

ORBIT GARANT DRILLING INC.

STOCK OPTION PLAN

June 26 2008

ORBIT GARANT DRILLING INC.

STOCK OPTION PLAN

1. DEFINITIONS

In this Plan, the following terms shall have the following meanings:

- (a) “**Administrators**” means the board of directors of the Corporation;
- (b) “**Associate**” has the meaning ascribed thereto in the *Securities Act* (Ontario);
- (c) “**Blackout Period**” means the period during which designated directors, officers and employees of the Corporation cannot trade the Common Shares pursuant to the Corporation’s policy respecting restrictions on directors’, officers’ and employee trading which is in effect at that time (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Corporation or in respect of an insider, that insider is subject);
- (d) “**Board**” means the board of directors of the Corporation;
- (e) “**Business Day**” means each day other than a Saturday, Sunday or statutory holiday in Toronto, Ontario, Canada;
- (f) “**Change of Control**” means:
 - (i) the acceptance of an Offer by a sufficient number of holders of voting shares in the capital of the Corporation to constitute the offeror, together with persons acting jointly or in concert with the offeror, a shareholder of the Corporation being entitled to exercise more than 50% of the voting rights attaching to the outstanding voting shares in the capital of the Corporation (provided that prior to the Offer, the offeror was not entitled to exercise more than 50% of the voting rights attaching to the outstanding voting shares in the capital of the Corporation),
 - (ii) the completion of a consolidation, merger or amalgamation of the Corporation with or into any other corporation whereby the voting shareholders of the Corporation immediately prior to the consolidation, merger or amalgamation receive less than 50% of the voting rights attaching to the outstanding voting shares of the consolidated, merged or amalgamated corporation, or
 - (iii) the completion of a sale whereby all or substantially all of the Corporation’s undertakings and assets become the property of any

other entity and the voting shareholders of the Corporation immediately prior to that sale hold less than 50% of the voting rights attaching to the outstanding voting securities of that other entity immediately following that sale;

- (g) **“Common Shares”** means the Common Shares of the Corporation;
- (h) **“Control”** means, in relation to a corporation, a corporation whose voting securities carrying more than 50% of the votes for the election of directors are held, otherwise than by way of security only, by or for the benefit of another person or corporation or by or for the benefit of the other corporations and the votes carried by such securities are entitled, if exercised, to elect a majority of the board of directors of the corporation, and **“Controlled”** shall have a corresponding meaning;
- (i) **“Corporation”** means Orbit Garant Drilling Inc., a corporation incorporated under the laws of Canada and its successors;
- (j) **“Eligible Corporation”** has the meaning ascribed in Section 1(l)(ii) hereto;
- (k) **“Eligible Individual”** has the meaning ascribed in Section 1(l)(i) hereto;
- (l) **“Eligible Person”** means:
 - (i) any director, officer or employee of the Corporation and/or any director, officer or employee of any Subsidiary (an **“Eligible Individual”**),
 - (ii) a corporation Controlled by an Eligible Individual, the issued and outstanding voting shares of which are, and will continue to be, beneficially owned, directly or indirectly, by such Eligible Individual and/or the spouse of such Eligible Individual (an **“Eligible Corporation”**), or
 - (iii) a family trust of which at least one of the trustees or the sole trustee is an Eligible Individual and the beneficiary or beneficiaries are any one or combination of such Eligible Individual and the spouse and the children of such Eligible Individual (an **“Eligible Trust”**);
- (m) **“Eligible Trust”** has the meaning ascribed in Section 1(l)(iii) hereto;
- (n) **“Event of Termination”** means an event whereby a Participant ceases to be an Eligible Person and, in the case of an Eligible Individual, an Event of Termination shall be deemed to have occurred by the giving of any notice of termination of employment or service (whether voluntary or involuntary and whether with or without just cause), retirement, or any cessation of employment or service for any reason whatsoever, including disability or death;

- (o) **“Fair Market Value”** of a Common Share on a day means the closing price of the Common Shares on the TSX on the last trading day on which Common Shares traded prior to such day; provided that, if no Common Shares traded in the five trading days prior to such day, the Fair Market Value shall be the average of the closing bid and ask prices over the last five trading days prior to such day;
- (p) **“Insider Participant”** means a Participant who is (a) an insider of the Corporation or any of its Subsidiaries, and (b) an Associate of any person who is an insider by virtue of (a);
- (q) **“Offer”** means a bona fide arm’s length offer made to all holders of voting shares in the capital of the Corporation to purchase, directly or indirectly, voting shares in the capital of the Corporation;
- (r) **“Option”** means an option granted to an Eligible Person under the Plan to purchase Common Shares;
- (s) **“Option Agreement”** has the meaning ascribed in Section 7 hereto;
- (t) **“Option Confirmation”** has the meaning ascribed in Section 11 hereto;
- (u) **“Participant”** means any Eligible Person to whom an Option has been granted;
- (v) **“Plan”** means this Stock Option Plan of the Corporation, as it may be amended from time to time;
- (w) **“Proposed Transaction”** has the meaning ascribed in Section 16 hereto;
- (x) **“reserved for issuance”** refers to Common Shares that may be issued in the future upon the exercise of Options which have been granted;
- (y) **“Share Compensation Arrangement”** means a stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to directors, officers and employees of the Corporation and any of its Subsidiaries, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise;
- (z) **“Subsidiary”** has the meaning ascribed thereto in the *Securities Act* (Ontario) and **“Subsidiaries”** shall have a corresponding meaning;
- (aa) **“Trust”** means a trust governed by a registered retirement savings plan established by and for the sole benefit of an Eligible Individual and **“Trusts”** shall have a corresponding meaning; and
- (bb) **“TSX”** means The Toronto Stock Exchange.

2. PURPOSE

The purpose of the Plan is to advance the interests of the Corporation and its Subsidiaries, if any, and its shareholders by: (i) ensuring that the interests of key Eligible Individuals are aligned with the success of the Corporation and its Subsidiaries, if any; (ii) encouraging stock ownership by key Eligible Individuals; and (iii) providing compensation opportunities to attract, retain and motivate key Eligible Individuals.

3. SHARES SUBJECT TO THE PLAN

The shares subject to the Plan shall be Common Shares. The Common Shares for which Options are granted shall be authorized but unissued Common Shares. Subject to Section 4, the aggregate number of Common Shares that may be issued from treasury under the Plan or reserved for issuance upon the exercise of Options under the Plan shall be 2,179,654, subject to increase or decrease by reason of amalgamation, rights offerings, reclassifications, consolidations or subdivisions, as provided in Section 13 hereof, or as may otherwise be permitted by applicable law and the TSX. Common Shares in respect of which Options have been granted but that are not exercised prior to expiry shall be available for subsequent Options.

4. LIMIT ON ISSUANCE OF COMMON SHARES

The total number of Common Shares issuable to any Participant under this Plan and any other Share Compensation Arrangements shall not exceed 5% of the aggregate issued and outstanding Common Shares at the date of the grant of the Option. Except with the approval of the shareholders of the Corporation given by the affirmative vote of a majority of the votes cast at a meeting of the shareholders of the Corporation, excluding the votes attaching to Common Shares beneficially owned by Insider Participants to whom Common Shares may be issued pursuant to this Plan, no Options shall be granted to any Participant if such grant could result, at any time, in:

- (a) the number of Common Shares reserved for issuance to Participants pursuant to Options together with any other Share Compensation Arrangements exceeding 10% of Common Shares then issued and outstanding;
- (b) the number of Common Shares issuable to Insider Participants (under this Plan and any other Share Compensation Arrangements), at any time exceeding 10% of Common Shares then issued and outstanding; or
- (c) the number of Common Shares issued to Insider Participants (under this Plan and any other Share Compensation Arrangements), within any one-year period, exceeding 10% of Common Shares then issued and outstanding.

5. **ADMINISTRATION OF THE PLAN**

The Plan shall be administered by the Administrators, through the recommendation of the compensation and corporate governance committee of the Board. Subject to Section 4 hereof and other limitations of the Plan, the Administrators shall have the power and authority to:

- (a) adopt rules and regulations for implementing the Plan;
- (b) determine the eligibility of persons to participate in the Plan, when Options to Eligible Persons shall be granted, the number of Common Shares subject to each Option and the vesting period for each Option;
- (c) interpret and construe the provisions of the Plan;
- (d) subject to regulatory requirements, make exceptions to the Plan in circumstances which they determine to be exceptional; and
- (e) make all other determinations and take all other actions as they determine to be necessary or desirable to implement, administer and give effect to the Plan.

6. **ELIGIBLE PERSONS**

Options may be granted to any Eligible Person or Trust as determined by the Administrators in accordance with the provisions hereof.

7. **AGREEMENT**

All Options granted hereunder shall be evidenced by an agreement between the Corporation and the Participant substantially in the form of Schedule 1 (the “**Option Agreement**”).

8. **GRANT**

Subject to the terms and conditions of this Plan, the Administrators shall determine the number of Common Shares that are subject to the Plan, the exercise price of each Option, the expiration date of each Option and any other terms and conditions relating to each Option; provided, however, that:

- (a) unless otherwise determined by the Administrators, Options shall vest and become exercisable in respect of 20% of the Common Shares subject to such Options after each of the first five anniversaries of the granting of such Options; and
- (b) the exercise price shall not be less than the Fair Market Value on the date the Option is granted.

9. ELIGIBLE INDIVIDUALS' RETIREMENT SAVINGS PLANS

Eligible Individuals may, in their sole discretion, elect to have some or all of the Options granted to them granted to a Trust governed by a registered retirement savings plan established by and for the sole benefit of such Eligible Individuals. Such election must be made prior to the execution of the Option Agreement and shall be evidenced in such agreement and in the Option Confirmation. For the purposes of this Plan, Options held by Trusts established for the benefit of Eligible Individuals shall be considered to be held by such Eligible Individuals.

10. TERM OF OPTION

The term of each Option shall be determined by the Administrators; provided that no Option shall be exercisable after ten years from the date on which it is granted.

Should the term of an Option expire on a date that falls within a Blackout Period or within nine Business Days following the expiration of a Blackout Period, such expiration date shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Blackout Period, such tenth Business Day to be considered the expiration date for such Option for all purposes under the Plan. Notwithstanding Section 21 hereof, the ten Business Day period referred to in this Section 10 may not be extended by the Board.

11. OPTION CONFIRMATION

Upon the grant of each Option, an option confirmation, substantially in the form of Schedule 2 (an "**Option Confirmation**"), shall be delivered by the Administrators to the Participant. If applicable, the Option Confirmation shall indicate the number of Options, if any, that the Eligible Individual has elected to have granted directly to a Trust or Trusts.

12. EXERCISE OF OPTION

An Option that has vested in accordance with the provisions of this Plan and the applicable Option Confirmation may be exercised at any time, or from time to time, during its term as to any number of whole Common Shares that are then available for purchase; provided that no partial exercise may be for less than 100 whole Common Shares. An Option may be exercised by delivery of a written notice of the election to the Administrators, substantially in the form of Schedule 3, or in any other form acceptable to the Administrators. The aggregate amount to be paid for the Common Shares to be acquired pursuant to the exercise of an Option shall accompany the written notice.

Upon actual receipt by the Administrators of written notice and a cheque for the aggregate exercise price, the number of Common Shares in respect of which the Option is exercised will be duly issued as fully paid and non-assessable and the Participant (or a trustee, in the case of the exercise of Options by a Trust) exercising the Option shall be registered on the books of the Corporation as the holder of the appropriate number of Common Shares. No person or entity shall enjoy any part of the rights or privileges of a holder of Common Shares subject to Options until that person or entity becomes the holder of record of those Common Shares.

13. CERTAIN ADJUSTMENTS

Appropriate adjustments with respect to Options granted or to be granted, in the number of Common Shares that are available for purchase and in the exercise price for such Common Shares under the Plan shall be made by the Administrators to give effect to the number of Common Shares of the Corporation resulting from rights offerings or subdivisions, consolidations or reclassifications of the Common Shares, the payment of stock dividends by the Corporation (other than dividends in the ordinary course) or other relevant changes in the capital stock of the Corporation.

14. EXERCISE RIGHTS UPON AN EVENT OF TERMINATION

If an Event of Termination has occurred, any unvested Options, to the extent not available for exercise as of the date of the Event of Termination, shall forthwith and automatically be cancelled, terminated and not available for exercise without further consideration or payment to the Participant.

Except as otherwise stated herein, upon the occurrence of an Event of Termination, the vested Options granted to the effected Participant or to a Trust established for the benefit of an Eligible Individual that are available for exercise may be exercised only before the earlier of:

- (i) the termination of the Option;
- (ii) 30 days after the date of the Event of Termination; or
- (iii) one calendar year from the date of the Event of Termination, if the Event of Termination is termination not for cause or the death of the Eligible Individual.

Notwithstanding the foregoing, if a Participant resigns or is terminated for just cause, each Option held by the Participant, whether or not then exercisable, shall immediately be cancelled and may not be exercised by the Participant.

For the purposes of this Plan and all matters relating to the Options, the date of the Event of Termination shall be determined without regard to any applicable notice of termination, severance or termination pay, damages, or any claim thereto (whether express, implied, contractual, statutory, or at common law).

15. TRANSFERABILITY

Subject to the terms of this Section 15 with respect to a Participant's death, a Participant shall not be entitled to transfer, assign, charge, pledge or hypothecate, or otherwise alienate, whether by operation of law or otherwise, the Participant's Options or any rights the Participant has in the Plan. Options may be exercised by the Participant or a Trust established for the benefit of an Eligible Individual and, upon the Participant's death, the legal representative of his or her estate or any other person who acquires his or her rights in respect of an Option by bequest or inheritance. A person exercising an Option may subscribe for Common Shares only

in his or her own name, on behalf of a Trust established for his or her sole benefit or in his or her capacity as a legal representative.

16. CHANGE OF CONTROL

Notwithstanding any other provision of this Plan, if the Administrators at any time by resolution declare it advisable to do so in connection with a transaction that, if completed, would result in a Change of Control (a “**Proposed Transaction**”), the Corporation may give written notice to any or all Participants advising either that their respective Options are then exercisable or that all or some of their Options (whether or not currently exercisable) may be exercised only within 30 days after the date of the notice and not thereafter and that all rights of the Participants under any Options not exercised will terminate at the expiration of this 30-day period, provided that the Proposed Transaction is completed within 180 days after the date of the notice. If the Proposed Transaction is not completed within the 180-day period, any affected Participant, within a period of 30 days following the 180-day period, may elect to cancel an exercise pursuant to the notice. In respect of any Participant who makes this election, the Corporation will return to the Participant all rights under the Participant’s Options as if no exercise had been effected, subject to appropriate adjustment of accounts to the position that would have existed had there been no exercise of Options or repurchase of shares.

17. TERMINATION

The Administrators may terminate this Plan at any time in their absolute discretion. If the Plan is so terminated, no further Options shall be granted but the Options then outstanding shall continue in full force and effect in accordance with the provisions of this Plan.

18. COMPLIANCE WITH STATUTES AND REGULATIONS

The granting of Options and the sale and delivery of Common Shares under this Plan shall be carried out in compliance with applicable statutes and with the regulations of governmental authorities and the TSX. If the Administrators determine in their discretion that, in order to comply with any such statutes or regulations, certain action is necessary or desirable as a condition of or in connection with the granting of an Option or the issue or purchase of Common Shares under an Option, that Option may not be exercised in whole or in part unless that action shall have been completed in a manner satisfactory to the Administrators.

19. INTERPRETATION

In this Plan, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

20. NO RIGHT TO EMPLOYMENT.

Nothing contained in this Plan or in any Option granted under this Plan shall confer upon any person any rights to continued employment with the Corporation or interfere in

any way with the rights of the Corporation in connection with the employment or termination of employment of any such person.

21. AMENDMENTS TO THE PLAN

The Board may amend this Plan or any Option at any time without the consent of Participants provided that such amendment shall:

- (a) not adversely alter or impair any Option previously granted except as permitted by the provisions of Section 13 hereof;
- (b) be subject to any regulatory approvals including, where required, the approval of the TSX; and
- (c) be subject to shareholder approval, where required, by law or the requirements of the TSX, provided that shareholder approval shall not be required for the following amendments and the Board may make any changes which may include but are not limited to:
 - (i) amendments of a “housekeeping nature”;
 - (ii) a change to the vesting provisions of any Option;
 - (iii) a change to the termination provisions of any Option that does not entail an extension beyond the original expiration date (as such date may be extended by virtue of Section 10);
 - (iv) the introduction of a cashless exercise feature payable in securities, whether or not such feature provides for a full deduction of the number of underlying securities from the Plan reserve;
 - (v) the addition of a form of financial assistance and any amendment to a financial assistance provision which is adopted; and
 - (vi) a change to the Eligible Persons of the Plan.

22. GOVERNING LAW

This Plan shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

23. SUBJECT TO APPROVAL

The Plan is adopted subject to the approval of the TSX and any other required regulatory approval. To the extent a provision of the Plan requires regulatory approval which is not received, such provision shall be severed from the remainder of the Plan until the approval is received and the remainder of the Plan shall remain in effect.

ADOPTED the 26th day of June, 2008.

ORBIT GARANT DRILLING INC.

Per: James C. Johnson

SCHEDULE 1

AGREEMENT

This Agreement is entered into this ____ day of _____, 20____ between Orbit Garant Drilling Inc. (the “**Corporation**”) and _____ (the “**Participant**”) pursuant to the stock option plan (the “**Plan**”) adopted by the Corporation on ●, 2008.

Pursuant to the Plan and in consideration of \$1.00 paid and services provided to the Corporation by the Participant, the Corporation agrees to grant options (“**Options**”) and issue Common Shares of the Corporation (the “**Common Shares**”) to the Participant and/or the Trust(s) described below governed by a registered retirement savings plan established by and for the benefit of the Participant in accordance with the terms of the Plan. The grant of the Option is to be confirmed by the Option Confirmation attached to this Agreement.

The grant and exercise of the Option and the issue of Common Shares are subject to the terms and conditions of the Plan, all of which are incorporated into and form an integral part of this Agreement.

This Agreement shall enure to the benefit of and be binding upon the parties thereto and their respective successors (including any successor by reason of amalgamation of any party) and permitted assigns.

By executing this Agreement, the Participant confirms and acknowledges that he, she or it has not been induced to enter into this Agreement or acquire any Option by expectation of employment or continued employment with the Corporation.

ORBIT GARANT DRILLING INC.

Per: _____

IN WITNESS WHEREOF

Witness

Participant

Description of Trust¹

Trustee _____ Account No. _____ No. of Options _____

Trustee _____ Account No. _____ No. of Options _____

Trustee _____ Account No. _____ No. of Options _____

Description of Eligible Corporation²

Name of Corporation	Jurisdiction	Shareholders	No. of Common Shares Held	No. of Options

Description of Eligible Trust³

Name of Trust	Jurisdiction	Trustee	Beneficiary	No. of Options

¹ To be completed if an Eligible Individual elects to have Options granted directly to a Trust.

² To be completed if Options are granted directly to an Eligible Corporation.

³ To be completed if Options are granted directly to an Eligible Trust.

SCHEDULE 2
OPTION CONFIRMATION

TO:

("Participant")

Pursuant to the stock option plan (the "**Plan**") adopted by Orbit Garant Drilling Inc. (the "**Corporation**") on ●, 2008 and an agreement between the Corporation and the Participant dated _____, 20____, the Corporation confirms the grant to the Participant and/or the Trust(s) described below governed by a registered retirement savings plan established by and for the benefit of the Participant, of an option (the "**Option**") to acquire _____ common shares of the Corporation (the "**Common Shares**") at an exercise price of \$_____ per Common Share.

Subject to Sections 14 and 16 of the Plan, the Option shall be exercisable until not more than ten years after grant and, unless otherwise determined by the Administrators (as defined in the Plan) pursuant to Section 8 of the Plan, of the Common Shares subject to the Option:

- (a) 20% of the Common Shares may be purchased at any time during the term of the Option on or after _____, _____;
- (b) an additional 20% of the Common Shares may be purchased at any time during the term of the Option on or after _____, _____;
- (c) an additional 20% of the Common Shares may be purchased at any time during the term of the Option on or after _____, _____;
- (d) an additional 20% of the Common Shares may be purchased at any time during the term of the Option on or after _____, _____; and
- (e) an additional 20% of the Common Shares may be purchased at any time during the term of the Option on or after _____, _____.

The granting and exercise of this Option are subject to the terms and conditions of the Plan.

ORBIT GARANT DRILLING INC.

Per: _____

Description of Trust ¹

Trustee _____ Account No. _____ No. of Options _____

Trustee _____ Account No. _____ No. of Options _____

Trustee _____ Account No. _____ No. of Options _____

Description of Personal Eligible Corporation ²

Name of Corporation	Jurisdiction	Shareholders	No. of Common Shares Held	No. of Options

Description of Eligible Trust ³

Name of Trust	Jurisdiction	Trustee	Beneficiary	No. of Options

¹ To be completed if an Eligible Individual elects to have Options granted directly to a Trust.

² To be completed if Options are granted directly to an Eligible Corporation.

³ To be completed if Options are granted directly to an Eligible Trust.

SCHEDULE 3

ELECTION

TO: ORBIT GARANT DRILLING INC.
(the “**Corporation**”)

Pursuant to the stock option plan (the “**Plan**”) adopted by the Corporation on ●, 2008 the undersigned elects to purchase common shares of the Corporation (the “**Common Shares**”) which are subject to an Option (as defined in the Plan) granted on _____, 200____, and encloses a cheque payable to the Corporation in the aggregate amount of \$_____, being \$_____ per Common Share.

The undersigned requests that the Common Shares be issued in his, her or its name as follows in accordance with the terms of the Plan:

(Print Name as Name is to Appear on Share Register)

(Where the party exercising the Option is a Trust): The undersigned is the trustee of a trust governed by a registered retirement savings plan established by and for the benefit of

(Print Name of Beneficiary of Trust)

(Where the party exercising the Option is an Eligible Corporation): The undersigned is an officer or director of the Eligible Corporation of

(Print Name of Controlling Shareholder of Company)

(Where the party exercising the Option is an Eligible Trust): The undersigned is the trustee of a trust established by and for the benefit of

(Print Name of Beneficiary of Trust)

The undersigned acknowledges that he or she has not been induced to purchase the Common Shares by expectation of employment or continued employment with the Corporation.

DATED this _____ day of _____, 200____.

Witness

Participant

Title:

(Where the party exercising the Option is a trust, the trustee should execute this election)

(Where the party exercising the Option is a corporation, an officer or director should execute this election and the title should be entered)