Form 27
[Rule 6.3]

COURT FILE NUMBER	1101-16110	Clerk's Stamp CLERK OF THE COURT FILED SEP 2 6 2012 JUDICIAL CENTRE OF CALGARY
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	Calgary	
APPLICANTS	**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMDENDED** **AND IN THE MATTER OF OILSANDS QUEST INC., OILSANDS QUEST SASK INC., TOWNSHIP PETROLEUM CORPORATION, STRIPPER ENERGY SERVICES INC., 1291329 ALBERTA LTD., OILSANDS QUEST TECHNOLOGY INC., WESTERN PETROCHEMICALS CORP. and 1259882 ALBERTA LTD.**	
DOCUMENT	**APPLICATION** **(Stay Extension and Approval of Sale and Vesting Order)**	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Josef G.A Kruger Q.C./Patrick T. McCarthy Q.C. Borden Ladner Gervais LLP 1900, 520 3rd Ave. S.W. Calgary, AB T2P 0R3 Telephone: (403) 403 232-9563 Facsimile: (403) 266-1395 Email: jkruger@blg.com/pmccarthy@blg.com File No. 413255.000037	Borden Ladner Gervais

NOTICE TO RESPONDENTS:

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the judge.

To do so, you must be in Court when the application is heard as shown below:

Date	October 2, 2012
Time	10:00 a.m.
Where	Calgary Courts Centre, 601 – 5th Street SW, Calgary, Alberta
Before	The Honourable Justice Stevens, of the Commercial List

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. An Order abridging, if necessary, the time for service of this Application and supporting materials, and declaring service of same to be good and sufficient, and extending the stay of proceedings in this matter, substantially in the form as that attached as Schedule "A" to this Application (the "Stay Extension Order").

2. An Order approving the Asset Purchase and Sale Agreement (the "APSA"), a copy of which is attached to the Monitor's Supplemental Confidential Eleventh Report dated September 26, 2012 (the "Confidential Report"). The APSA is between Oilsands Quest Inc., Oilsands Quest Sask Inc., Township Petroleum Corporation, Stripper Energy Services Inc., 1291329 Alberta Ltd., Oilsands Quest Technology Inc., Western Petrochemicals Corp. and 1259882 Alberta Ltd. (together "OQI") as vendors, and a purchaser who has asked that its identity remain confidential (the "Purchaser").

3. An Order approving a Vesting Order in substantially in the form attached as Schedule "B" to this Application with the addition, as Schedule "C" thereto, of the comparable schedule contained in the APSA.

4. An Order sealing the Monitor's Confidential Report, including all schedules thereto;

5. Such further and other relief, advice and directions as counsel may advise and this Honourable Court may deem just and appropriate.

Grounds for making this application:

6. OQI applied for and obtained an Initial Order under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36 ("CCAA") by Order of this Court, dated November 29, 2011 (the "Initial Order"), and subsequently obtained an Amended and Restated Initial Order on February 16, 2012 (the "Amended and Restated Initial Order").

7. By an order dated June 28, 2012, in an effort to reduce OQI's operating costs, the powers of the Monitor as set out in the Amended and Restated Initial Order were expanded to include responsibility for controlling OQI's operations and overseeing and directing the conduct of a solicitation process for the sale of OQI's assets.

APPROVAL OF SALE AND VESTING ORDER

8. OQI is a development stage company which holds certain permits, licenses and leases in Alberta and Saskatchewan allowing it to explore and develop natural resource properties. OQI has received no revenue from any of its natural resource properties, and none of its resources have been classified as proven reserves.

9. In August of 2010 OQI announced that it had initiated a process to explore strategic alternatives for enhancing shareholder value, however after an extensive exploration of possible alternatives including a sale of some or all of OQI's assets, that process was unsuccessful and was terminated in June 2011. A subsequent effort to sell assets known as the Wallace Creek property proved to be unsuccessful and was terminated in November of 2011. Efforts to locate additional financing were also unsuccessful, with the result that by November of 2011 OQI was insolvent.

10. Following the granting of the Initial Order in these proceedings OQI conducted in an extensive solicitation process intended to locate parties prepared to acquire, restructure or recapitalize its business and/or assets. TD Securities Inc. ("TD Securities"), was retained as OQI's financial advisor to assist with that process.

11. An initial deadline of March 8, 2012 was established by this Court for receipt of bids. The date for receipt of bids was, at the request of OQI in consultation with the Monitor and TD Securities, later extended to April 27, 2012.

12. In March of 2012 one of OQI's assets, the Eagles Nest property, was sold for approximately $7 million.

13. By April 27, 2012 various bids had been received by TD Securities for the acquisition, restructuring or recapitalizing of OQI's business and/or assets however none of those bids was at that time in a form OQI believed would result in an acceptable sale or investment, and accordingly OQI sought and obtained a further stay of proceedings to June 29, 2012.

14. By late June none of the bids had been advanced to the stage where they could be accepted. With the consent and agreement of OQI, on June 28, 2012 this Court granted a further stay of proceedings to August 31, 2012, and extended the powers of the Monitor, inter alia, to allow it to select a successful bid and to oversee and direct the completion of a transaction with that bidder.

15. Following further negotiations and discussions with various bidders, on August 2, 2012 the Monitor, on behalf of OQI, entered into an asset purchase and sale agreement with a prospective purchaser. Subsequently that agreement was terminated.

16. On September 21, 2012 the Monitor on behalf of OQI entered into the APSA, which contemplates a sale of substantially all of the assets of OQI to the Purchaser. A copy of the APSA is attached to the Confidential Report. The Purchaser has requested that, for business and competitive reasons, as well as to preserve the integrity of the solicitation process, the identity of the Purchaser, the price and the other conditions contained in the APSA as well as the contents of the Confidential Report be kept confidential.

17. Although the total of the purchase price contemplated by the APSA and the proceeds received from the Eagles Nest properties is substantially less than the approximately $167 million value estimated by OQI for its assets at the time these proceedings were commenced, both the Monitor and TD Securities are satisfied that the transaction contemplated by the APSA represents the best available recovery for OQI's remaining assets. Both the Monitor and TD Securities believe that the market for OQI's business and assets has, since the beginning of OQI's 2010 solicitation process, been thoroughly and completely canvassed and that OQI's business and assets have been exposed to all prospective purchasers who might reasonably be expected to have an interest.

18. Accordingly, the Monitor believes that the transaction contemplated by the APSA is commercially reasonable.

EXTENSION OF STAY

19. The cash flow projections contained in the Monitor's Eleventh Report show that will continue to have sufficient available cash to meet its current obligations through November 30, 2012.

20. OQI has acted and continues to act in good faith in the within CCAA proceedings.

21. A further extension of the stay of proceedings is required to enable OQI to close the transaction contemplated by the APSA.

Material or evidence to be relied on:

22. All pleadings and proceedings filed in the within action.

23. The Monitor's Eleventh Report, filed, the Monitor's Supplemental Confidential Eleventh Report, and the other Monitor's Reports filed in these proceedings.

24. The prior Orders filed in these proceedings.

25. The forms of Order attached hereto as Schedules "A" and "B" to this Application.

26. The inherent jurisdiction of this Honourable Court to control its own process.

27. Such further and other material and evidence as counsel may advise and this Honourable Court may permit.

Applicable Acts and Regulations and Rules:

28. The provisions of the CCAA including, but not limited to, sections 11, 11.02, 20 and 36 thereof.

Any irregularity complained of or objection relied on:

29. None.

How the application is proposed to be heard or considered:

30. Oral submissions by counsel at an Application in Justice Chambers as scheduled by counsel.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant[s] what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of this form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

DATED at the City of Calgary, in the Province of Alberta, this ____ day of September, 2012.

BORDEN LADNER GERVAIS LLP

PER;_________________________
PATRICK T. MCCARTHY Q.C.
Counsel for the Monitor, Ernst & Young Inc.

SCHEDULE "A"

EXTENSION OF STAY AN SEALING ORDER

SCHEDULE "A"

Form 19
[Rule 3.53]

COURT FILE NUMBER	**1101-16110**	Clerk's Stamp
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	Calgary	
APPLICANTS	**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMDENDED** **AND IN THE MATTER OF OILSANDS QUEST INC., OILSANDS QUEST SASK INC., TOWNSHIP PETROLEUM CORPORATION, STRIPPER ENERGY SERVICES INC., 1291329 ALBERTA LTD., OILSANDS QUEST TECHNOLOGY INC., WESTERN PETROCHEMICALS CORP. and 1259882 ALBERTA LTD.**	
DOCUMENT	**ORDER** **(Stay Extension and Sealing of the Confidential Supplemental Eleventh Report of the Monitor)**	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Josef G.A. Kruger Q.C./Patrick T. McCarthy Q.C. Borden Ladner Gervais LLP 1900, 520 3rd Ave. S.W. Calgary, AB T2P 0R3 Telephone: (403) 232-9563 Facsimile: (403) 266-1395 Email: jkruger@blg.com File No. 413255.000037	
DATE ON WHICH ORDER WAS PRONOUNCED	October 2, 2012	
NAME OF JUSTICE WHO MADE THIS ORDER	The Honourable Mr. Justice Stevens	

UPON THE APPLICATION of Oilsands Quest Inc., Oilsands Quest Sask Inc., Township Petroleum Corporation, Stripper Energy Services Inc., 1291329 Alberta Ltd., Oilsands Quest Technology Inc., Western Petrochemicals Corp. and 1259882 Alberta Ltd. (collectively, "**OQI**"), represented herein by the Monitor, Ernst & Young Inc. pursuant to the extended powers granted to the Monitor by Order dated June 28, 2012, **AND UPON** having read the Eleventh Report and the Confidential Supplemental Eleventh Report of the Monitor, and the pleadings proceedings filed herein; **AND UPON** hearing counsel for OQI, the Monitor and from any other affected parties that may be present;

IT IS HEREBY ORDERED AND DECLARED THAT:

Service

1. The time for service of notice of this Application for this Order is hereby abridged and deemed good and sufficient and this Application is properly returnable today.

Extension of Stay of Proceedings

2. Paragraph 13 of the November 29, 2011 Initial Order of this Court is hereby further amended to extend the stay period until and including November 30, 2012.

Sealing of the Confidential Supplemental Eleventh Report

3. The Monitor's Confidential Supplemental Eleventh Report and all schedules thereto shall be sealed.

____
Justice of the Court of Queen's Bench of Alberta

SCHEDULE "B"

APPROVAL AND VESTING ORDER

Clerk's stamp:

COURT FILE NUMBER:	1101-16110
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANTS:	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF OILSANDS QUEST INC., OILSANDS QUEST SASK INC., OILSANDS QUEST TECHNOLOGY INC., 1291329 ALBERTA LIMITED, STRIPPER ENERGY SERVICES INC., TOWNSHIP PETROLEUM CORPORATION, WESTERN PETROCHEMICALS CORP. AND 1259882 ALBERTA LTD.
DOCUMENT:	**SALE APPROVAL AND VESTING ORDER**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Borden Ladner Gervais LLP Centennial Place, East Tower 1900, 520 Third Avenue S.W. Calgary, AB T2P 0R3 Attention: Patrick T. McCarthy, Q.C. and Josef G.A. Kruger, Q.C. Telephone: (403) 232-9563 Email: jkruger@blg.com Fax: (403) 266-1395 File No. 413255.000037

DATE ON WHICH ORDER WAS PRONOUNCED: ______________________

NAME OF JUDGE WHO MADE THIS ORDER: ______________________

LOCATION OF HEARING: Calgary, Alberta.

UPON THE APPLICATION of Ernst & Young Inc., in its capacity as Court-appointed Monitor (the "**Monitor**") of Oilsands Quest Inc., Oilsands Quest Sask Inc., Oilsands Quest Technology Inc., 1291329 Alberta Limited, Stripper Energy Services Inc., Township Petroleum Corporation, Western Petrochemicals Corp. and 1259882 Alberta Ltd. (individually a "**Vendor Entity**" and collectively the "**Vendor**") filed September 26, 2012 (the "**Application**"); **AND UPON** reading the Eleventh Report of the Monitor filed on September 26, 2012, 2012; **AND UPON** reading the Supplemental Confidential Eleventh Report of the Monitor filed on September 26, 2012 (the "**Confidential Report**"); **AND UPON** noting the Order (Engage TD Securities Inc. and Solicitation Process) granted by Madam Justice B.E.C. Romaine on January 11, 2012; **AND UPON** noting the Order (Expansion of Monitor's Powers) granted by Madam Justice B.E.C. Romaine on June 28, 2012; **AND UPON** noting the Asset Purchase and Sale Agreement between the Vendor, ● (the "**Purchaser**") and the Monitor dated September 21, 2012 (the "**Agreement**") for the purchase and sale of the Assets (as defined in the Agreement); **AND UPON** hearing counsel for the Vendor, the Purchaser, the Monitor and any other parties appearing; **IT IS HEREBY ORDERED, ADJUDGED AND DECLARED THAT:**

1. The time for service of the Application is abridged and it is properly returnable on October 2, 2012, service of the Application and materials in support on those parties listed in the Service List attached as Schedule "C" to the Application is sufficient and service on any other Persons of notice of the Application is dispensed with.

2. Capitalized terms used but not defined in this Order (including Schedule "A") shall have the meaning ascribed thereto in the Agreement.

APPROVAL OF THE SALE AND CLOSING OF THE TRANSACTION

3. The sale of the Assets by the Vendor to the Purchaser for the Purchase Price on the terms and conditions contained in the Agreement is hereby approved and the Vendor and the Monitor are hereby authorized and directed to close the Transaction substantially in accordance with the terms of the Agreement.

4. The Vendor and the Monitor are authorized and directed to take all such steps and execute all such Conveyance Documents, transfers, deeds, representations, tax elections, documents and instruments as may reasonably be necessary or desirable to consummate the

Transaction substantially in accordance with the terms of the Agreement including, without limitation, settling with the Purchaser all post closing adjustments, making such amendments as the Vendor, the Monitor and the Purchaser may approve in writing and which do not materially alter the Agreement in a manner adverse to the interests of the Vendor, and upon such trust conditions as may be agreed upon among solicitors for the Vendor, the Monitor and the Purchaser.

MONITOR'S CERTIFICATE

5. Upon Closing, the Monitor is hereby authorized and directed to promptly file and serve upon the Vendor, Purchaser and those Persons listed on the Service List (attached as Schedule "D" to this Order) a certificate (substantially in the form set out as Schedule "B" to this Order) certifying that the Transaction has closed substantially in accordance with the terms of the Agreement and all purchase monies due and owing in respect of the Transaction have been paid by the Purchaser to the Monitor for the Vendor (the "**Monitor's Certificate**").

VESTING OF THE ASSETS

6. Upon Closing of the Transaction:

(a) the Assets shall be vested in the name of the Purchaser free of all estate, right, title, interest, royalty, rental, and equity of redemption of any or all Vendor Entities and all Persons who claim by, through or under any or all Vendor Entities in respect of the Assets, subject only to Permitted Encumbrances;

(b) the Vendor and all Persons who claim by, through or under any or all Vendor Entities in respect of the Assets, save and except the Crown in respect of Permitted Encumbrances , shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Assets and, to the extent that any such Person remains in possession or control of any of the Assets, they shall forthwith deliver possession and control of same to the Purchaser or its nominee;

(c) the Purchaser shall be entitled to enter into and upon, hold and enjoy the Assets for its own use and benefit without any interference of or by any or all Vendor

Entities, or any Person claiming by or through or under any or all Vendor Entities; and

(d) all of the right, title and interest, estate and equity of redemption of each of the Vendor Entities, if any, in and to the Assets shall, without further instrument of transfer or assignment, vest in the Purchaser, absolutely and forever, free and clear of and from any and all Claims by, through, or under any or all Vendor Entities and free and clear of and from any and all Claims and Encumbrances, other than Permitted Encumbrances. For greater certainty, this Court orders that all of the Encumbrances, other than Permitted Encumbrances, affecting or relating to the Assets are hereby expunged as against the Assets.

7. Upon receipt by the applicable Government Authorities of a letter (the "**Written Request**") from the Vendor's counsel that encloses a certified copy of this Order, applicable transfer fees and instructions to the applicable Government Authorities to do the following, the applicable Government Authorities are hereby directed to register such transfers, assignments, discharges, discharge statements or conveyances, as may be required to convey title to or register a transfer of each of the Vendor Entity's interest in the Assets, if any, to the Purchaser or its nominee free and clear of all Encumbrances other than Permitted Encumbrances. Without limiting the generality of the foregoing, upon receipt of the Written Request from the Vendor's counsel together with the applicable transfer fees and form(s) of transfer executed by the Monitor for the Vendor:

(a) the Director of Public Lands of the Alberta Department of the Environment and Sustainable Resources Development shall register (a) transfer(s) of the Vendor's interest in the applicable Assets listed in Part 1 of Schedule "C" to this Order, to the Purchaser and discharge any Encumbrances (other than Permitted Encumbrances) which may be registered against such Assets;

(b) the Director of the Lands Branch of the Saskatchewan Ministry of the Environment shall register (a) transfer(s) of the applicable Vendor Entity's interest in the applicable Assets listed in Part 2 of Schedule "C" to this Order, to the Purchaser and discharge any Encumbrances (other than Permitted Encumbrances) which may be registered against such Assets;

(c) the Director of the Alberta Department of Energy Tenure Branch shall register (a) transfer(s) of the Vendor's interest in the applicable Assets listed in Part 3 of Schedule "C" to this Order, to the Purchaser and discharge any Encumbrances (other than Permitted Encumbrances) which may be registered against such Assets;

(d) the Director of the Petroleum Tenure Branch of the Saskatchewan Ministry of the Economy shall register (a) transfer(s) of the applicable Vendor Entity's interest in the applicable Assets listed in Part 4 of Schedule "C" to this Order, to the Purchaser and discharge any Encumbrances (other than Permitted Encumbrances) which may be registered against such Assets; and

(e) the Director of the Alberta Energy Resources Conservation Board shall register (a) transfer(s) of the Vendor's interest in the applicable Assets listed in Part 5 of Schedule "C" to this Order, to the Purchaser and discharge any Encumbrances (other than Permitted Encumbrances) which may be registered against such Assets.

HANDLING OF THE NET PROCEEDS

8. The Monitor shall hold the proceeds received from the Purchaser pursuant to the Agreement, less closing costs (including taxes, legal and other costs of the Vendor and the Monitor) and other usual closing costs (the "**Net Proceeds**") incurred pursuant to and in accordance with the terms of this Order. The Net Proceeds shall not be disbursed by the Monitor except by further Order of this Court.

9. The Net Proceeds shall stand in the place and stead of the Assets and any holder of Encumbrances ("**Encumbrancer**") may assert its Claims against the Net Proceeds with the same right and priority that the Encumbrancer had against the Assets immediately prior to the sale of the Assets, as if the Assets had not been sold and remained in the possession and control of the Vendor.

TRANSACTION IS NOT A PREFERENCE OR TRANSFER AT UNDERVALUE

10. Notwithstanding:

(a) the pendency of this proceeding and the declaration of insolvency made herein;

(b) the pendency of any petitions for receiving orders heretofore or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "**BIA**"), as amended, in respect of any or all Vendor Entities, any receiving orders issued pursuant to any such petitions or any assignments in bankruptcy which may hereafter be made by or with respect to any or all Vendor Entities; and

(c) the provisions of any federal or provincial statute:

the sale of the Assets by the Vendor to the Purchaser does not constitute and is deemed to not constitute a fraudulent conveyance, settlement, preference, transfer at undervalue or other challengeable or reviewable transaction under the CCAA, the BIA or any other applicable federal or provincial legislation and it does not constitute and is deemed to not constitute conduct meriting an oppression remedy and all terms of the Agreement including any covenants or obligations of the Vendor thereunder or in relation thereto, shall be binding on any receiver or trustee in bankruptcy that may be appointed in respect of any or all Vendor Entities.

CONFIDENTIAL REPORT

11. The Confidential Report shall be sealed on the Court file in these proceedings until further Order of this Court.

12. The Clerk of the Court shall file the Confidential Report in a sealed envelope with an attached notice that sets out the style of cause in these proceedings and a statement that the envelope's contents are sealed pursuant to this Order.

AID AND RECOGNITION

13. This Court hereby requests the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province or any court or any judicial, regulatory or administrative body of any other nation or state, to act in aid of and to be complementary to this Court in carrying out the terms of this Order.

SERVICE OF THIS ORDER

14. Service of this Order shall be deemed good and sufficient by serving the same on:

(a) the Persons listed on the Service List (as found at Schedule "D" to this Order);

(b) the Purchaser or on the Purchaser's solicitors; and

(c) by posting a copy of this Order on the Monitor's website at:

http://documentcentre.eycan.com/Pages/Main.aspx?SID=192

No other Persons are entitled to be served with a copy of this Order.

15. Service of this Order shall be deemed good and sufficient regardless of whether service is effected by PDF copy attached to an email, facsimile, courier, personal delivery or ordinary mail.

GENERAL

16. The Vendor, the Monitor and/or the Purchaser are at liberty to apply for further advice, assistance and direction as may be necessary to complete the Transaction.

____

Justice of the Court of Queen's Bench of Alberta

SCHEDULE "A"
DEFINITIONS

(a) "**Claims**" means any claims, hypothecs, mortgages, charges, liens (whether contractual, statutory or otherwise), security interests, assignments, actions, levies, taxes, judgments, writs of execution, trusts or deemed trusts (whether contractual, statutory or otherwise), options, agreements, disputes, debts, easements, covenants, caveats, encumbrances or other rights, limitations or restrictions of any nature whatsoever including, without limitation, any rights or interests of any creditors of the Vendor whether or not they have attached or have been perfected, registered or filed, whether secured or unsecured or otherwise, whether liquidated, unliquidated or contingent.

(b) "**Crown**" means Her Majesty the Queen in the right of the Province of Alberta or Province of Saskatchewan, as applicable.

(c) "**Encumbrance**" means all liens, charges, security interests, royalties, pledges, options, net profit interests, rights of pre-emption, mortgages, adverse claims and other encumbrances or similar rights or interests of any kind or character or agreements to create the same, including but not limited charges created by Orders granted in these or any other proceedings.

(d) "**Government Authorities**" means any federal, national, provincial, territorial, municipal or other government, any political subdivision thereof, and any ministry, sub-ministry, agency or sub-agency, court, board, bureau, office, or department, including any government-owned entity, including but not limited to the Alberta Energy Resource Conservation Board, the Public Lands of the Alberta Department of the Environment and Sustainable Resources Development, the Lands Branch of the Saskatchewan Ministry of the Environment, the Alberta Department of Energy Tenure Branch and the Petroleum Tenure Branch of the Saskatchewan Ministry of the Economy, having jurisdiction over a Party, the Assets or the Transaction.

(e) "**Permitted Encumbrances**" means, as of a particular time, any of the following:

(i). easements, rights of way, servitudes, permits, licenses and other similar rights in land, including rights of way and servitudes for highways and other roads, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone, telegraph and cable television conduits, poles, wires and cables;

(ii) the right reserved to or vested in any Government Authorities by the terms of any Title and Operating Document or by any Applicable Law, to terminate any such Title and Operating Document or to require annual or other periodic payments as a condition of the continuance thereof;

(iii) the right reserved to or vested in any Government Authorities to levy taxes on Petroleum Substances or the income or revenue attributable thereto and governmental requirements and limitations of general application;

(iv) rights reserved to or vested in any Government Authorities to control or regulate any of the Assets in any manner;

(v) the express or implied reservations, limitations, provisos and conditions in any original grants from the Crown of any of the Lands or interests therein and statutory exceptions to title;

(vi) all royalty burdens identified in the Land Schedule; and

(vii) the terms and conditions of the Title and Operating Documents

(f) "**Transaction**" means the transaction for the purchase and sale of the Assets as contemplated by the Agreement.

SCHEDULE "B"

MONITOR'S CERTIFICATE

Clerk's stamp:

COURT FILE NUMBER:	1101-16110
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANTS:	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF OILSANDS QUEST INC., OILSANDS QUEST SASK INC., OILSANDS QUEST TECHNOLOGY INC., 1291329 ALBERTA LIMITED, STRIPPER ENERGY SERVICES INC., TOWNSHIP PETROLEUM CORPORATION, WESTERN PETROCHEMICALS CORP. AND 1259882 ALBERTA LTD.
DOCUMENT:	**MONITOR'S CERTIFICATE**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Borden Ladner Gervais LLP Centennial Place, East Tower 1900, 520 Third Avenue S.W. Calgary, AB T2P 0R3 Attention: Patrick T. McCarthy, Q.C. and Josef G.A. Kruger, Q.C. Telephone: (403) 232-9563 Email: jkruger@blg.com Fax: (403) 266-1395 File No. 413255.000037

1. All defined terms used but not defined herein shall have the meanings ascribed thereto in the Sale Approval and Vesting Order granted in these proceedings on ● , 2012 (the "**Order**").

2. Pursuant to paragraph ● of the Order, Ernst & Young Inc., in its capacity as Court-appointed Monitor (the "**Monitor**") of Oilsands Quest Inc., Oilsands Quest Sask Inc., Oilsands Quest Technology Inc., 1291329 Alberta Limited, Stripper Energy Services Inc., Township Petroleum Corporation, Western Petrochemicals Corp. and 1259882 Alberta Ltd. (collectively, the "**Vendor**"), delivers this certificate and hereby confirms that Closing of the sale of the Assets pursuant to the Asset Purchase and Sale Agreement between the Vendor, ● (the "**Purchaser**") and the Monitor dated September ●, 2012 (the "**Agreement**") has occurred and all purchase monies due and owing in respect of such sale have been paid by the Purchaser to the Monitor for the Vendor.

DATED at the City of Calgary, in the Province of Alberta, this _____ day of ●, 2012.

ERNST & YOUNG INC. in its capacity as Court-appointed Monitor of Oilsands Quest Inc., Oilsands Quest Sask Inc., Oilsands Quest Technology Inc., 1291329 Alberta Limited, Stripper Energy Services Inc., Township Petroleum Corporation, Western Petrochemicals Corp. and 1259882 Alberta Ltd.

Per:

____

Name:

Title:

SCHEDULE "C"

SCHEDULE "D"

SERVICE LIST

SCHEDULE "C"

SERVICE LIST

SCHEDULE "C"

SERVICE LIST BY COURIER

NAME	ADDRESS
Todd D. Montgomery	200, 839 – 5^{th} Ave SW Calgary, AB T2P 3C8
The Toronto-Dominion Bank	800, 324 – 8^{th} Ave SW Calgary, AB T2P 2Z2
Cit Financial Ltd.	5035 South Service Rd Burlington, ON L7R 4C8
ATB Corporate Financial Services	600, 444 – 7^{th} Ave SW Calgary, AB T2P 0X8
Workers' Compensation Board/Collection Unit	9925 – 107 St, 8^{th} Fl. Edmonton, AB T5J 2S5

SERVICE LIST BY E-MAIL

Cassie Riglin	Cassie.Riglin@ca.ey.com
Craig Hoskins	craig.hoskins@nortonrose.com
G Wong	gwong@oilsandsquest.com
Howard Gorman	howard.gorman@nortonrose.com
Howie Sniderman	hsniderman@wittenlaw.com
Jonathan Cho	jonathan.cho@allenovery.com
Kathy Mah	kathy_mah@aramark.ca
Ken Coleman	ken.coleman@allenovery.com
Kimberly Johnston	kjohnston@docken.com
Kirwin LLP	mail@kirwinllp.com
Lisa Kraidin	lisa.kraidin@allenovery.com
Neil Narfason	neil.narfason@ca.ey.com
Randal Van de Mosselaer	randal.vandemosselaer@nortonrose.com
Robyn Tarnofsky	rtarnofsky@paulweiss.com
Ronald Girvitz	ronsg@wilcraft.com