivered by facsimile transmission, be deemed to have been given and received on the date on which its was hand delivered or delivered by facsimile transmission to the address provided herein (if prior to 4:30 p.m. (local time at the place of delivery) on a business day and, if not, the next succeeding business day).

9.2 Address for Service

The address for service of each of the Parties shall be as follows:

(a) if to the Purchaser:

Enseco Energy Services Corp.
500, 500 - 4th Avenue S.W.
Calgary Alberta T2P 2V6

Attention: Lane Roberts
Fax: (403) 806-0084

with a copy to:

Burnet, Duckworth & Palmer LLP
1400, 350 - 7th Avenue S.W.
Calgary, Alberta T2P 3N9

Attention: Shannon M. Gangl
Fax: (403) 260-0337

(b) if to the Shareholders:

[NAME AND ADDRESS OF SHAREHOLDER INTENTIONALLY REDACTED]

and to:

[NAME AND ADDRESS OF SHAREHOLDER INTENTIONALLY REDACTED]

and to:

[NAME AND ADDRESS OF SHAREHOLDER INTENTIONALLY REDACTED]

and to:

[NAME AND ADDRESS OF SHAREHOLDER INTENTIONALLY REDACTED]

and to:

[NAME AND ADDRESS OF SHAREHOLDER INTENTIONALLY REDACTED]

with a copy to:

Fraser Milner Casgrain LLP
15th Floor, 850 2nd Street S.W.
Calgary, AB T2P 0R8

Attention:	Miles Pittman
Fax:	(403) 268-3100

or such other address as may be designated by notice to the other Parties.

ARTICLE 10
MISCELLANEOUS

10.1 Disclosure of Personal Information

The Parties acknowledge and agree that:

(a) Each of the Parties acknowledges and confirms that the disclosure of Personal Information is necessary for the purposes of determining if the Parties shall proceed with the transactions contemplated in this Agreement, and that the disclosure of Personal Information relates solely to the carrying on of the Business, or the completion of such transactions.

(b) The Purchaser shall at all times keep strictly confidential all Personal Information disclosed to the Purchaser and its representatives pursuant to or in connection with this Agreement (the "**Disclosed Personal Information**"), and shall instruct those employees and representatives responsible for processing such Disclosed Personal Information to protect the confidentiality of that information in a manner consistent with the Purchaser's obligations hereunder. The Purchaser shall ensure that access to the Disclosed Personal Information shall be restricted to those employees or representatives of the Purchaser who have a bona fide need to have access to that information in order to fulfil their obligations in the course of their employment or in providing services to the Purchaser.

(c) The Parties shall fully co-operate with one another, with the employees to whom the Personal Information relates, and any government authority charged with enforcement of Privacy Laws (as defined below), in responding to inquiries, complaints, requests for access, and claims in respect of Disclosed Personal Information.

(d) The Purchaser undertakes, after Closing, to utilize the Disclosed Personal Information only for those purposes for which the Disclosed Personal Information was initially collected from or in respect of the applicable employees.

(e) If Closing does not occur, at the request of the Focus Companies, the Purchaser shall forthwith cease all use of the Disclosed Personal Information acquired by the Purchaser in connection with this Agreement and will return to the Focus Companies, or at the Focus Companies' request, destroy in a secure manner, the Disclosed Personal Information (and any copies thereof) and provide the Focus Companies with a certificate of a senior officer of the Purchaser confirming such destruction.

(f) Each party shall be liable for, and agrees to hold harmless and indemnify the other party and its respective directors or officers from and against any Claims suffered, sustained, paid or incurred with respect to any unlawful disclosure of Personal Information by, from or through such party, its Affiliates, its directors, officers, employees, agents, contractors, or other persons for which it is responsible.

10.2 Costs

All legal and other costs and expenses incurred by a Party in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party that incurred the same.

10.3 Entire Agreement

This Agreement, together with all documents to be delivered pursuant hereto constitutes the entire agreement between the Parties, and cancels and supersedes all prior agreements and understandings between the Parties, with respect to the subject matter hereof, provided that the terms of the Letter Agreement, so far as the same delineate the terms of various ancillary agreements to be provided hereunder shall continue to govern the terms of agreement between the Parties until such definitive ancillary agreements are finalized.

10.4 Construction

This Agreement was negotiated by the Parties with the benefit of legal representation and any rule or construction of law requiring this Agreement to be construed or interpreted against any Party shall not apply to any construction or interpretation of this Agreement.

10.5 Further Assurances

Each Party shall, from time to time, and at all times hereafter, at the request of another Party, but without further consideration, do all such further acts and execute and deliver all such further documents and instruments as shall be reasonably required in order to fully perform and carry out the terms and intent hereof.

10.6 Survival

The representations, warranties, covenants and agreements herein and in any document delivered pursuant hereto shall survive the consummation of the transactions contemplated herein and remain in full force and effect.

10.7 Time

Time shall be of the essence in this Agreement.

10.8 Amendments

This Agreement may only be amended by a written instrument signed by the Parties.

10.9 Governing Law

This Agreement shall be governed by, and be construed in accordance with, the laws of the Province of Alberta and federal laws of Canada applicable therein but the reference to such laws shall not, by conflict of laws rules or otherwise, require the application of the law of any jurisdiction other than the Province of Alberta.

10.10 Attornment

Each Party hereby irrevocably attorns to the jurisdiction of the Courts of the Province of Alberta in respect of all matters arising under or in relation to this Agreement.

10.11 Severability

If any one or more of the provisions or parts thereof contained in this Agreement should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, as to such jurisdiction, severable therefrom and:

(a) the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed; and

(b) the invalidity, illegality or unenforceability of any provision or part thereof contained in this Agreement in any jurisdiction shall not affect or impair such provision or part thereof or any other provisions of this Agreement in any other jurisdiction.

10.12 Waiver

No waiver by any Party shall be effective unless in writing and any waiver shall affect only the matter and the occurrence thereof specifically identified and shall not extend to any other matter or occurrence.

10.13 Enurement

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and assigns.

10.14 Assignment

This Agreement may not be assigned by any Party without the prior written consent of the other Parties, except where such assignment is to an Affiliate of the Purchaser and the Purchaser remains liable for the obligations of the Affiliate hereunder.

10.15 Reliance

The Parties hereto acknowledge and agree that they have entered into this Agreement in reliance upon each of the representations, warranties, covenants and agreements herein of the other party hereto.

10.16 Execution in Counterpart

This Agreement may be executed in any number of counterparts with the same effect as if all signatories to the counterparts had signed one document, all such counterparts shall together constitute, and be construed as, one instrument and each of such counterparts shall, notwithstanding the date of its execution, be deemed to bear the date first written above. A signed counterpart provided by way of facsimile transmission or other electronic means shall be as binding upon the Parties as an originally signed counterpart.

IN WITNESS WHEREOF the Parties have executed and delivered this Agreement as of the date first written above.

ENSECO ENERGY SERVICES CORP.

Per: *(signed)*

1113954 ALBERTA LTD.

Per: *(signed)*

1104291 ALBERTA LTD.

Per: *(signed)*

FOCUS DIRECTIONAL SERVICES INC.

Per: *(signed)*

FOCUS DOWNHOLE TOOLS INC.

Per: *(signed)*

(signed)
[NAMES AND SIGNATURES OF SHAREHOLDERS INTENTIONALLY REDACTED]

SCHEDULE A
NON-COMPETITION AGREEMENT

TO BE ATTACHED

[FORM OF NON-COMPETITION AGREEMENT INTENTIONALLY REDACTED]

SCHEDULE B
EMPLOYMENT AGREEMENT

TO BE ATTACHED

[FORM OF EMPLOYMENT AGREEMENT INTENTIONALLY REDACTED]

SCHEDULE 5.1(a)
BENEFICIAL INTERESTS IN SHARES

[CONTENTS OF SCHEDULE INTENTIONALLY REDACTED]

SCHEDULE 5.2(h)
ENERGY SERVICES BUSINESSES

SCHEDULE 5.2(h)
ENERGY SERVICES BUSINESSES

RSS / RSI

- Each of the Shareholders own an interest in Rotary Sub & Supply Inc. ("**RSS**"), an Alberta private corporation, a tool rental and inspection company. It is unclear what the Shareholders' actual percentage ownership in RSS, but it is approximately 10% (as at November 18th, 2007 the Shareholders owned 7 shares of the issued and outstanding 71 shares). This may have changed since it was set up. RSS also owns 100% of all the shares in the capital of Rotary Sub Inspection Inc.

Nadeon Lodge

- The Shareholders also own 100% of a company called F5 Investments Ltd. This company owns 10% of a fishing lodge.

Sun Country Well Servicing

name redacted
- [redacted] has an investment in Sun Country Well Servicing for about 1.35% and he sits on its board of directors

Focus USA

- The Shareholders own all of the Shares in Focus USA which will be dissolved.

SCHEDULE 5.2(n)
FOCUS LITIGATION

[CONTENTS OF SCHEDULE INTENTIONALLY REDACTED]

SCHEDULE 5.2(w)
MATERIAL CONTRACTS AND BANK ACCOUNTS

[CONTENTS OF SCHEDULE INTENTIONALLY REDACTED]

SCHEDULE 5.2(x)
LEASED FACILITIES

[CONTENTS OF SCHEDULE INTENTIONALLY REDACTED]

SCHEDULE 5.2(y)
SECURITY

FOCUS DIRECTIONAL SERVICES INC.:

REGISTRATION NO.	SECURED PARTY	CO-DEBTOR	EXPIRY DATE	COLLATERAL
**07011516510	RoyNat Inc.	None	January 15, 2017	All PAPP
**07011516536	RoyNat Inc.	None	Infinity	Land Charge
**08080722964	RoyNat Inc.	None	August 7, 2018	All PAPP
**08080723595	RoyNat Inc.	None	Infinity	Land Charge
09051108547	HSBC Bank Canada	None	May 11, 2014	All PAPP
09051108579	HSBC Bank Canada	None	Infinity	Land Charge
09072830485	HSBC Bank Canada	None	July 28, 2014	All PAPP

- General Security Agreement dated June 18, 2009 between Focus Directional Services Inc. and HSBC Bank Canada
- **Guarantee dated August 13, 2008 from Focus Directional Services Inc. in favour of Roynat Inc. to secure 1113954 Alberta Ltd.'s debenture
- **Collateral Debenture dated August 13, 2008 issued by Focus Directional Services Inc. to Roynat Inc.

1113954 ALBERTA LTD.:

REGISTRATION NO.	SECURED PARTY	CO-DEBTOR	EXPIRY DATE	COLLATERAL
**06113022302	RoyNat Inc.	None	November 30, 2016	All PAPP
**06113022435	RoyNat Inc.	None	Infinity	Land Charge
**08080722540	RoyNat Inc.	None	August 7, 2018	All PAPP
**08080723133	RoyNat Inc.	None	Infinity	Land Charge

- **Collateral Debenture dated August 13, 2008 issued by 1113954 Alberta Ltd. to Roynat Inc.
- **Secured Note dated August 13, 2008 issued by 1113954 Alberta Ltd. to Roynat Inc. in the amount of $1,000,000
- **Secured Note dated August 13, 2008 issued by 1113954 Alberta Ltd. to Roynat Inc. in the amount of $2,000,000

1104291 ALBERTA LTD:

REGISTRATION NO.	SECURED PARTY	CO-DEBTOR	EXPIRY DATE	COLLATERAL
**06113023250	RoyNat Inc.	None	November 30, 2016	All PAPP
**06113023334	RoyNat Inc.	None	Infinity	Land Charge
**08080722764	RoyNat Inc.	None	August 7, 2018	All PAPP
**08080723425	RoyNat Inc.	None	Infinity	Land Charge

- **Guarantee dated August 13, 2008 from 1104291 Alberta Ltd. in favour of Roynat Inc. to secure 1113954 Alberta Ltd.'s debenture
- **Collateral Debenture dated August 13, 2008 issued by 1104291 Alberta Ltd. to Roynat Inc.

** To be discharged and/or terminated on the Closing Date in accordance with Section 3.2(j)

SCHEDULE 5.2(z)
EQUIPMENT

[CONTENTS OF SCHEDULE INTENTIONALLY REDACTED]

SCHEDULE 5.2(aa)
INTELLECTUAL PROPERTY RIGHTS

[CONTENTS OF SCHEDULE INTENTIONALLY REDACTED]

SCHEDULE 5.2(qq)
EMPLOYEES AND EMPLOYMENT INFORMATION

[CONTENTS OF SCHEDULE INTENTIONALLY REDACTED]

SCHEDULE 5.2(yy)
EMPLOYEE PLANS

Sunlife

Basic health and dental plan

WCB

Standard WCB plan

Capco

Extended Executive Health care plan

London Life

Key Man life Insurance

EPSP

Employee Profit Sharing Plans

Olympia Trust

Health trust plan that provides for additional health care expenses not covered under the Sun Life basic health plan

SCHEDULE 5.2(zz)
INSURANCE

Focus and the focus group of companies are insured through Willis by Chubb Insurance

1 million general liabilities

4 million umbrella liability

15 million asset insurance

Insured from June 11 2009 to June 11 2010

The Focus Shareholders are insured under a Key Man Life insurance Policy as required by the HSBC banking arrangement. Each individual is insured to a 3 million dollar limit. The company is the beneficiary.

See Attached.

SCHEDULE 5.2(jjj)
RELATED PARTY TRANSACTIONS

[CONTENTS OF SCHEDULE INTENTIONALLY REDACTED]

SCHEDULE 5.2(kkk)
LONG TERM DEBT

The long term debt of the companies will be as reported on the September 30th F/S of the companies.

Focus

- The liabilities will include:
  - A/P
  - GST
  - Due to shareholders
  - HSBC revolving line of credit
- Focus considers these all short term liabilities as they can be called at any moment

1113954 Alberta

- The Liabilites will Include:
  - Intercompany Payables
  - Royant term debt of 3.025 million
  - And payables.
- 1113954 Alberta considers the Royant debt as long term debt.

SCHEDULE 5.3(b)
PURCHASER'S SUBSIDIARIES

1. Enseco Energy Services Partnership
2. Enseco Partnership Management Corp.
3. Swab Services Ltd.
4. Enseco Wireline Corp.
5. 1438001 Alberta Ltd.