UNDERWRITING AGREEMENT

Effective August 17, 2010

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

Attention: **Lane Roberts**
President and Chief Executive Officer

Re: Issue and Sale of Special Warrants

Desjardins Securities Inc. (the "**Underwriter**") understands that Enseco Energy Services Corp. (the "**Corporation**") proposes to issue and sell 30,000,000 special warrants of the Corporation (the "**Special Warrants**").

Each Special Warrant will entitle the holder thereof to receive one Common Share (as herein defined) (an "**Underlying Share**") and one-half (½) of one common share purchase warrant (each whole warrant a "**Warrant**"), subject to adjustment in certain circumstances, without payment of additional consideration or further action, at 4:30 p.m. (Calgary time) on the date that is the earlier of:

(i) the date of issuance of the Final Passport System Decision Document (as herein defined); and

(ii) the date that is four months and one day from the Closing Date (as herein defined.

Each Warrant will be exercisable by the holder thereof into one Common Share (a "**Warrant Share**") at an exercise price of $0.27 per Warrant Share for a period of twelve (12) months from the Closing Date (as herein defined).

Subject to the terms and conditions hereof the Underwriter hereby agrees to purchase from the Corporation on the Closing Date not less than all of the 30,000,000 Special Warrants, at a price of $0.20 per Special Warrant, being an aggregate purchase price of $6,000,000. The Corporation hereby agrees to issue and sell to the Underwriter, subject to the provisions hereof, on the Closing Date, such Special Warrants and the Underwriter agrees to arrange for substituted purchasers for the Special Warrants resident in the Selling Jurisdictions (as herein defined), provided that the failure of the Underwriter to arrange for substituted purchasers shall not relieve the Underwriter from its purchase obligations contained herein, subject to the terms and conditions set out below. All sales of Special Warrants in the United States shall be made directly by the Corporation to substituted purchasers in accordance with this Agreement.

In connection with the offering and sale of the Special Warrants, the Underwriter shall be entitled to retain as sub-agents other registered securities dealers and may receive (for delivery to the Corporation at the Closing Time) subscriptions for Special Warrants from other registered securities dealers. The fee payable to such sub-agents shall be for the account of the Underwriter and shall not exceed the fee payable to the Underwriter hereunder.

In consideration for their services hereunder, including the ancillary service of acting as financial advisor to the Corporation and advising on the terms and conditions of the offering of Special Warrants, the

Underwriter shall be entitled to the fee provided for in Section 11. That fee shall be payable at the time specified and otherwise in accordance with Section 11. For greater certainty, the services provided by the Underwriter pursuant to this Agreement will not be subject to the Goods and Services Tax provided for in the *Excise Tax Act* (Canada) and taxable supplies will be incidental to the exempt financial services provided.

The following are the terms and conditions of this Agreement:

Section 1. Definitions

In this underwriting agreement (this "**Agreement**"):

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

(b) "**Accredited Investor**" means an "accredited investor", as such term is defined in Rule 501(a) of Regulation D;

(c) "**Applicable Securities Laws**" means all applicable corporate and securities laws and related regulations, rules, instruments, notices, orders, rulings and policies, and the rules of the Exchange;

(d) "**ASC**" means the Alberta Securities Commission;

(e) "**Business Day**" means a day other than a Saturday, Sunday or any other day on which the principal chartered banks located in the City of Calgary, Alberta, are not open for business;

(f) "**CDS**" means CDS Clearing and Depository Services Inc. and its successors in interest;

(g) "**Common Shares**" means the common shares of the Corporation, as such common shares exist on the applicable date;

(h) "**Closing Date**" means September 9, 2010, or such other date as the Underwriter and the Corporation may agree in writing;

(i) "**Closing Time**" means 8:30 a.m. (Calgary time), or such other time on the Closing Date as the Underwriter and the Corporation may agree;

(j) "**Corporation's counsel**" means Burnet, Duckworth & Palmer LLP, or such other legal counsel as the Corporation, with the consent of the Underwriter, may retain;

(k) "**Directed Selling Efforts**" means "directed selling efforts" as that term is defined in Rule 902 of Regulation S and includes, subject to the exclusions from the definitions of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the Special Warrants or Underlying Securities and shall include, without limitation, the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of any of the Special Warrants or Underlying Securities;

(l) **"Documents"** means, collectively:

(i) the Financial Statements;

(ii) the management's discussion and analysis of the Corporation for the year ended March 31, 2010;

(iii) the management's discussion and analysis of the Corporation for the three month period ended June 30, 2010;

(iv) the material change report of the Corporation dated August 24, 2010 in respect of the Corporation entering into this Agreement with the Underwriter;

(v) the information circular – proxy statement of the Corporation dated March 7, 2010 for the annual and special meeting of shareholders of the Corporation held on April 8, 2010; and

any financial statements, management's discussion and analysis of the Corporation, annual information form (including the annual information form of the Corporation in respect of the fiscal year ended March 31, 2010), management information circular, business acquisition report or material change report filed with any of the Securities Commissions after the date of this Agreement and before the conclusion of the distribution of the Underlying Shares and Warrants;

(m) **"Due Diligence Session"** shall have the meaning set forth in Section 2(g) of this Agreement;

(n) **"Due Diligence Session Responses"** means the responses provided by the Corporation together with all materials provided to the Underwriter's counsel during the Due Diligence Session, as given by any director or senior officer of the Corporation, at a Due Diligence Session;

(o) **"Expiry Date"** means the earlier of:

(i) the date the Final Passport System Decision Document is issued; and

(iii) the date that is four months and one day following the Closing Date;

(p) **"Expiry Time"** means 4:30 p.m. (Calgary time) on the Expiry Date;

(q) **"Exchange"** means the TSX Venture Exchange;

(r) **"Final Passport System Decision Document"** means a receipt for the Prospectus issued in accordance with the Passport System;

(s) **"Financial Statements"** means the audited consolidated balance sheets of the Corporation as at March 31, 2010 and March 31, 2009 and the consolidated statements of operations, comprehensive loss and accumulated other comprehensive income (loss) and cash flows for the years then ended, together with the notes thereto and the auditor's report thereon, and the interim comparative financial statements of the Corporation as at and for the three month periods ended June 30, 2010 and 2009, together with the notes thereto;

(t) "**Indemnified Persons**" means the Underwriter, the directors, officers, partners and employees of the Underwriter, agents of the Underwriter and affiliates of the Underwriter;

(u) "**Material Adverse Effect**" means any effect on or change in either the Corporation, or any Subsidiary or the business of the Corporation as described in the Public Record that is or is reasonably likely to be materially adverse to the results of operations, financial condition, assets, properties, capital, liabilities (contingent or otherwise), cash flow, income or business operations of the Corporation, and the Subsidiaries (taken as a whole) provided that any change or effect resulting from the sale of the Corporation's swabbing assets pursuant to the Swab Sale Agreement shall be deemed not to be a Material Adverse Effect;

(v) "**NI 44-101**" means National Instrument 44-101 of the Canadian Securities Administrators, entitled "Short Form Prospectus Distributions";

(w) "**NP 11-202**" means National Policy 11-202 of the Canadian Securities Administrators, entitled "Process for Prospectus Reviews in Multiple Jurisdictions";

(x) "**Passport System**" means the system and procedures for prospectus filing and review under Multilateral Instrument 11-102 of the Canadian Securities Administrators, entitled "Passport System" and NP 11-202;

(y) "**Preliminary Passport System Decision Document**" means a receipt for the Preliminary Prospectus issued in accordance with the Passport System;

(z) "**Preliminary Prospectus**" means the preliminary short form prospectus of the Corporation and any amendments thereto, in respect of the distribution of the Underlying Shares and the Warrants upon the issuance thereof pursuant to the deemed exercise of the Special Warrants, including the documents incorporated by reference therein;

(aa) "**Prospectus**" means the (final) short form prospectus of the Corporation and any amendments thereto, qualifying the distribution of the Underlying Shares and the Warrants upon the issuance thereof pursuant to the deemed exercise of the Special Warrants, including the documents incorporated by reference therein;

(bb) "**Prospectuses**" means, collectively, the Preliminary Prospectus and the Prospectus;

(cc) "**Public Record**" means all information filed by the Corporation with the Securities Commissions, including, without limitation, the Documents and any other information filed by the Corporation with any Securities Commission in compliance, or intended compliance, with any Applicable Securities Laws;

(dd) "**Qualification Date**" means the date of the Final Passport System Decision Document;

(ee) "**Qualification Deadline**" means October 15, 2010;

(ff) "**Regulation D**" means Regulation D adopted by the SEC under the U.S. Securities Act;

(gg) **"Regulation S"** means Regulation S adopted by the SEC under the U.S. Securities Act;

(hh) **"Resale Rules"** means National Instrument 45-102 of the Canadian Securities Administrators, entitled "Resale of Securities" and Companion Policy 45-102CP;

(ii) **"SEC"** means the United States Securities and Exchange Commission;

(jj) **"Section 4(2)"** means Section 4(2) of the U.S. Securities Act;

(kk) **"Securities Commissions"** means the securities commissions or similar regulatory authorities in the Selling Jurisdictions in Canada and **"Securities Commission"** means any one of them;

(ll) **"Selling Dealer Group"** means the dealers and brokers, other than the Underwriter, who participate in the offer and sale of the Special Warrants pursuant to this Agreement;

(mm) **"Selling Jurisdictions"** means each of the Provinces of Canada, other than Quebec, the United States and such other foreign jurisdictions as the Underwriter and the Corporation may agree in writing prior to the Closing Date;

(nn) **"Special Warrant Indenture"** means the indenture to be dated the Closing Date and made between the Corporation and the Special Warrant Trustee governing the terms and conditions of the Special Warrants;

(oo) **"Special Warrants"** means the 30,000,000 special warrants of the Corporation having the rights and entitlements set forth in this Agreement and otherwise being as provided for in the Special Warrant Indenture;

(pp) **"Special Warrant Trustee"** means Olympia Trust Company in its capacity as special warrant trustee pursuant to the Special Warrant Indenture;

(qq) **"Subscriber"** means any person who executes a Subscription Agreement, which is accepted by the Corporation;

(rr) **"Subscription Agreements"** means the agreements to be entered into between each Subscriber for Special Warrants and the Corporation in respect of such Subscriber's subscription for and purchase of Special Warrants;

(ss) **"Subsidiary or Subsidiaries"** means Enseco Partnership Management Corp., Swab Services Ltd., Enseco Wireline Corp., Enseco Energy Services USA Corp., 1104291 Alberta Ltd., 1113954 Alberta Ltd., Focus Directional Services Inc., Focus Downhole Tools Inc., and Enseco Energy Services Partnership, the only subsidiaries of the Corporation within the meaning of the ABCA;

(tt) **"Supplementary Material"** means, collectively, any amendment to the Preliminary Prospectus or Prospectus, any amended or supplemental Preliminary Prospectus or Prospectus or any ancillary documents required to be filed with any of the Securities Commissions in the Selling Jurisdictions in connection with the distribution of the Underlying Shares;

(uu) **"Swab Sale Agreement"** means the asset purchase agreement dated effective August 31, 2010, to be entered into by the Corporation, Choice Energy Services Ltd. and Marvin Brown pursuant to which the Corporation shall sell all of its swabbing and ancillary assets;

(vv) **"Underlying Securities"** means the Underlying Shares, the Warrants and the Warrant Shares;

(ww) **"Underlying Shares"** means the Common Shares issuable pursuant to the exercise or deemed exercise of the Special Warrants;

(xx) **"Underwriter's counsel"** means Burstall Winger LLP, or such other legal counsel as the Underwriter, with the consent of the Corporation, may retain;

(yy) **"United States"** means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia;

(zz) **"U.S. Exchange Act"** means the United States Securities Exchange Act of 1934, as amended;

(aaa) **"U.S. Securities Act"** means the United States Securities Act of 1933, as amended;

(bbb) **"Warrant Indenture"** means the indenture to be dated the Closing Date and made between the Corporation and the Warrant Trustee governing the terms and conditions of the Warrants;

(ccc) **"Warrant Shares"** means the Common Shares issuable pursuant to the exercise of the Warrants; and

(ddd) **"Warrant Trustee"** means Olympia Trust Company in its capacity as warrant trustee pursuant to the Warrant Indenture;

"misrepresentation", **"material change"** and **"material fact"** shall have the meanings ascribed thereto under the Applicable Securities Laws of the Selling Jurisdictions in Canada; **"distribution"** means **"distribution"** or **"distribution to the public"**, as the case may be, as defined under the Applicable Securities Laws of the Selling Jurisdictions in Canada; and **"distribute"** has a corresponding meaning.

In this Agreement, **"to its knowledge"**, **"to the best of their knowledge"**, **"to the best knowledge of the Corporation"** or **"to the best of the Corporation's knowledge"** means, unless otherwise expressly stated, a statement as to the knowledge of each of the Chief Executive Officer and Chief Financial Officer of the Corporation about the facts or circumstances to which such phrase related, after having made due and applicable inquiries and investigations in connection with such facts and circumstances that would ordinarily be made in the discharge of each such officer's duties.

In this Agreement, unless there is something in the subject matter or context inconsistent therewith:

(a) words used herein importing the singular number include the plural and vice versa, words importing the use of any gender include all genders, and words importing persons include individuals, partnerships, associations, trusts, unincorporated organizations and corporations, and the rest of the sentence is construed as if the necessary grammatical and terminological changes had been made; and

(b) references herein to any agreement or instrument, including this Agreement, are deemed to be references to the agreement or instrument as varied, amended, modified, supplemented or replaced from time to time, and any specific references herein to any legislation or enactment are deemed to be references to such legislation or enactment as the same may be amended or replaced from time to time.

The division of this Agreement into articles, sections, paragraphs, subparagraphs and clauses and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. The terms "**this Agreement**", "**hereof**", "**herein**", "**hereunder**" and similar expressions refer to this Agreement and the schedules hereto and not to any particular article, section, paragraph, subparagraph, clause or other portion hereof and include any agreement or instrument supplementary or ancillary hereto.

Section 2. Corporation's Covenants

The Corporation agrees:

(a) that the Special Warrants will be duly and validly created, authorized and issued pursuant to the terms of the Special Warrant Indenture, which Special Warrant Indenture will provide that each Special Warrant will entitle the holder thereof to receive one Underlying Share and one-half (½) of one Warrant, subject to adjustment in certain circumstances, without payment of additional consideration or further action, at the Expiry Time on the Expiry Date;

(b) that, notwithstanding anything else contained in this Agreement, if a Final Passport System Decision Document dated as at or prior to the Qualification Deadline is not obtained, each Special Warrant will entitle the holder thereof to receive, for no additional cost and without further action on the part of such holder, an additional 0.1 of a Common Share and 0.1 of a Warrant (such that a holder of Special Warrants will receive an aggregate of 1.1 Common Shares and 0.6 Warrants for each Special Warrant held). No fractional Common Shares or Warrants will be issued to holders pursuant to this subsection 2(b) upon the deemed exercise of the Special Warrants. Any fractional number of Common Shares or Warrants will be rounded up to the nearest whole number. In calculating such fractional interest, all Common Shares and all Warrants to which a holder of Special Warrants is entitled upon the deemed exercise of such Special Warrants shall be aggregated;

(c) to use its commercially reasonable efforts to perform all of the obligations to be performed by it and all of its covenants and agreements, under and pursuant to this Agreement, the Subscription Agreements, the Special Warrant Indenture and the Warrant Indenture;

(d) to deliver to the Underwriter as many copies of the Documents as the Underwriter may reasonably request and such delivery shall constitute the Corporation's authorization to the Underwriter to use the Documents in connection with the offering of the Special Warrants for sale in the Selling Jurisdictions;

(e) as soon as reasonably possible, and in any event by the Closing Date, to take such reasonable steps as may be necessary to enable the Special Warrants to be offered for sale and sold on a private placement basis to "accredited investors" (as defined under

Applicable Securities Laws) in the Selling Jurisdictions through the Underwriter or any other investment dealers or brokers registered in any of the Selling Jurisdictions by way of the exemptions under Applicable Securities Laws of the Selling Jurisdictions in Canada and in the other Selling Jurisdictions as contemplated hereby, and on the basis that the "hold period" applicable to the Special Warrants and the Underlying Securities issued as contemplated hereunder in the Selling Jurisdictions in Canada shall not exceed four months and a day from the Closing Date;

(f) that the Corporation grants to the Underwriter the contractual right of action for rescission and/or damages as described in the Subscription Agreements in respect of any Special Warrants purchased by the Underwriter, which contractual right of action shall be assignable to and enforceable by any subsequent assignee or transferee of such Special Warrants;

(g) to allow the Underwriter, prior to the Closing Time and during the period from the date hereof until completion of the distribution of the Underlying Securities (including in connection with the filing of the Preliminary Prospectus, Prospectus and any Supplementary Material), to conduct all due diligence which the Underwriter may reasonably require in order to: (i) confirm the Public Record is accurate, complete and current in all material respects; (ii) fulfill the Underwriter's obligations as registrants; and (iii) in order to enable the Underwriter to responsibly execute the certificates required to be executed by them in the Prospectuses or any Supplementary Materials. Without limiting the generality of the foregoing, the Corporation shall make available its directors, senior management, and shall use commercially reasonable efforts to make available its auditors and other experts to answer any questions which the Underwriter may have and to participate in one or more due diligence sessions to be held (i) prior to the Closing Time and (ii) prior to the filing of the Prospectuses (collectively, the "**Due Diligence Session**"). The Underwriter shall distribute a list of written questions to be answered in advance of such Due Diligence Session and the Corporation shall provide written responses to such questions and shall use commercially reasonable efforts to have its auditors and other experts provide written responses to such questions in advance of the Due Diligence Session; and

(h) that members of the management of the Corporation will make themselves available to, and shall assist in the marketing of, the Special Warrants at such times and in such manner as the Underwriter may reasonably request, including, without limitation, to participate in meetings with institutional investors as reasonably requested by the Underwriter.

Section 3. Filing of Prospectuses and Supplementary Materials

(a) The Corporation shall comply in all material respects with the Passport System, and shall use best efforts to:

(i) as soon as is reasonably practicable after the Closing Date:

(A) have prepared and filed the Preliminary Prospectus and other documents required under Applicable Securities Laws with the Securities Commissions and designated the ASC as the principal regulator under the Passport System; and

(B) have obtained from the ASC a Preliminary Passport System Decision Document evidencing that a receipt has been issued for the Preliminary Prospectus in each Selling Jurisdiction in Canada;

(ii) forthwith after any comments with respect to the Preliminary Prospectus have been received from the Securities Commissions and on or prior to the Qualification Deadline:

(A) have prepared and filed the Prospectus and other documents required under Applicable Securities Laws with the Securities Commissions;

(B) have obtained from the ASC a Final Passport System Decision Document evidencing that a receipt has been issued for the Prospectus in each Selling Jurisdiction in Canada, or otherwise obtained a receipt for the Prospectus from the Securities Commission of each Selling Jurisdiction in Canada; and

(C) have otherwise fulfilled all legal requirements to qualify the distribution of the Underlying Shares and the Warrants upon issuance thereof pursuant to the terms of the Special Warrants;

provided that the Corporation shall, in the event that a Final Passport System Decision Document is not obtained by the time provided for in this section 3(a), continue to use its best efforts until the Expiry Time to obtain a Final Passport System Decision Document; and

(iii) until the completion of the distribution of the Underlying Shares and the Warrants, promptly take all additional steps and proceedings that from time to time may be required under the Applicable Securities Laws in each Selling Jurisdiction in Canada to continue to qualify such distribution or, in the event that the Underlying Shares or the Warrants have, for any reason, ceased to so qualify, to again qualify such distribution of the Underlying Shares and the Warrants.

(b) Prior to the filing of the Prospectuses or any Supplementary Material, the Corporation shall have allowed the Underwriter and the Underwriter's counsel to participate fully in the preparation of, and to approve the form of, such documents and to have reviewed any documents incorporated by reference therein.

Section 4. Delivery of Prospectuses and Related Documents

(a) The Corporation shall deliver or cause to be delivered without charge to the Underwriter and the Underwriter's counsel the documents set out below at the respective times indicated:

(i) prior to or contemporaneously, as nearly as practicable, with the filing with the Securities Commissions of each of the Preliminary Prospectus and the Prospectus:

(A) copies of the Preliminary Prospectus and the Prospectus, as applicable, signed as required by the Applicable Securities Laws; and

(B) copies of any documents incorporated by reference therein which have not previously been delivered to the Underwriter;

(ii) as soon as they are available, copies of any Supplementary Material, signed as required by the Applicable Securities Laws and including, in each case, copies of any documents incorporated by reference therein which have not been previously delivered to the Underwriter;

(iii) prior to the filing of the Prospectus (or any subsequent Supplementary Material or any other relevant document) with the Securities Commissions, a "comfort letter" from the Corporation's auditors, dated the date of the Prospectus, addressed to the Underwriter and reasonably satisfactory in form and substance to the Underwriter and the Underwriter's counsel, to the effect that they have carried out certain procedures performed for the purposes of comparing certain specified financial information and percentages appearing in the Prospectus and the documents incorporated therein by reference with indicated amounts in the financial statements or accounting records of the Corporation and have found such information and percentages to be in agreement, which comfort letter shall be based on the Corporation's auditors' review having a cut-off date of not more than two Business Days prior to the date of the Prospectus (or any subsequent Supplementary Material or any other relevant document, as the case may be);

(iv) as soon as possible, but in any event not later than noon (local time at the place of delivery) on the Business Day following the date of the filing of the Prospectus with the Securities Commissions and no later than noon (local time) on the first Business Day after the execution of any Supplementary Material in connection with the Prospectus, cause to be delivered to the Underwriter, without charge, commercial copies of the Prospectus or such Supplementary Material, in such numbers and in such cities as the Underwriter may reasonably request by written instructions to the Corporation, the Corporation's counsel or the printer thereof, given no later than the time when the Corporation authorizes the printing of the commercial copies of such documents and each such delivery shall constitute a representation and warranty by the Corporation that the Prospectus and any Supplementary Material, as the case may be (except statements relating solely to and supplied, or consented to, by the Underwriter), contains full, true and plain disclosure of all material facts relating to the Corporation and the securities to be distributed by the Corporation pursuant thereto and does not contain any misrepresentation, and shall constitute the Corporation's authorization to the Underwriter to use the Prospectus and any Supplementary Material, as the case may be, in the Selling Jurisdictions in accordance with the Applicable Securities Laws therein, in connection with the distribution of the Underlying Shares.

(b) At the Qualification Date, the Corporation shall deliver to the Underwriter a legal opinion addressed to the Underwriter, from counsel to the Corporation in form and content satisfactory to the Underwriter and the Underwriter's counsel, acting reasonably, with respect to such matters as the Underwriter may reasonably request, including but not limited to the following:

(i) all necessary corporate action has been taken by the Corporation to authorize the execution and delivery of the Preliminary Prospectus, Prospectus and any

Supplementary Material and the filing thereof with the Securities Commissions; and

(ii) all approvals, permits, consents, orders and authorizations under Applicable Securities Laws in force in the Selling Jurisdictions have been obtained, all necessary documents have been filed, all proceedings have been taken and all other legal requirements have been fulfilled to qualify the issuance of the Underlying Shares and the Warrants to the public in the Selling Jurisdictions.

(c) At the Qualification Date, the Corporation shall deliver to the Underwriter a certificate addressed to the Underwriter and to be relied upon solely by the Underwriter, and signed by the Chief Executive Officer and the Chief Financial Officer of the Corporation, certifying for and on behalf of the Corporation (and not in their personal capacities) that:

(i) the Prospectus and any Supplementary Material contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Underlying Shares and the Warrants and the Corporation;

(ii) no order, ruling or determination having the effect of ceasing or suspending trading in the Common Shares has been issued and, to the knowledge of the persons signing the certificate, no proceedings for such purpose are pending or threatened;

(iii) the Corporation has complied with all covenants and satisfied all terms and conditions of this Agreement, the Subscription Agreements, the Special Warrant Indenture and the Warrant Indenture on its part to be complied with or satisfied up to the Qualification Date in all material respects; and

(iv) without bringing forward any date expressly referenced in a specific representation, the representations and warranties of the Corporation contained in this Agreement are true and correct as of the Qualification Date with the same force and effect as if made at and as of the Qualification Date, in all material respects (except any inaccuracy which results from the transactions contemplated herein).

(d) Within one Business Day after the date on which the Final Passport System Decision Document is issued by the ASC, the Corporation shall send or cause to be sent written notice by prepaid registered mail or courier to each holder of Special Warrants appearing in the register of Special Warrants maintained pursuant to the Special Warrant Indenture advising of the issuance of the Final Passport System Decision Document by the Securities Commissions in the Selling Jurisdictions and a copy of the Prospectus (and, if applicable, any Supplementary Material).

Section 5. Corporation's Covenants as to Changes

The Corporation agrees that:

(a) during the period commencing with the date hereof and ending on the later of: (i) the conclusion of the distribution of the Underlying Shares; and (ii) the Qualification Deadline; the Corporation will promptly inform the Underwriter of the full particulars of:

(i) any material change (actual, anticipated or threatened) in the assets, liabilities (absolute, accrued, contingent or otherwise), business, operations, capital or condition (financial or otherwise) of the Corporation;

(ii) any change in any material fact contained or referred to in any of the Documents, any other part of the Public Record (other than a change in a material fact that has been publicly disclosed), the Prospectuses or any Supplementary Material;

(iii) the occurrence of a material fact or event which, in any such case, is, or may be, of such a nature as to: (A) render any of the Documents, any other part of the Public Record, the Prospectuses or any Supplementary Material untrue, false or misleading in a material respect; (B) result in a misrepresentation in any of the Documents, any other part of the Public Record, the Prospectuses or any Supplementary Material; or (C) result in any of the Documents, any other part of the Public Record, the Prospectuses or any Supplementary Material not complying with Applicable Securities Laws; or

(iv) the discovery by the Corporation of any misrepresentation in any part of the Documents, any other part of the Public Record, the Prospectuses, any Supplementary Material or any information provided to the Underwriter by the Corporation;

provided that if there may be any reasonable doubt as to whether a material change, change, occurrence or event of the nature referred to in this subsection has occurred, the Corporation shall promptly inform the Underwriter of the full particulars of the occurrence giving rise to the uncertainty and shall consult with the Underwriter as to whether the occurrence is of such nature;

(b) during the period commencing with the date hereof and ending on the conclusion of the distribution of the Underlying Shares and the Warrants, the Corporation will promptly inform the Underwriter of the full particulars of:

(i) any request of any Securities Commission or other securities commission or similar regulatory authority for any amendment to any of the Documents, any other part of the Public Record, the Prospectuses or any Supplementary Material or for any additional information of a material nature;

(ii) the issuance by any Securities Commission or other securities commission or similar regulatory authority, the Exchange or by any other competent authority of any order to cease or suspend trading of any securities of the Corporation or of the institution or threat of institution of any proceedings for that purpose; or

(iii) the receipt by the Corporation of any communication from any Securities Commission or other securities commission or similar regulatory authority, the Exchange or any other competent authority relating to any of the Documents, any other part of the Public Record, the Prospectuses or any Supplementary Material or the distribution of the Special Warrants or the Underlying Securities;

(c) during the period commencing on the date hereof and ending on the conclusion of the distribution of the Underlying Shares and the Warrants, the Corporation will promptly provide to the Underwriter, for review by the Underwriter and the Underwriter's counsel, prior to the filing or issuance thereof, any proposed disclosure document which is or may be deemed to be part of or become part of the Public Record, including without limitation any press release, financial statement, management's discussion and analysis, annual information form, material change report, business acquisition report or information circular; and

(d) the Corporation will promptly comply, to the reasonable satisfaction of the Underwriter and the Underwriter' counsel, with Applicable Securities Laws of the Selling Jurisdictions with respect to any material change, change, occurrence or event of the nature referred to in Section 5(a) and Section 5(b) and the Corporation will prepare and file promptly at the Underwriter's request, acting reasonably, any amendment to any of the Documents, any other part of the Public Record, the Prospectuses or any Supplementary Material, which in the Underwriter's opinion may be necessary in order to comply with Applicable Securities Laws of the Selling Jurisdictions and the Corporation shall consult with the Underwriter with respect to the form and content of any amendment to any of the Documents, any other part of the Public Record, the Prospectuses or any Supplementary Materials proposed to be filed by the Corporation and shall not file any such amendment without the prior review and approval thereof by the Underwriter.

Section 6. Corporation's Other Covenants

The Corporation hereby covenants with, and where applicable, represents and warrants to the Underwriter and the Subscribers (and confirms, for greater certainty, that the Subscribers, in addition to the Underwriter, shall have the benefit of such covenants, representations and warranties as if they had been made directly to the Subscribers under their respective Subscription Agreements) as follows:

(a) to use the net proceeds from the issuance of the Special Warrants in accordance with the disclosure provided in the Prospectus (subject to the qualifications set out therein);

(b) to fulfill its obligations and covenants set forth in and comply with the terms and conditions of the Subscription Agreements, this Agreement, the Special Warrant Indenture and the Warrant Indenture;

(c) that it will file all necessary forms and reports in connection with the issuance of the Special Warrants, the Underlying Shares and the Warrants with the appropriate Securities Commissions and other regulatory authorities;

(d) that it will use its commercially reasonable efforts to obtain, prior to the Closing Time, all necessary third party approvals, corporate and shareholder approvals and all necessary approvals of the Exchange for the issuance of the Special Warrants, the Underlying Shares, the Warrants and the Warrant Shares, subject only to filing of required documents and other standard listing conditions and will comply with all requirements of the Exchange in connection with the issuance and listing of the Underlying Shares and the Warrant Shares on the Exchange including filing of all necessary documentation in accordance with the requirements of the Exchange;

(e) to promptly issue a press release announcing the deemed issuance of the Underlying Shares and the Warrants in accordance with the Special Warrant Indenture;

(f) except pursuant to the Special Warrants and Warrants, in respect of the issuance of stock options eligible to be issued under the Corporation's existing stock option plan or to satisfy existing instruments already issued as of the Closing Date, that it will not, from the date hereof until that date that is 120 days following the Closing Date, offer, or announce the offering of, or enter into or make any agreement or understanding, or announce the making of or entry into any agreement or understanding, to issue, sell or exchange any Common Shares, preferred shares of the Corporation or securities exchangeable or convertible into Common Shares or preferred shares of the Corporation without the prior written consent of the Underwriter, not to be unreasonably withheld; and

(g) that it shall use its reasonable commercial efforts to maintain its status as a reporting issuer not in default of any Applicable Securities Laws in a jurisdiction of Canada and the listing or quotation, as the case may be, of its Common Shares on the Exchange for a period of 12 months following the Closing Date, subject to any acquisition, merger or similar transaction.

Section 7. Underwriter's Covenants

The Underwriter covenants and agrees with the Corporation that it will:

(a) conduct its activities in connection with the proposed offer and sale of the Special Warrants in compliance with all Applicable Securities Laws of the Selling Jurisdictions;

(b) not directly or indirectly solicit subscriptions for Special Warrants, Underlying Shares or Warrants or otherwise do any act in furtherance of a trade of Special Warrants, Underlying Shares or Warrants outside of the Selling Jurisdictions in Canada, except as contemplated in Section 22 and in any other Selling Jurisdictions in compliance with the applicable laws thereof and provided that the Underwriter may so solicit, trade or act within such Selling Jurisdiction outside the Selling Jurisdictions in Canada only if such solicitation, trade or act is in compliance with Applicable Securities Laws in such jurisdiction and does not: (i) obligate the Corporation to take any action to qualify any of its securities or any trade of any of its securities; (ii) obligate the Corporation to establish or maintain any office or director or officer in such jurisdiction; or (iii) subject the Corporation to any reporting or other requirement in such jurisdiction;

(c) obtain from each Subscriber an executed Subscription Agreement and all applicable undertakings, questionnaires and other forms required under Applicable Securities Laws of the Selling Jurisdictions or requirements of stock exchanges, including without limitation, the Exchange, and supplied to the Underwriter by the Corporation for completion in connection with the distribution of the Special Warrants, the Underlying Shares and the Warrants;

(d) not advertise the proposed offering or sale of the Special Warrants in printed media of general and regular paid circulation, radio, television or telecommunications (including electronic display) nor provide or make available to prospective purchasers of Special Warrants any document or material which would constitute an offering memorandum as defined under Applicable Securities Laws of the Selling Jurisdictions; and

(e) cause each member of any Selling Dealer Group formed by them to be bound by the provisions of this Agreement.

Section 8. Representations and Warranties of the Corporation

The Corporation represents and warrants to the Underwriter and the Subscribers, and acknowledges that the Underwriter and the Subscribers are relying upon such representations and warranties, as follows:

(a) the delivery by the Corporation to the Underwriter of the Preliminary Prospectus, the Prospectus or any Supplementary Material shall constitute the Corporation's representation and warranty to the Underwriters that:

(i) the Preliminary Prospectus, Prospectus or Supplementary Material, as the case may be, contains, at the date of such document, no misrepresentation and constitutes full, true and plain disclosure of all material facts relating to the Corporation, the Special Warrants and the Underlying Securities;

(ii) no material fact has been omitted from the Preliminary Prospectus, Prospectus or Supplementary Material, as the case may be, which is required to be stated or which is necessary to make any statements or information contained therein not misleading in light of the circumstances in which they are made; and

(iii) the Preliminary Prospectus, Prospectus or Supplementary Material, as the case may be, complies fully with the requirements of the Applicable Securities Laws in the Selling Jurisdictions;

provided that, in each case, the Corporation makes no representation or warranty with respect to statements contained in or omissions from the Preliminary Prospectus, Prospectus or Supplementary Material, as the case may be, relating solely to the Underwriter;

(b) each of the Corporation and its Subsidiaries has been duly created, organized, continued, incorporated or amalgamated (as the case may be) and is valid and subsisting under the laws of the jurisdiction of its creation, organization, continuation, incorporation or amalgamation (as the case may be);

(c) each of the Corporation and its Subsidiaries is qualified to carry on business under the laws of each jurisdiction in which it carries on its business;

(d) each of the Corporation and its Subsidiaries has conducted and is conducting and will conduct business in compliance in all material respects with all applicable laws, rules and regulations, 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 of each jurisdiction in which it carries on business and holds all licenses, permits, registrations and qualifications in all jurisdictions in which it carries on business which are necessary or desirable to carry on the business of each of the Corporation and its Subsidiaries as now conducted and as contemplated to be conducted (except where the failure to so conduct its business or to hold such licenses, permits, registrations or qualifications would not, individually or in the aggregate, have a Material Adverse Effect), all such licenses, permits, registrations or qualifications are valid and existing and in good standing (except where the lack of such valid or existing license, permit, registration or qualification would not have any Material Adverse Effect) and none of such licenses, permits, registrations or qualifications contains any burdensome term, provision, condition or limitation which has or is likely to have any Material Adverse Effect;

(e) other than the Subsidiaries, the Corporation has no subsidiaries, it is not "affiliated" with or a "holding corporation" of any other body corporate (within the meaning of those terms in the ABCA), nor is it a partner of any partnerships or limited partnerships;

(f) the Corporation owns, directly or indirectly, all of the issued and outstanding shares or the membership interest, as the case may be, of each of the Subsidiaries, all of the issued and outstanding shares of the Subsidiaries that are corporations are issued as fully paid and non-assessable shares, and the Corporation owns all such shares and membership interests, as the case may be, of the Subsidiaries, free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever (other than those arising by statute which are not the subject of any pending or threatened claim) and no person, firm or corporation has any agreement or any option, right or privilege (whether pre-emptive or contractual) capable of becoming an agreement, for the purchase from the Corporation or any of the Subsidiaries of an interest in any of the shares in or membership interest of any of the Subsidiaries;

(g) the books of account and other records of the Corporation and its Subsidiaries, whether of a financial or of an accounting nature or otherwise, have been maintained in accordance with prudent business practices;

(h) each of the Corporation and the Subsidiaries has duly and on a timely basis, subject to standard extensions, filed all tax returns required to be filed by it, has paid all taxes due and payable by it and has paid all assessments, reassessments and all other taxes, governmental charges, penalties, interest and other fines due and payable by it and which were claimed by any governmental authority to be due and owing, and adequate provision has been made for taxes payable for any completed fiscal period for which tax returns are not yet required and there are no agreements, waivers, or other arrangements providing for an extension of time respect to the filing of any tax return or payment of any tax, governmental charge or deficiency by the Corporation or any of its Subsidiaries and to the best of the knowledge of the Corporation, there are no actions, suits, proceedings, investigations or claims threatened or pending against the Corporation or any of its Subsidiaries in respect of taxes, governmental charges or assessments or any matters under discussion with any governmental authority relating to taxes, governmental charges or assessments asserted by any such authority;

(i) there has not been any material change in the capital, assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of the Corporation and the Subsidiaries from the position set forth in the Financial Statements, and except as disclosed in the Financial Statements, there has not been any adverse material change in the business, operations, capital, properties, assets, liabilities (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of operations of the Corporation since March 31, 2010 and since such date there have been no material facts, transactions, events or occurrences which could have a Material Adverse Effect, which have not been disclosed in the Public Record;

(j) the information and statements contained in the Public Record were true, correct and complete in all material respects at the time such documents were filed on SEDAR and contained no misrepresentation (as defined in Applicable Securities Laws) and no untrue statement of a material fact and did not omit to state a material fact that was necessary to be stated in order for the statement not to be misleading or that was necessary to prevent a statement that was made from being false or misleading in the circumstances in which it was made, the whole as of the respective dates of such information and statements and to the knowledge of the Corporation, all such information and statements were prepared in accordance with and materially complied with Applicable Securities Laws and the Corporation has not filed any confidential material change reports still maintained on a confidential basis;

(k) the Corporation has full corporate capacity, power and authority to enter into this Agreement, the Special Warrant Indenture, the Warrant Indenture and the Subscription Agreements and to perform its obligations set out herein and therein (including, without limitation, to issue the Special Warrants and the Underlying Securities), and this Agreement has been, and the Special Warrant Indenture, the Warrant Indenture and the Subscription Agreements will, on the Closing Date, be duly authorized, executed and delivered by the Corporation and this Agreement is, and the Special Warrant Indenture, the Warrant Indenture and the Subscription Agreements will on the Closing Date be, legal, valid and binding obligations of the Corporation enforceable against the Corporation in accordance with their terms except that the validity, binding effect and enforceability of the terms of agreements and documents are subject to the qualification that such validity, binding effect and enforceability may be limited by: (i) applicable bankruptcy, insolvency, moratorium, reorganization or other laws affecting creditors' rights generally; (ii) equitable remedies, including the remedies of specific performance and injunctive relief, being available only in the discretion of the applicable court; (iii) the statutory and inherent powers of a court to grant relief from forfeiture, to stay execution of proceedings before it and to stay executions on judgements; (iv) the applicable laws regarding limitations of actions; (v) enforceability of provisions which purport to sever any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of such document would be determined only in the discretion of the court; (vi) enforceability of the provisions exculpating a party from liability or duty otherwise owned by it may be limited under applicable law; and (vii) that rights to indemnity, contribution and waiver under the documents may be limited or unavailable under applicable law;

(l) neither the Corporation nor any Subsidiary is in default or breach of, and the execution and delivery of, and the performance of and compliance with the terms of this Agreement, the Subscription Agreements, the Special Warrant Indenture and the Warrant Indenture by the Corporation or any of the transactions contemplated hereby or thereby does not and will not result in any breach of, or constitute a default under, and does not and will not create a state of facts which, after notice or lapse of time or both, would result in a breach of or constitute a default under, (i) any term or provision of the articles, by-laws or resolutions of the Corporation or any Subsidiary of the Corporation, (ii) any indenture, mortgage, note, contract, agreement (written or oral), instrument, lease or other document to which the Corporation or any Subsidiary of the Corporation is bound, or (iii) any judgment, decree, order, statute, rule or regulation applicable to the Corporation or any Subsidiary of the Corporation, in force or proposed to be in force, which default or breach might reasonably be expected to have a Material Adverse Effect;

(m) (i) the Special Warrants and the Underlying Securities will be duly and validly authorized, allotted and reserved for issuance in accordance with the Subscription Agreements, the Special Warrant Indenture and the Warrant Indenture as the case may be; (ii) upon receipt of the purchase price therefor, the Special Warrants will be duly and validly issued; (iii) upon issuance pursuant to the Special Warrant Indenture, the Underlying Shares will be duly and validly issued as fully paid and non-assessable; and (iv) upon issuance pursuant to the Warrant Indenture, the Warrant Shares will be duly and validly issued as fully paid and non-assessable;

(n) the Financial Statements fairly present, in accordance with generally accepted accounting principles in Canada, consistently applied, the financial position and condition, the results of operations, cash flows and the other information purported to be shown therein of the Corporation and the Subsidiaries as at the dates thereof and for the periods then ended and reflect all assets, liabilities and obligations (absolute, accrued, contingent or otherwise) of the Corporation and the Subsidiaries on a consolidated basis as at the dates thereof required to be disclosed by generally accepted accounting principles in Canada, and include all adjustments necessary for a fair presentation;

(o) the Corporation maintains, and will maintain, a system of internal accounting controls sufficient to comply with its obligations under Canadian generally accepted accounting principles;

(p) the Corporation has no liabilities, obligations, indebtedness or commitments, whether accrued, absolute, contingent or otherwise, which are not disclosed or referred to in the Financial Statements or referred to or disclosed herein, other than liabilities, obligations, indebtedness or commitments (i) incurred in the normal course of business; and (ii) which would not have a Material Adverse Effect;

(q) the Corporation's auditors are independent within the meaning of Applicable Securities Laws and there has not been any reportable "disagreement" (within the meaning of Section 4.11 of National Instrument 51-102 of the Canadian Securities Administrators) with the Corporation's auditors since March 31, 2010;

(r) other than as disclosed in the Financial Statements, the Corporation, and the Subsidiaries are not party to any related party transactions required to be disclosed under generally accepted accounting principles in Canada or Applicable Securities Laws;

(s) to the best of the Corporation's knowledge, all material receivables recorded on the books of each of the Corporation and its Subsidiaries are *bona fide* and are good and collectible without set off or counterclaim, except those reserved as bad debts;

(t) the Corporation and each of its Subsidiaries owns or has the right to use under licence, sub-license or otherwise all material intellectual property used by the Corporation and its Subsidiaries in its business, including copyrights, industrial designs, trademarks, trade secrets, knowhow and proprietary rights, free and clear of all encumbrances except where the failure to own or license such material would not have a Material Adverse Effect;

(u) to the best of the Corporation's knowledge, all material bonuses, commissions, salaries and other amounts owing to employees are reflected and have been accrued in the books of account of the Corporation;

(v) except as disclosed in the Due Diligence Session Responses, there are no actions, suits, proceedings or inquiries pending or (as far as the Corporation is aware) threatened against or affecting the Corporation or the Subsidiaries, at law or in equity or before or by any federal, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality which in any way has a Material Adverse Effect, or which affects or may affect the distribution of the Special Warrants;

(w) neither the Corporation, nor the Subsidiaries have any loans or other indebtedness outstanding which have been made to or from any of their respective shareholders, unitholders, officers, directors or employees or any other person not dealing at arm's length with the Corporation and the Subsidiaries that are currently outstanding;

(x) the Corporation is not aware of any defects, failures or impairments in the title of each of the Corporation and the Subsidiaries to its assets, whether or not an action, suit, proceeding or inquiry is pending or threatened or whether or not discovered by any third party, which in aggregate could have a Material Adverse Effect;

(y) except as disclosed in Schedule "E" hereto, the Corporation's properties and assets, including those of its Subsidiaries, are free and clear of all mortgages, pledges, liens, charges and encumbrances, other than encumbrances pursuant to the Corporation's credit facility or those encumbrances that will not have a Material Adverse Effect on Enseco on a consolidated basis ("**Permitted Encumbrances**"), and, other than Permitted Encumbrances, neither the Corporation nor its Subsidiaries has done any act or suffered or permitted any action to be done whereby any person has acquired or may acquire an interest in or to its material properties or assets, nor has it done any act, to its knowledge omitted to do any act or permitted any act to be done that may adversely affect or defeat its title to any of its material properties or assets;

(z) other than as disclosed in the Due Diligence Sessions Responses, with respect to each of the premises of the Corporation and its Subsidiaries which is material to the Corporation on a consolidated basis and which the Corporation or any of its Subsidiaries occupies as tenant (the "**Leased Premises**"), the Corporation or such Subsidiary occupies the Leased Premises and has the exclusive right to occupy and use the Leased Premises and each of the leases pursuant to which the Corporation and/or its Subsidiaries occupies the Leased Premises is in good standing and in full force and effect except where any deficiencies do not have a Material Adverse Effect;

(aa) neither the Corporation nor the Subsidiaries are a party to or bound by any agreement of guarantee, indemnification, assumption or endorsement or any other like commitment of the obligations, liabilities (absolute, accrued, contingent or otherwise) or indebtedness of any other person, firm or corporation, other than indemnities provided by the Corporation or the Subsidiaries to their respective directors and officers in such capacities, its agents or underwriters pursuant to prior financings of the Corporation, the Transfer Agent pursuant to a registrar and transfer agency agreement, pursuant to this Agreement or other than in the ordinary course of business;

(bb) the authorized capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of Preferred Shares, issuable in series of which 165,483,719 Common Shares and nil Preferred Shares are issued and outstanding;

(cc) Olympia Trust Company has been duly appointed as the registrar and transfer agent for the Common Shares at its principal offices in the City of Calgary and will, on the Closing Date, be the duly appointed as the Special Warrant Trustee and the Warrant Trustee;

(dd) no Securities Commission, other commission or similar regulatory authority, the Exchange or other exchange in Canada or the United States has issued any order which is currently outstanding preventing or suspending trading in any securities of the Corporation, no such proceeding is, to the knowledge of the Corporation, pending, contemplated or threatened and the Corporation is not in default of any material requirement of Applicable Securities Laws of the provinces of Canada or the United States;

(ee) no authorization, approval or consent of any court or governmental authority or agency is required to be obtained by the Corporation in connection with the sale and delivery of the Special Warrants and the issuance of the Underlying Securities in accordance with the Special Warrant Indenture and the Warrant Indenture, subject to completion of filings with certain regulatory authorities following the Closing Date;

(ff) the definitive form of certificate representing each of the Special Warrants and the Warrants will be, and the definitive form of certificate representing the Common Shares is, in due and proper form under the laws governing the Corporation and the definitive form of certificate representing the Common Shares is in compliance with the requirements of the Exchange;

(gg) the Corporation is a "reporting issuer" in each of the provinces of Canada, within the meaning of the Applicable Securities Laws in such provinces and is not in default of any requirement in relation thereto;

(hh) the Due Diligence Session Responses shall be true and correct in all material respects as at the time such responses are given and such responses taken as a whole shall not omit any fact or information necessary to make any of the responses not misleading in light of the circumstances in which such responses were given, provided that where such responses reflect the opinion or view of the Corporation or its officers or directors or are forward-looking or otherwise relate to projections, forecasts or estimates of future performance or results (operating, financial or otherwise), such forward-looking statements are subject to the qualifications and provisions set forth in the responses and shall be honestly held and believed to be reasonable at the time they are given;

(ii) other than pursuant to the Special Warrant Indenture and the Warrant Indenture, no person holds any securities convertible into or exchangeable for Common Shares or Preferred Shares or has any agreement, warrant, option, right or privilege being or capable of becoming an agreement, warrant, option or right (whether or not on condition(s)) for the purchase or other acquisition of any unissued Common Shares or Preferred Shares or other securities of the Corporation, except in respect of an aggregate of 11,419,500 Common Shares issuable upon exercise of currently outstanding stock options under the Corporation's stock option plan and an aggregate of 20,000,000 Common Shares issuable upon exercise currently outstanding common share purchase warrants and such number of Common Shares as are issuable upon the conversion of \$14,250,737 principal amount of currently outstanding convertible debentures;

(jj) the Corporation does not have in place a shareholder rights protection plan;

(kk) to its knowledge, neither the Corporation nor any of its Shareholders is a party to any unanimous shareholders agreement, pooling agreement, voting trust or other similar type of arrangements in respect of outstanding securities of the Corporation;

(ll) the minute books of each of the Corporation and the Subsidiaries are true and correct in all material respects and contain the constating documents of each such entity and the minutes of all meetings and all resolutions of the directors (including the committees thereof) and shareholders of the Corporation and the Subsidiaries;

(mm) to the Corporation's knowledge, information and belief, none of the directors or officers of the Corporation are now, or have within the last 10 years been, subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public company or of a company listed on a particular stock exchange and to its knowledge, information and belief, no insider of the Corporation or has the present intention to sell a material amount of securities of the Corporation;

(nn) other than as disclosed in the Public Record, to its knowledge, information and belief, none of the directors, officers or employees of the Corporation, or the Subsidiaries, or any person who owns, directly or indirectly, more than 10% of any class of securities of the Corporation, or any associate or affiliate of any of the foregoing, had or has any material interest, direct or indirect, in any material transaction or any proposed material transaction with the Corporation which, as the case may be, materially affects, is material to or will materially affect the Corporation;

(oo) to the knowledge of the Corporation, no change in the senior executive management of the Corporation is anticipated within the period that is six months following the date hereof, except as otherwise disclosed to the Underwriter;

(pp) other than as provided for in this Agreement, neither the Corporation nor any of the Subsidiaries has incurred any obligation or liability (absolute, accrued, contingent or otherwise) for brokerage fees, finder's fees, agent's commission or other similar forms of compensation with respect to the transactions contemplated herein;

(qq) the issued and outstanding Common Shares are listed and posted for trading on the Exchange, the Corporation is in compliance with the rules and regulations of the Exchange in all material respects, and the Exchange has conditionally approved the listing of the Underlying Shares and the Warrant Shares, subject to the conditions set forth in its letter dated August 24, 2010;

(rr) to the knowledge of the Corporation, it has duly filed or delivered all reports, filings, disclosures, releases and other materials required to be filed with or delivered to any securities regulatory authority having jurisdiction under applicable laws (including, without limitation, periodic timely disclosure filings and other materials required to be filed by a "reporting issuer" under Applicable Securities Laws in Canada);

(ss) any and all operations of the Corporation, the Subsidiaries, and to the best of its knowledge, information and belief, any and all operations by third parties, on or in respect of the assets or properties of the Corporation, have been conducted in accordance with good oilfield service industry practices;

(tt) to the best of its knowledge, information and belief, each of the Corporation, and the Subsidiaries has been and is in compliance with all applicable federal, provincial, state, municipal and local laws, statutes, ordinances, by-laws and regulations, and orders, directives and decisions rendered by any ministry, department or administrative or regulatory agency, domestic or foreign, ("**Environmental Laws**") relating to the protection of the environment, occupational health and safety or the processing, use, treatment, storage, disposal, discharge, transport or handling of any pollutants, contaminants, chemicals or industrial, toxic or hazardous wastes or substance;

(uu) each of the Corporation, and the Subsidiaries have obtained all material licences, permits, approvals, consents, certificates, registrations and other authorizations under Environmental Laws (the "**Environmental Permits**") necessary or advisable for the operation of its business as currently conducted and each Environmental Permit is valid, subsisting and in good standing and the holders of the Environmental Permits are not in material default or breach thereof and, to the knowledge, information and belief of the Corporation, no proceeding is pending or threatened to revoke or limit any Environmental Permit, except in each case where the result would not have a Material Adverse Effect;

(vv) the Corporation and the Subsidiaries have not received any notice of, or been prosecuted for an offence alleging, material non-compliance with any Environmental Laws, and the Corporation and the Subsidiaries have not settled any allegation of material non-compliance short of prosecution. There are no outstanding orders or directions relating to environmental matters requiring any material work, repairs, construction or capital expenditures to be made with respect to any of the assets of the Corporation and the Subsidiaries, nor has the Corporation or the Subsidiaries received notice of any of the same and which orders directions or notices remain outstanding as unresolved;

(ww) except as disclosed in the Public Record and with respect to the sale of the Corporation's swabbing assets pursuant to the Swab Sale Agreement, the Corporation and the Subsidiaries are not a party to or bound or affected by any contract limiting their freedom to compete in any line of business or any geographic area, acquire goods or services from any supplier, establish the prices at which they may sell any goods or services, sell goods or services to any customer or potential customer, or transfer or move any of their assets or operations;

(xx) the Corporation and the Subsidiaries maintain such policies of insurance, issued by responsible insurers, as are appropriate to its operations, property and assets, in such amounts and against such risks as are customarily carried and insured against by owners of comparable businesses, properties and assets;

(yy) all filings by each of the Corporation and the Subsidiaries pursuant to which each thereof has received or is entitled to receive government incentives, have been made in accordance with all applicable legislation and contain no misrepresentations of material fact or omit to state any material fact which could cause any material amount previously paid to either thereof or previously accrued on the accounts thereof not to be recovered or to be disallowed;

(zz) other than as disclosed in Schedule A hereto, there are no material contracts or agreements (the "**Material Contracts**") to which the Corporation or the Subsidiaries are a party or by which they are bound, and each of such Material Contracts constitutes a legally valid and binding agreement of the Corporation, or the Subsidiaries, as the case may be, enforceable in accordance with its respective terms and, to the knowledge of the Corporation, no party thereto is in default thereunder and the Corporation has not received notification from any party claiming that the Corporation is in breach of or default under any Material Contract. For the purpose of this subparagraph, contracts or agreements shall be deemed to be Material Contracts if they: (i) are not entered into in the ordinary course of business; and (ii) will, or may reasonably be expected to, result in a requirement to expend more than an aggregate of $250,000, or receive or be entitled to receive revenue of more than $250,000 in either case in the next 12 months. To the knowledge of the Corporation, no other party is in default in the observance or performance of any term or obligation to be performed by it under any Material Contract to which the Corporation or any of the Subsidiaries is a party or by which any of them is bound which is material to the business of the Corporation and no event has occurred which with notice or lapse of time or both would directly or indirectly constitute such a default, in any such case which default or event would reasonably be expected to have a Material Adverse Effect;

(aaa) no material labour dispute with the employees of the Corporation or the Subsidiaries currently exists or, to the knowledge, information and belief of the Corporation, is imminent. Neither the Corporation nor the Subsidiaries is a party to any collective bargaining agreement and, to the knowledge, information and belief of the Corporation, no action has been taken or is contemplated to organize any employees of the Corporation or the Subsidiaries;

(bbb) except as disclosed in Schedule B hereto, neither the Corporation nor the Subsidiaries is a party to any written contracts of employment which may not be terminated on one month's notice or which provide for payments occurring on a change of control of the Corporation;

(ccc) neither the Corporation nor the Subsidiaries currently have any outstanding Swaps; and

(ddd) the representations and warranties of the Corporation in the Subscription Agreements are, or will be on the Closing Date, true and correct.

Section 9. Conditions

The obligations of the Underwriter hereunder shall be conditional upon the Underwriter receiving on the Closing Date:

(a) a legal opinion of the Corporation's counsel addressed to the Underwriter and the Subscribers in form and substance satisfactory to the Underwriter, acting reasonably, relating to the offering, issuance and sale of the Special Warrants and the Underlying Securities, including, without limitation, the matters set forth in Schedule C and as to all other legal matters, including compliance with Applicable Securities Laws of the Selling Jurisdictions, in any way connected with the offering, issuance, sale and delivery of the Special Warrants and the Underlying Securities as the Underwriter may reasonably request.

It is understood that the Corporation's counsel may substitute or rely on the opinions of local counsel acceptable to them as to matters governed by the laws of jurisdictions other than the jurisdiction of residence of such counsel or Canada and on certificates of officers of the Corporation, the transfer agent of the Common Shares and the auditors of the Corporation as to relevant matters of fact;

(b) if requested by the Underwriter, if any of the Special Warrants are sold in the United States, a favourable legal opinion by the Corporation's United States legal counsel in form and substance reasonably satisfactory to the Underwriter, which opinion may be subject to usual and customary qualifications for opinions of this type, to the effect that no registration under the U.S. Securities Act is required for the offer and sale of the Special Warrants in the United States and the issuance of the Underlying Securities pursuant to and in accordance with the terms of this Agreement;

(c) a certificate of the Corporation dated the Closing Date, addressed to the Underwriter and signed on the Corporation's behalf by its Chief Executive Officer and Chief Financial Officer or such other officers of the Corporation satisfactory to the Underwriter, acting reasonably, certifying on behalf of the Corporation and not in their personal capacities that:

  (i) the Corporation has complied with and satisfied all terms and conditions of this Agreement on its part to be complied with or satisfied at or prior to the Closing Time in all material respects;

  (ii) the representations and warranties of the Corporation set forth in this Agreement, the Subscription Agreements, the Special Warrant Indenture and the Warrant Indenture are true and correct at the Closing Time, as if made at such time, in all material respects;

  (iii) no event of a nature referred to in Section 14(a), (b), (c) or **Error! Reference source not found.** of this Agreement has occurred since the date of this Agreement or to the knowledge of such officer is pending, contemplated or threatened, excluding with respect to Section 14(c) any obligation of the Underwriter to make a determination as to whether or not any material change, change, occurrence or event of the nature referred to has, in the Underwriter's opinion, occurred; and

  (iv) the Corporation has made and/or obtained, on or prior to the Closing Time, all necessary filings, approvals, consents and acceptances of applicable regulatory authorities and under any applicable agreement or document to which the Corporation is a party or by which it is bound, required for the execution and delivery of this Agreement, the Special Warrant Indenture or the Warrant Indenture, the offering and sale of the Special Warrants in the Selling Jurisdictions and the consummation of the other transactions contemplated hereby, including the issuance of the Underlying Securities (subject to completion of filings with certain regulatory authorities following the Closing Date);

and the Underwriter shall have no knowledge to the contrary; and

(d) evidence satisfactory to the Underwriter that the Corporation has obtained all necessary third party approvals and all necessary approvals of the Exchange for the issuance and listing of the Underlying Shares and Warrant Shares, subject only to the filing of required documents which are in the possession of the Corporation on the Closing Date and payment of applicable fees.

The foregoing conditions are for the sole benefit of the Underwriter and may be waived in whole or in part by the Underwriter at any time and without limitation, the Underwriter shall have the right, on behalf of potential subscribers, to withdraw all Subscription Agreements delivered and not previously withdrawn or rescinded by such persons. If any of the foregoing conditions are not met, the Underwriter may terminate their obligations under this Agreement without prejudice to any other remedies they may have.

Section 10. Closing

The issue and sale of the Special Warrants shall be completed at the Closing Time at the offices of the Corporation's counsel in Calgary, Alberta or at such other place as the Corporation and the Underwriter may agree. Subject to the conditions set forth in Section 9, the Underwriter, on the Closing Date, shall deliver:

(a) to the Corporation:

(i) all completed Subscription Agreements, including all appendices, schedules and exhibits thereto;

(ii) any other forms required under Applicable Securities Laws or the Exchange; and

(iii) by way of certified cheque or bank draft an amount equal to the aggregate gross proceeds from the sale of the Special Warrants net of the Underwriter's fee and its expenses payable pursuant to Section 11 and Section 12, respectively;

against delivery by the Corporation of:

(b) definitive certificates or proof of deposit, as applicable, representing, in the aggregate, all of the Special Warrants, registered in the name of CDS & Co., or in such other name or names as the Underwriter shall notify the Corporation of in writing not less than 24 hours prior to the Closing Time; and

(c) such further documentation as may be contemplated by this Agreement, the Special Warrant Indenture, the Warrant Indenture or that may reasonably be requested by Underwriter's counsel.

The Corporation may not reject any properly completed Subscription Agreement from a subscriber resident in the Selling Jurisdictions, unless the number of Special Warrants subscribed for pursuant to all Subscription Agreements tendered by the Underwriter exceeds the maximum number of Special Warrants to be sold under this Agreement, in which case Subscription Agreements shall, in consultation with the Underwriter, be rejected or unless the acceptance of such Subscription Agreement may breach or violate any Applicable Securities Laws of the Selling Jurisdictions.

Section 11. Fees

In consideration for their services hereunder, the Corporation agrees to pay to the Underwriter a fee of $0.012 per Special Warrant sold (being an aggregate amount of $360,000) on the Closing Date which amount shall be netted from the amount to be paid to the Corporation in respect of the gross proceeds from the sale of the Special Warrants to be delivered by way of certified cheque or bank draft pursuant to Section 10(a)(iii).

Section 12. Expenses

Whether or not the transactions contemplated herein shall be completed, all costs and expenses of or incidental to the distribution of the Special Warrants and the Underlying Securities shall be borne by the Corporation, including, without limitation, all costs and expenses of or incidental to the private placement of the Special Warrants and the qualification of the Underlying Shares and Warrants pursuant to the Prospectus, listing fees, the fees and expenses of the Corporation's counsel, agent counsel retained by the Corporation's counsel, the Corporation's auditors, the registrar and transfer agent, the Special Warrant Trustee and the Warrant Trustee, the out-of-pocket expenses of the Underwriter, including, but not limited to, travel and road show expenses and the Underwriter's legal fees (plus disbursements and taxes). At the closing of the offering, the Corporation authorizes the Underwriter to deduct its reasonable expenses in connection with the offering, including legal fees, from the aggregate gross proceeds of the offering, including expenses for which an account has not yet been rendered.

Section 13. Conditions and Waiver

All terms, covenants and conditions of this Agreement to be performed by the Corporation shall be construed as conditions, and any breach or failure to comply with any material terms and conditions which are for the benefit of the Underwriter shall entitle the Underwriter to terminate its obligations to purchase the Special Warrants, by written notice to that effect given to the Corporation prior to the Closing Time. The Underwriter may waive in whole or in part any breach of, default under or non-compliance with any representation, warranty, term or condition hereof, or extend the time for compliance therewith, without prejudice to any of its rights in respect of any other representation, warranty, term or condition hereof or any other breach of, default under or non-compliance with any other representation, warranty, term or condition hereof, provided that any such waiver or extension shall be binding on the Underwriter only if the same is in writing.

Section 14. Termination Events

The Underwriter may terminate its obligations hereunder, without any liability on the Underwriter's part, by written notice to the Corporation, in the event that after the date hereof and at or prior to the Closing Time:

(a) any order to cease or suspend trading in any securities of the Corporation, or prohibiting or restricting the distribution of the Special Warrants or the Underlying Securities is made, or proceedings are announced or commenced for the making of any such order, by any securities commission or similar regulatory authority, the Exchange or by any other competent authority (unless based on the activities or alleged activities of the Underwriter or its agents), and has not been rescinded, revoked or withdrawn;

(b) (i) any inquiry, investigation (whether formal or informal) or other proceeding in relation to the Corporation or any of its directors or senior officers is announced or commenced by any securities commission or similar regulatory authority, the Exchange or by any other competent authority (unless based on the activities or alleged activities of the Underwriter or its agents), or (ii) there is any change of law, regulation or policy or the interpretation or administration thereof, which, in the opinion of the Underwriter, acting reasonably, materially adversely affects, or may materially adversely affect, the Corporation (on a consolidated basis) or the trading or distribution of the Special Warrants or the Underlying Securities;

(c) there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence, any law or regulation or any other occurrence of any nature whatsoever which in the opinion of the Underwriter, acting reasonably, seriously adversely affects or involves, or will seriously adversely affect or involve, the financial markets or the business, operations or affairs of the Corporation;

(d) there should occur any material change, change of a material fact, occurrence or event of the nature referred to in Section 5(a) or any development that could result in a material change or a change of a material fact with respect to the Corporation which, in the opinion of the Underwriter, acting reasonably, would be expected to have a material adverse effect on the business, operations or affairs of the Corpora tion or the market price or value of the Special Warrants or Underlying Securities;

(e) the Corporation shall be in breach of, default under or non-compliance with any representation, warranty, term or condition of this Agreement, the Special Warrant Indenture, the Warrant Indenture or the Subscription Agreements in any material respect; or

(f) the Underwriter shall become aware, as a result of its due diligence review or otherwise, of any adverse material change with respect to the Corporation (on a consolidated basis), (in the sole opinion of the Underwriter, acting reasonably) which had not been disclosed to the public or to the Underwriter prior to the date hereof.

Section 15. Continuation of Termination Right

The Underwriter may exercise any or all of the rights provided for in Section 9, Section 13 or Section 14 notwithstanding any material change, change, event or state of facts and notwithstanding any act or thing taken or done by the Underwriter or any inaction by the Underwriter, whether before or after the occurrence of any material change, change, event or state of facts including, without limitation, any act of the Underwriter related to the sale of the Special Warrants. The Underwriter shall only be considered to have waived or be estopped from exercising or relying upon any of their rights under or pursuant to Section 9, Section 13 or Section 14 if such waiver or estoppel is in writing and specifically waives or estops such exercise or reliance.

Section 16. Exercise of Termination Right

Any termination pursuant to the terms of this Agreement shall be effected by notice in writing delivered to the Corporation, provided that no termination shall discharge or otherwise affect any obligation of the Corporation under Section 12, Section 16, Section 17, Section 18, Section 19 or Section 20. The right of the Underwriter to terminate its obligations hereunder are in addition to, and without prejudice to, any other remedies it may have.

Section 17. Survival

All representations, warranties, terms and conditions herein or contained in certificates or documents submitted pursuant to or in connection with the transactions contemplated herein shall survive the payment by the Underwriter for the Special Warrants and shall continue in full force and effect for the benefit of the Underwriter and the Subscribers regardless of any investigation by or on behalf of the Underwriter with respect thereto.

Section 18. Indemnity

The Corporation shall indemnify and save each of the Indemnified Persons, harmless against and from all actual or threatened, claims, demands, actions, suits, investigations and proceedings and all losses (other than losses of profit), liabilities, costs, damages and expenses to which any of the Indemnified Persons may be subject or which any of the Indemnified Persons may suffer or incur (including, without limitation, all statutory duties and obligations, all amounts paid to settle any action or to satisfy any judgment or award) in any way caused by, or arising directly or indirectly from or in consequence of:

(a) any information or statement contained in any part of the Public Record, the Prospectuses or any Supplementary Material (other than any information or statement relating solely to the Underwriter and furnished to the Corporation by the Underwriter expressly for inclusion in any part of the Public Record, the Prospectuses or any Supplementary Material) which is or is alleged to be untrue or any omission or alleged omission to provide any information or state any fact (other than any fact or information relating to the Underwriter) the omission of which makes or is alleged to make any such information or statement untrue or misleading in light of the circumstances in which it was made;

(b) any misrepresentation or alleged misrepresentation (except a misrepresentation which is based upon information relating solely to the Underwriter and furnished to the Corporation by the Underwriter expressly for inclusion in any part of the Public Record, the Prospectuses or any Supplementary Material) in any part of the Public Record, the Prospectuses or any Supplementary Material;

(c) any prohibition or restriction of trading in the securities of the Corporation or any prohibition or restriction affecting the distribution of the Special Warrants or the Underlying Securities (not based upon the activities or the alleged activities of the Underwriter or Selling Dealer Group members, if any) imposed by any competent authority if such prohibition or restriction is based on any misrepresentation or alleged misrepresentation of a kind referred to in Section 18(b);

(d) any order made or any inquiry, investigation (whether formal or informal) or other proceeding commenced or threatened by any one or more competent authorities (not based upon the activities or the alleged activities of the Underwriter or Selling Dealer Group members, if any) relating to or materially affecting the trading or distribution of the Special Warrants or the Underlying Securities; or

(e) any material breach of, default under or non-compliance by the Corporation with any representation, warranty, term or condition of this Agreement, the Subscription Agreements, the Special Warrant Indenture, the Warrant Indenture or any requirement of Applicable Securities Laws;

provided, however, no party who has engaged in any fraud, wilful misconduct, fraudulent misrepresentation or gross negligence shall be entitled, to the extent that such losses, liabilities, costs, damages and expenses were caused solely by such activity, to claim indemnification from any person who has not engaged in such fraud, wilful misconduct, fraudulent misrepresentation or gross negligence (provided that for greater certainty, the foregoing shall not disentitle the Underwriter from claiming indemnification hereunder to the extent that the gross negligence, if any, relates to the Underwriter's failure to conduct adequate "due diligence").

The Corporation hereby waives its right to recover contribution from the Underwriter with respect to any liability of the Corporation by reason of or arising out of any misrepresentation in the Documents, any other part of the Public Record, the Prospectuses or any Supplementary Material provided, however, that such waiver shall not apply in respect of liability caused or incurred by reason of or arising out of: (i) any misrepresentation which is based upon information relating solely to the Underwriter contained in such document and furnished to the Corporation by the Underwriter expressly for inclusion in such document; or (ii) any failure by the Underwriter to provide to purchasers of Special Warrants any document which the Corporation is required to provide to such purchasers and which the Corporation has provided to the Underwriter to forward to such purchasers.

The Corporation agrees that in case any legal proceedings or investigation shall be brought against or initiated against the Corporation by any governmental commission, regulatory authority, exchange, court or other authority and an Indemnified Person or other representative of the Underwriter shall be required to testify or respond to procedures designed to discover information regarding, in connection with or relating to the performance of professional services rendered to the Corporation by one or more of the Underwriter, the Corporation shall pay the Underwriter the reasonable costs (including an amount to reimburse the Underwriter for the time spent by their personnel in connection therewith on a per diem basis and out of pocket expenses) in connection therewith unless such proceedings or investigations shall be brought or initiated as a result of any negligence, fraud or any actions or inactions of one or more of the Underwriter, or any of its affiliates, the Indemnified Person or any member of the Selling Dealer Group.

Section 19. Notice of Indemnity Claim

If any claim contemplated by Section 18 shall be asserted against any of the Indemnified Persons in respect of which indemnification is or might reasonably be considered to be provided for in such section, such Indemnified Person shall notify the Corporation as soon as possible of the nature of such claim (provided that any failure to so notify shall not affect the Corporation's liability under Section 18 except to the extent that the failure materially prejudices the Corporation) and the Corporation shall be entitled (but not required) to assume the defence of any suit brought to enforce such claim, provided however, that the defence shall be through legal counsel selected by the Corporation and acceptable to the Indemnified Person acting reasonably and that no admission of liability or settlement may be made by the Corporation or the Indemnified Person without the prior written consent of the other, such consent not to be unreasonably withheld. The Indemnified Person shall have the right to retain its own counsel in any proceeding relating to a claim contemplated by Section 18 if:

(a) the Indemnified Person has been advised in writing by counsel that there may be a material legal defence available to the Indemnified Person which is different from or additional to a defence available to the Corporation (in which case the Corporation shall not have the right to assume the defence of such proceedings on the Indemnified Person's behalf);

(b) the Corporation shall not have taken the defence of such proceedings and employed counsel within ten days after notice of commencement of such proceedings; or

(c) the employment of such counsel has been authorized by the Corporation in connection with the defence of such proceeding;

and, in any such event, the reasonable fees and expenses of such Indemnified Person's counsel (on a solicitor and client basis) shall be paid by the Corporation, provided that the Corporation shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the fees and expenses of the more than one separate law firm (in addition to any local counsel) for all such Indemnified Persons.

It is the intention of the Corporation to constitute the Underwriter as trustee for the Indemnified Persons for the purposes of Section 18, Section 19 and Section 20 and the Underwriter agrees to accept such trust and to hold and enforce such covenants on behalf of such persons.

Section 20. Right of Contribution

In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in this Agreement is due in accordance with its terms but is (in whole or in part), for any reason, held by a court to be unavailable from the Corporation on grounds of policy or otherwise, each of the Corporation and the party or parties seeking indemnification shall contribute to the aggregate liabilities, claims, demands, losses (other than losses of profit), costs, damages and expenses (or claims, actions, suits or proceedings in respect thereof) to which they may be subject or which they may suffer or incur:

(a) in such proportion as is appropriate to reflect the relative benefit received by the Corporation on the one hand and by the Underwriter on the other hand from the offering of the Special Warrants; or

(b) if the allocation provided by Section 20(a) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in Section 20(a) but also to reflect the relative fault of the party or parties seeking indemnity, on the one hand, and the parties from whom indemnity is sought, on the other hand, in connection with the statement, omission, misrepresentation or alleged misrepresentation, order, inquiry, investigation or other matter or thing which resulted in such liabilities, claims, demands, losses, costs, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Corporation, on the one hand, and the Underwriter, on the other hand, shall be deemed to be in the same proportion that the total proceeds of the offering received by the Corporation (net of fees but before deducting expenses) bear to the consideration received by the Underwriter.

The amount paid or payable by an Indemnified Person as a result of liabilities, claims, demands, losses (other than losses of profit), costs, damages and expenses (or claims, actions, suits or proceedings in respect thereof) referred to above shall, without limitation, include any legal or other expenses reasonably incurred by the Indemnified Person in connection with investigating or defending such liabilities, claims, demands, losses, costs, damages and expenses (or claims, actions, suits or proceedings in respect thereof), whether or not resulting in any action, suit, proceeding or claim.

The Corporation agrees that it would not be just and equitable if contributions pursuant to this Agreement were determined by pro rata allocation or by any other method of allocation which does not take into account the equitable considerations referred to in the immediately preceding sections. The rights to contribution provided in this Section 20 shall be in addition to, and without prejudice to, any other right to contribution which the Underwriter may have.

Any liability of the Underwriter under this Section 20 shall be limited to the amount payable to the Underwriter pursuant to Section 11.

Section 21. Notices

Any notice or other communication to be given hereunder shall, in the case of notice to be given to the Corporation, be addressed to:

Enseco Energy Services Corp.
500, 500 - 4 Ave SW
Calgary, AB T2P 2V6

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

with a copy to:

Burnet, Duckworth & Palmer LLP
1400, 350 - 7 Ave SW
Calgary, Alberta T2P 3N9

Attention: Shannon Gangl
Fax.: (403) 260-0332

and, in the case of notice to be given to the Underwriter, be addressed to:

Desjardins Securities Inc.
700, 205 - 5 Ave SW
Calgary, Alberta T2P 2V7

Attention: Alex Shegelman
Fax: (403) 539-6237

with a copy to:

Burstall Winger LLP
1600, 333 - 7th Avenue S.W.
Calgary, Alberta T2P 2Z1

Attention: Doug McCartney
Telecopy No.: (403) 266-6016

or to such other address as the party may designate by notice given to the others. Each communication shall be personally delivered to the addressee or sent by facsimile transmission to the addressee, and:

(a) a communication which is personally delivered shall, if delivered before 4:30 p.m. (local time) on a Business Day, be deemed to be given and received on that day and, in any other case be deemed to be given and received on the first Business Day following the day on which it is delivered; and

(b) a communication which is sent by facsimile transmission shall, if sent on a Business Day before 4:30 p.m. (local time), be deemed to be given and received on that day and, in any other case, be deemed to be given and received on the first Business Day following the day on which it is sent.

Section 22. Compliance with United States Securities Laws

The Underwriter and the Corporation agree as follows:

(a) The Underwriter (i) acknowledges that none of the Special Warrants or the Underlying Securities have been or will be registered with the SEC under the U.S. Securities Act or the securities laws of any state of the United States and that the Special Warrants and the Underlying Securities are being offered and sold pursuant to Applicable Securities Laws of the Selling Jurisdictions in Canada and (x) outside the United States in reliance upon and in compliance with Rule 903 of Regulation S or (y) in reliance upon and in compliance with the exemption from the registration requirements of the U.S. Securities Act provided by Section 4(2) and Rule 506 of Regulation D; and (ii) represents and agrees that, in connection with the offer and sale of the Special Warrants and the Underlying Securities, none of the Underwriter, their affiliates, or any person acting on its or their behalf (A) has made or will make any Directed Selling Efforts, (B) has made or will make (except to the extent permitted by this Section 24) (x) any offer to sell or solicitation of any offer to buy any Special Warrants or Underlying Securities to any person in the United States or (y) any sale of Special Warrants to any person unless, at the time the order to purchase such securities was originated, such person was outside the United States or the seller of such securities and any person acting on its behalf reasonably believed that, at the time the order to purchase such securities was originated, such person was outside the United States within the meaning of Rule 903 of Regulation S, or (C) has taken or will take any action that would constitute a violation of Regulation M under the U.S. Exchange Act in connection with the offer or sale of the Special Warrants or the Underlying Securities. The Underwriter agrees that all offers and sales in the United States have been and shall be made in compliance with all applicable federal and state laws and regulations governing registration and conduct of broker-dealers, and that each U.S. registered broker-dealer affiliate of an Underwriter (a "**U.S. Affiliate**") making an offer of the Special Warrants or the Underlying Securities in the United States was or will be, at the time of any such offer or sale, registered as a broker-dealer pursuant to Section 15(b) of the U.S. Exchange Act and under the laws of each applicable state of the United States (unless exempted from the respective state's broker-dealer registration requirements), and a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc.

(b) The Corporation and the Underwriter agree that the Special Warrants and the Underlying Securities have been and may be offered and sold in the United States pursuant only to Rule 506 of Regulation D and only to persons who purchase the Special Warrants directly from the Corporation and are reasonably believed to be Accredited Investors.

(c) The Underwriter will inform, and cause their U.S. Affiliates to inform, all purchasers of the Special Warrants in the United States that the Special Warrants and the Underlying Securities have not been and will not be registered under the U.S. Securities Act and are being sold to them without registration under the U.S. Securities Act or applicable state securities laws in reliance on Rule 506 of Regulation D and pursuant to similar exemptions under applicable state securities laws.

(d) In connection with the offers and sales of the Special Warrants and Underlying Securities in the United States, the Underwriter agrees for itself and for its U.S. Affiliate(s) that it has not and will not offer to sell, or solicit any offer to buy, any Special Warrants or Underlying Securities by any form of "general solicitation" or "general advertising" (as those terms are used in Regulation D) or in any manner involving a public offering within the meaning of Section 4(2).

(e) The Underwriter agrees that offers to sell, solicitations of offers to buy and sales of Special Warrants or Underlying Securities in the United States have been and shall be made only in transactions that are exempt from the registration or qualification requirements of applicable U.S. state securities ("**Blue Sky**") laws and only to persons who purchase the Special Warrants directly from the Corporation and who, prior to the sale and delivery of such securities to them, execute and deliver a subscription agreement in the form agreed upon by the Corporation and the Underwriter.

(f) The Corporation represents that it is, and as of the date of issuance of the Special Warrants and the Underlying Securities, will be a "foreign issuer" as defined in Rule 902(e) of Regulation S and as of the date hereof there is, and as of the date of issuance of the Special Warrants and the Underlying Securities there will be, no "substantial U.S. market interest" (as defined in Rule 902(j) of Regulation S) in the Special Warrants, any of the Underlying Securities or any other class of the Corporation's equity securities.

(g) The Corporation represents that it is not an "investment company," as such term is defined in the United States Investment Company Act of 1940, as amended.

(h) The Corporation represents and agrees that none of it, its affiliates, or any person (other than the Underwriter, its affiliates and any person acting on its or their behalf, as to which the Corporation makes no representation) acting on behalf of it or its affiliates:

(i) has made or will make any Directed Selling Efforts or has taken or will take any action that would (A) cause the exemption afforded by Rule 506 of Regulation D or the exclusion from registration afforded by Rule 903 of Regulation S to be unavailable for offers or sales of the Special Warrants or the Underlying Securities pursuant to this Agreement; or (B) constitute a violation of Regulation M under the U.S. Exchange Act in connection with the offer or sale of the Special Warrants or the Underlying Securities;

(ii) in connection with the offer or sale of the Special Warrants or the Underlying Securities has engaged or will engage in any "general solicitation" or "general advertising" (as those terms are used in Regulation D);

(iii) has offered or sold or will offer to sell the Special Warrants or the Underlying Securities in any manner involving a public offering within the meaning of Section 4(2);

(iv) except as permitted by this Section 24, has made or will make (A) any offer to sell or any solicitation of any offer to buy the Special Warrants or the Underlying Securities to any person in the United States, or (B) any sale of Special Warrants to any person unless, at the time the offer to purchase such securities was originated, such person was outside the United States or the seller of such securities and any person acting on its behalf reasonably believed that, at the time the order to purchase such securities was originated, such person was outside the United States within the meaning of the Rule 903 of Regulation S; and

(v) within the six month period prior to the commencement of the offering of Special Warrants, the Corporation has not offered, solicited offers to buy or sold, and for the six month period following the Closing Date, the Corporation will not offer, solicit offers to buy or sell any securities of the Corporation, in a manner that could be integrated with the offer or sale of the Special Warrants or the Underlying Securities and would cause the exemption from registration set forth in Rule 506 of Regulation D to become unavailable with respect to the offer or sale of the Special Warrants or the Underlying Securities.

(i) The Corporation represents that neither the Corporation nor any of its predecessors or affiliates has been subject to any order, judgment, or decree of any court of competent jurisdiction temporarily, preliminarily or permanently enjoining such person for failure to comply with Rule 503 of Regulation D concerning the filing of a notice of sales on Form D.

(j) The Underwriter have not entered, and will not enter, into any contractual arrangements with respect to the offering of the Special Warrants and the Underlying Shares other than as provided herein (except with a U.S. registered broker-dealer affiliate of any of the Underwriter, a Selling Dealer Group member, or with the written consent of the Corporation).

(k) The Underwriter shall cause each of its affiliates, each Selling Dealer Group member and each person with whom it enters into contractual arrangements relating to offering any Special Warrants and the Underlying Securities to agree, for the benefit of the Corporation, to the same provisions as are contained in this Section 24.

(l) At least one Business Day prior to the Closing Date, the Underwriter shall cause its U.S. Affiliate(s) to provide the Corporation and the transfer agent for the Corporation's securities with a list of all purchasers of Special Warrants in the United States and all purchasers of Special Warrants who were offered Special Warrants or Underlying Securities in the United States.

(m) At closing, the Underwriter, together with its U.S. Affiliate(s) that has offered or sold Special Warrants or Underlying Securities in the United States, will provide a certificate, substantially in the form of Schedule D hereto or will be deemed to have represented that neither it nor its U.S. Affiliate(s) has offered or sold any Special Warrants or Underlying Securities in the United States.

(n) If the Corporation or a purchaser in the United States determines that the Corporation is a "passive foreign investment company" within the meaning of Section 1297(a) of the United States Internal Revenue Code of 1986, as amended, during any calendar year following the purchase of the Special Warrants by the purchaser or the issuance of the Underlying Securities to such purchaser, the Corporation shall provide to such purchaser, upon written request, all information that would be required for income tax reporting purposes to permit a United States securityholder to make the election to treat the Corporation as a "qualified electing fund" for the purposes of such Code.

(o) The Underwriter acknowledges and agrees that the Corporation has not carried out, and does not plan to carry out, any analysis to determine whether the Corporation is a "passive foreign investment company" within the meaning of Section 1297(a) of the United States Internal Revenue Code of 1986, as amended.

Section 23. Trust

It is the intention of the Corporation to constitute the Underwriter as trustee for the Subscribers in respect of the benefit of the representations, warranties and covenants of the Corporation set forth in this Agreement.

Section 24. Severance

If one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

Section 25. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.

Section 26. Time of the Essence

Time shall be of the essence of this Agreement.

Section 27. Counterpart Execution

This Agreement may be executed in one or more counterparts each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement.

Section 28. Entire Agreement

It is understood that the terms and conditions of this Agreement supersede any previous verbal or written agreement between the Underwriter and the Corporation with respect to the issuance of securities by the Corporation and including, without limitation, the agreement constituted by the acceptance of the letter dated August 16, 2010 and reconfirmed August 17, 2010 from Desjardins Securities Inc. to the Corporation.

[The remainder of this page is intentionally left blank]

Section 29. Acceptance

If the Corporation is in agreement with the foregoing terms and conditions, please so indicate by executing a copy of this Agreement where indicated below and by returning by facsimile or other electronic or email transmission one copy and returning by courier one originally executed copy to the Underwriter's counsel.

DESJARDINS SECURITIES INC.

Per: (signed) "*Alex Shegelman*"

Authorized Signatory

ACCEPTED AND AGREED to effective as of the date of this Agreement.

ENSECO ENERGY SERVICES CORP.

Per: (signed) "*Lane Roberts*"

SCHEDULE "A"

Material Contracts

[The list of Material Contracts has been redacted]

SCHEDULE "B"

Employment Contracts

[The list of Employment Contracts has been redacted]

SCHEDULE "C"

Form of Opinion

1. Each of the Corporation and the Subsidiaries has been duly incorporated or amalgamated and is valid and subsisting under the laws of the jurisdiction of its incorporation or amalgamation, is duly qualified in all other jurisdictions in which it is required to be qualified and has all requisite corporate power and authority to carry on its business as now conducted by it and to own its properties and assets.

2. The Corporation has full corporate power and authority to enter into this Agreement, the Special Warrant Indenture, the Warrant Indenture and the Subscription Agreements and to perform its obligations set out herein and therein, and each of this Agreement, the Special Warrant Indenture, the Warrant Indenture and the Subscription Agreements has been duly authorized, executed and delivered by the Corporation and constitutes a legal, valid and binding obligation of the Corporation enforceable against the Corporation in accordance with its terms, subject to laws relating to creditors' rights generally and except as rights to indemnity and contribution may be limited or unavailable under applicable law.

3. The execution and delivery of this Agreement, the Special Warrant Indenture, the Warrant Indenture and the Subscription Agreements and the fulfilment of the terms hereof and thereof by the Corporation, and the performance of and compliance with the terms of this Agreement, the Special Warrant Indenture, the Warrant Indenture and the Subscription Agreements by the Corporation do not and will not result in a breach of, or constitute a default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or constitute a default under:

    (t) any applicable laws of the province of Alberta;

    (u) any term or provision of the articles or by-laws of the Corporation;

    (v) of which counsel is aware, any resolution of the directors (or any committee thereof) or shareholders of the Corporation;

    (w) of which counsel is aware, any indenture, mortgage, note, contract, agreement (written or oral), instrument, lease or other document to which the Corporation is a party or by which it is bound on the Closing Date; or

    (x) of which counsel is aware, any judgment, decree, order, statute, rule or regulation applicable to the Corporation,

    which default or breach might reasonably be expected to materially adversely affect the business, operations, capital or condition (financial or otherwise) of the Corporation or its properties or assets.

4. The Special Warrants have been duly and validly created, allotted and issued as Special Warrants.

5. The form and terms of the definitive certificates representing the Special Warrants, the Warrants and the Common Shares comply with the terms of the Special Warrant Indenture and the Warrant Indenture, as applicable, and the rules of the Exchange, as applicable, and all legal requirements relating thereto.

6. The Underlying Shares will, upon issuance in accordance with the terms of the Special Warrant Indenture, be duly and validly issued as fully paid and non-assessable Common Shares.

7. The Warrants will, upon issuance in accordance with the terms of the Special Warrant Indenture, be duly and validly issued as fully paid and non-assessable Warrants.

8. The Warrant Shares will, upon issuance in accordance with the terms of the Warrant Indenture, be duly and validly issued as fully paid and non-assessable Common Shares.

9. The offering, sale and issue of the Special Warrants by the Corporation to Subscribers in accordance with and pursuant to the Subscription Agreements and the distribution of the Underlying Securities are exempt from the prospectus requirements of the Securities Laws in the applicable provinces, subject to the filing of required notices and assuming distribution by registrants who comply with the relevant provisions of Securities Laws.

10. The issuance of the Underlying Shares and Warrant Shares has been conditionally approved by the Exchange and such Underlying Shares and Warrant Shares have been accepted for listing upon the Exchange subject to any applicable filing requirements.

11. The first trade in Special Warrants, the Underlying Shares, the Warrants and the Warrant Shares will, pursuant to National Instrument 45-102, not be subject to any resale restrictions after 4 months plus one day following the distribution date of the Special Warrants in the Selling Jurisdictions.

In addition, relating to the authorized and issued capital of the Corporation, the eligibility of the Special Warrants and the Underlying Securities for Canadian RRSPs, RRIFs, DPSPs, RESPs and TFSAs, the reporting issuer status of the Corporation in the Selling Jurisdictions in Canada, and the due appointment of the transfer agent for the Common Shares, the Special Warrant Trustee pursuant to the Special Warrant Indenture and the Warrant Trustee pursuant to the Warrant Indenture.

SCHEDULE "D"

Underwriter's Certificate

In connection with the offer and sale of Special Warrants and Underlying Securities of Enseco Energy Services Corp. (the "**Corporation**") to one or more investors (i) in the United States or (ii) who were offered Special Warrants or Underlying Securities in the United States (collectively, the "**U.S. Purchasers**"), the undersigned, the Underwriter referred to in the underwriting agreement dated as of August 17, 2010 between the Corporation and the Underwriter (the "**Underwriting Agreement**") and its U.S. Affiliate, who has signed below in its capacity as placement agent in the United States for such Underwriter, do hereby certify that:

1. the U.S. Affiliate is a duly registered broker or dealer pursuant to Section 15(b) of the U.S. Exchange Act and under the securities laws of each state of the United States in which offers or sales of Special Warrants or Underlying Securities were made (unless exempted from the respective state's broker-dealer registration requirements), and is a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc., and all offers and sales of Special Warrants and Underlying Shares in the United States have been or will be effected by the U.S. Affiliate in accordance with all U.S. federal and state laws governing the registration and conduct of brokers and dealers;

2. all offers of Special Warrants and Underlying Securities in the United States have been and will be made in compliance with Section 24 of the Underwriting Agreement and only to Accredited Investors;

3. no form of "general solicitation" or "general advertising" (as those terms are used in Regulation D under the U.S. Securities Act) was used by us in connection with the offer of the Special Warrants or the Underlying Securities in the United States;

4. each U.S. Purchaser was provided with, and duly executed and returned to the undersigned prior to the sale and delivery of the Special Warrants, a subscription agreement for the Special Warrants (the "Subscription Agreement") in the form agreed upon by the Corporation and the Underwriter;

5. immediately prior to transmitting the Subscription Agreement to any offeree, we had reasonable grounds to believe and did believe that such offeree was an Accredited Investor; and

6. on the date hereof, we continue to believe that each U.S. Purchaser purchasing the Special Warrants from the Corporation pursuant to Rule 506 of Regulation D is an Accredited Investor.

Capitalized terms not defined herein shall have the meanings assigned to them in the Underwriting Agreement to which this Schedule "D" is attached.

Dated __________, 2010.

DESJARDINS SECURITIES INC.

By: ________________________________

Name:

Title:

DESJARDINS SECURITIES INTERNATIONAL INC.

By: ________________________________

Name:

Title:

SCHEDULE "E"

Permitted Encumbrances

[The list of Permitted Encumbrances has been redacted]