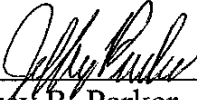


This is Exhibit "R" to the Affidavit of
Ronald J. Goguen sworn to on the 27th
day of August 2012.



Jeffrey R. Parker
Commissioner of Oaths
Being a Solicitor



MILLER THOMSON LLP
MILLERTHOMSON.COM

ONE LONDON PLACE + 255 QUEENS AVENUE, SUITE 2010
LONDON, ON + N6A 5R8 + CANADA

T 519.931.3500
F 519.858.8511

August 17, 2012

Delivered Via Registered and Ordinary Mail

Landdrill International Ltd.
160 McNaughton Avenue
Moncton, NB E1H 3L9

Alissa K. Mitchell
Direct Line: 519.931.3510
amitchell@millerthomson.com

File: 082877.0043

Dear Sirs/Madams:

**Re: Landdrill International Ltd. Indebtedness due to GE Canada Equipment
Financing G.P. ("GE Capital")**

We are the solicitors for GE Capital in connection with the obligations of Landdrill International Ltd. (the "**Company**") to GE Capital pursuant to:

1. an Equipment Loan and Security Agreement No. 8724235001 dated March 23, 2012 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time in the principal amount of \$1,200,000;
2. an Equipment Loan and Security Agreement No. 8698749001 dated September 28, 2011 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time in the principal amount of \$707,103.96;
3. an Conditional Sale Agreement No. 868801101 dated July 8, 2011 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time in the principal amount of \$377,027.57; and
4. an Equipment Loan and Security Agreement No. 150011609070 dated March 30, 2011 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time in the principal amount of \$1,575,622.31,

(collectively, the "**Contracts**").

Pursuant to the schedules appended to the Contracts and the Standard Terms and Conditions incorporated by reference therein, the Company is in default of its obligations under the Contracts. Notice of Default was issued by GE Capital and delivered to the Company on August 14, 2012. Upon default, GE Capital is entitled to declare the Contracts to be in default whereupon all amounts owing pursuant to the Contracts shall become immediately due and payable.

On behalf of GE Capital, we hereby demand payment of the aggregate sum of \$2,875,037.76 together with accrued interest to the date hereof and interest at the default rate of interest of twelve percent (12%) per annum, compounded monthly from this date to the date of payment, and all costs incurred by GE Capital in relation to the collection of the amounts payable under the Contracts as herein demanded including, without limitation, legal costs on a full indemnity basis. The exact balance owing after the date hereof will be provided for payout purposes on request.

Unless payment or an arrangement satisfactory to GE Capital for payment of the amounts demanded herein is made within ten (10) days from the date of this letter, GE Capital will take such steps as are necessary in order to recover the amounts owing to it. Those steps will include the enforcement of GE Capital's rights under the Contracts and a General Security and Movable Hypotec Agreement dated July 29, 2008. In that regard, enclosed is a notice pursuant to section 244 of the *Bankruptcy and Insolvency Act* which is hereby being served upon the Company.

Govern yourself accordingly.

Yours very truly,

MILLER THOMSON LLP

Per:



Alissa K. Mitchell

AKM/sj

Encl.

c: David Meldrum
c: Natasha De Cicco
c: Landdrill International Inc.
c: Landdrill Atlantic Ltd.
c: Landdrill Atlantic Ltd., as general partner of Nitasi Landdrill Limited Partnership



NOTICE OF INTENTION TO ENFORCE SECURITY

(SUBSECTION 244(1) OF *THE BANKRUPTCY AND INSOLVENCY ACT* AND
RULE 124 OF *THE BANKRUPTCY AND INSOLVENCY GENERAL RULES*)

TO: LANDDRILL INTERNATIONAL LTD.
an Insolvent Person

TAKE NOTICE THAT:

1. GE Canada Equipment Financing G.P. and its affiliates (collectively, "**GE Capital**"), a secured creditor of Landdrill International Ltd., intends to enforce its security on the property of the insolvent person, described as all present and after acquired personal property of whatsoever nature or kind including, without limitation, all inventory, equipment, accounts, instruments, intellectual property, contractual rights, securities, immovable property, goodwill, money and all proceeds derived from all or any portion thereof including, without limitation, the equipment described in the contracts listed below.
2. The security that is to be enforced is the following:
 - (a) an Equipment Loan and Security Agreement No. 8724235001 dated March 23, 2012, as amended, restated, supplemented or otherwise modified from time to time;
 - (b) an Equipment Loan and Security Agreement No. 8698749001 dated September 28, 2011, as amended, restated, supplemented or otherwise modified from time to time;
 - (c) a Conditional Sale Agreement No. 868801101 dated July 8, 2011, as amended, restated, supplemented or otherwise modified from time to time;
 - (d) an Equipment Loan and Security Agreement No. 150011609070 dated March 30, 2011, as amended, restated, supplemented or otherwise modified from time to time; and
 - (e) a General Security and Movable Hypotec Agreement dated July 29, 2008,(collectively, the "**Security**").
3. The total amount of indebtedness secured by the Security is the principal sum of \$2,875,037.76 as at August 17, 2012 plus accrued interest at the rates set forth in the contracts listed above to the date hereof together with further interest at the rate of 12% per annum from the date hereof to the date of payment together with all costs, and

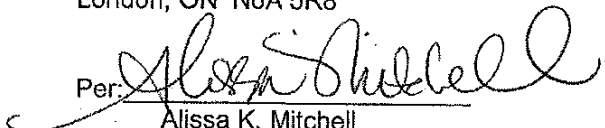
expenses, whether present or future, incurred by GE Capital in effecting recovery of amounts payable under the Security as herein demanded.

4. The secured creditor will not have the right to enforce the Security until after the expiry of the ten (10) day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at London, Ontario this 17th day of August, 2012.

**GE CANADA EQUIPMENT FINANCING
G.P.**

by its solicitors
MILLER THOMSON LLP
One London Place
255 Queens Avenue, Suite 2010
London, ON N6A 5R8

Per: 

Alissa K. Mitchell
Tel: 519.931.3510
Fax: 519.858.8511

The undersigned hereby acknowledges receipt of notice pursuant to section 244 of the *Bankruptcy and Insolvency Act* (the "BIA") and waives, in its entirety, its entitlement to reasonable notice and the ten (10) day notice period set forth in the BIA and consents to the immediate enforcement of the Security herein described.

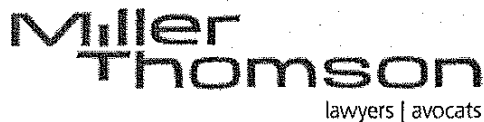
Dated this _____ day of _____, 2012.

LANDDRILL INTERNATIONAL LTD.

Per: _____

Name:
Title

I have authority to bind the Company



MILLER THOMSON LLP
MILLERTHOMSON.COM

ONE LONDON PLACE + 255 QUEENS AVENUE, SUITE 2010
LONDON, ON + N6A 5R8 + CANADA

T 519.931.3500
F 519.858.8511

August 17, 2012

Alissa K. Mitchell
Direct Line: 519.931.3510
amitchell@millerthomson.com

Delivered Via Registered and Ordinary Mail

File: 082877.0043

Landrill Atlantic Ltd.
160 MacNaughton Avenue
Moncton, NB E1H 3L9

Dear Sirs/Madams:

**Re: Landrill International Ltd. Indebtedness due to GE Canada Equipment
Financing G.P. ("GE Capital")**

We are the solicitors for GE Capital in connection with the obligations of Landrill International Ltd. ("**the Company**") to GE Capital pursuant to:

1. an Equipment Loan and Security Agreement No. 8724235001 dated March 23, 2012 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time;
2. an Equipment Loan and Security Agreement No. 8698749001 dated September 28, 2011 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time;
3. a Conditional Sale Agreement No. 868801101 dated July 8, 2011 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time;
4. an Equipment Loan and Security Agreement No. 150011609070 dated March 30, 2011 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time; and

(collectively, the "**Contracts**").

We have this day demanded payment of the aggregate amount owing by the Company to GE Capital pursuant to the Contracts. A copy of our letter to the Company in that regard is enclosed. Landrill Atlantic Ltd. ("**Atlantic**") guaranteed the payment of the obligations of the Company to GE Capital under the Contracts pursuant to the following:

1. a Guarantee and Indemnity dated March 30, 2011;

2. a Guarantee and Indemnity dated July 8, 2011;
3. a Guarantee and Indemnity dated September 28, 2011; and
4. a Guarantee and Indemnity dated March 23, 2012,

(collectively, the "**Guarantees**").

Accordingly, on behalf of GE Capital, we hereby demand payment from you under the terms of the Guarantees of the principal sum of \$2,875,037.76 and accrued interest thereon to the date hereof together with interest on such amounts from this date forward at the rate of 24% per annum as provided for under the Guarantees and all legal and other costs incurred by GE Capital to collect the amounts herein demanded.

Unless payment or an arrangement satisfactory to GE Capital for payment of the amounts demanded herein is made within ten (10) days from the date of this letter, GE Capital will take such steps as are necessary in order to recover the amounts owing by you under the terms of the Guarantees. Those steps will include the commencement of legal proceedings, the costs of which will be for your account, including an amount equal to fifteen percent (15%) of all amounts demanded hereunder as provided for under the Guarantees.

Govern yourself accordingly.

Yours very truly,

MILLER THOMSON LLP

Per:



Alissa K. Mitchell

AKM/sj

Encl.

c: David Meldrum
Natash De Cicco





MILLER THOMSON LLP
MILLERTHOMSON.COM

ONE LONDON PLACE + 255 QUEENS AVENUE, SUITE 2010
LONDON, ON + N6A 5R8 + CANADA

T 519.931.3500
F 519.858.8511

August 17, 2012

Alissa K. Mitchell
Direct Line: 519.931.3510
amitchell@millerthomson.com

Delivered Via Registered and Ordinary Mail

File: 082877.0043

Nitasi Landdrill Limited Partnership, acting by
its general partner Landdrill Atlantic Ltd.,
160 MacNaughton Avenue
Moncton, NB E1H 3L9

Dear Sirs/Madams:

**Re: Landdrill International Ltd. Indebtedness due to GE Canada Equipment
Financing G.P. ("GE Capital")**

We are the solicitors for GE Capital in connection with the obligations of Landdrill International Ltd. (the "**Company**") to GE Capital pursuant to:

1. an Equipment Loan and Security Agreement No. 8724235001 dated March 23, 2012 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time;
2. an Equipment Loan and Security Agreement No. 8698749001 dated September 28, 2011 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time;
3. a Conditional Sale Agreement No. 868801101 dated July 8, 2011 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time;
4. an Equipment Loan and Security Agreement No. 150011609070 dated March 30, 2011 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time; and

(collectively, the "**Contracts**").

We have this day demanded payment of the aggregate amount owing by the Company to GE Capital pursuant to the Contracts. A copy of our letter to the Company in that regard is enclosed. Nitasi Landdrill Limited Partnership, acting by its general partner Landdrill Atlantic Ltd. ("**Nitasi**") guaranteed the payment of the obligations of the Company to GE Capital under the Contracts pursuant to the following:

1. a Guarantee and Indemnity dated March 30, 2011;
2. a Guarantee and Indemnity dated July 8, 2011;
3. a Guarantee and Indemnity dated September 28, 2011; and
4. a Guarantee and Indemnity dated March 23, 2012,

(collectively, the "Guarantees").

Accordingly, on behalf of GE Capital, we hereby demand payment from you under the terms of the Guarantees of the principal sum of \$2,875,037.76 and accrued interest thereon to the date hereof together with interest on such amounts from this date forward at the rate of 24% per annum as provided for under the Guarantees and all legal and other costs incurred by GE Capital to collect the amounts herein demanded.

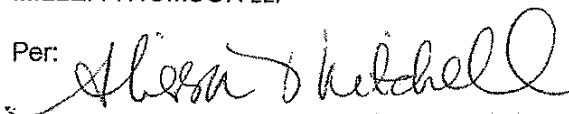
Unless payment or an arrangement satisfactory to GE Capital for payment of the amounts demanded herein is made within ten (10) days from the date of this letter, GE Capital will take such steps as are necessary in order to recover the amounts owing by you under the terms of the Guarantees. Those steps will include the commencement of legal proceedings, the costs of which will be for your account, including an amount equal to fifteen percent (15%) of all amounts demanded hereunder as provided for under the Guarantees.

Govern yourself accordingly.

Yours very truly,

MILLER THOMSON LLP

Per:



Alissa K. Mitchell

AKM/sj

Encl.

cc: David Meldrum
Natash De Cicco





MILLER THOMSON LLP
MILLERTHOMSON.COM

ONE LONDON PLACE + 255 QUEENS AVENUE, SUITE 2010
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T 519.931.3500
F 519.858.8511

August 17, 2012

Delivered Via Registered and Ordinary Mail

Landdrill International Inc.
160 McNaughton Avenue
Moncton, NB E1H 3L9

Alissa K. Mitchell
Direct Line: 519.931.3510
amitchell@millerthomson.com

File: 082877.0043

Dear Sirs/Madams:

**Re: Landdrill International Ltd. Indebtedness due to GE Canada Equipment
Financing G.P. ("GE Capital")**

We are the solicitors for GE Capital in connection with the obligations of Landdrill International Ltd. ("the Company") to GE Capital pursuant to:

1. an Equipment Loan and Security Agreement No. 8724235001 dated March 23, 2012 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time;
2. an Equipment Loan and Security Agreement No. 8698749001 dated September 28, 2011 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time;
3. a Conditional Sale Agreement No. 868801101 dated July 8, 2011 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time; and
4. an Equipment Loan and Security Agreement No. 150011609070 dated March 30, 2011 between the Company and GE Capital, as amended, restated, supplemented or otherwise modified from time to time,

(collectively, the "**Contracts**").

We have this day demanded payment of the aggregate amount owing by the Company to GE Capital pursuant to the Contracts. A copy of our letter to the Company in that regard is enclosed. Landdrill International Inc. ("LII") guaranteed the payment of the obligations of the Company to GE Capital under the Contracts pursuant to the following:

1. a Guarantee and Indemnity dated March 30, 2011;
2. a Guarantee and Indemnity dated July 8, 2011;

3. a Guarantee and Indemnity dated September 28, 2011; and
4. a Guarantee and Indemnity dated March 23, 2012,

(collectively, the "Guarantees").

Accordingly, on behalf of GE Capital, we hereby demand payment from you under the terms of the Guarantees of the principal sum of \$2,875,037.76 and accrued interest thereon to the date hereof together with interest on such amounts from this date forward at the rate of 24% per annum as provided for under the Guarantees and all legal and other costs incurred by GE Capital to collect the amounts herein demanded.

Unless payment or an arrangement satisfactory to GE Capital for payment of the amounts demanded herein is made within ten (10) days from the date of this letter, GE Capital will take such steps as are necessary in order to recover the amounts owing by you under the terms of the Guarantees. Those steps will include the commencement of legal proceedings, the costs of which will be for your account, including an amount equal to fifteen percent (15%) of all amounts demanded hereunder as provided for under the Guarantees.

In addition those steps will also include enforcement of GE Capital's rights under a General Security Agreement dated July 20, 2010 between LII, as debtor, and GE Capital, GE Capital Leasing Services Company, General Electric Canada Equipment Finance G.P., GE Capital Asset Financing Holding Company, GE Technology Finance, GE VFS Canada Limited Partnership and GE Capital Canada Equipment Financing & Leasing Company, as secured parties and a Hypothecation and Pledge Agreement dated July 20, 2010 given by LII to secure payment of the obligations of LII to GE Capital pursuant to the Guarantees. In that regard, enclosed is notice pursuant to section 244 of the *Bankruptcy and Insolvency Act* which is hereby served upon you.

Govern yourself accordingly.

Yours very truly,

MILLER THOMSON LLP

Per:



Alissa K. Mitchell

AKM/sj

Encl.

c: David Meldrum
Natash De Cicco



NOTICE OF INTENTION TO ENFORCE SECURITY

(SUBSECTION 244(1) OF THE BANKRUPTCY AND INSOLVENCY ACT AND
RULE 124 OF THE BANKRUPTCY AND INSOLVENCY GENERAL RULES)

TO: **LANDDRILL INTERNATIONAL INC.**
an Insolvent Person

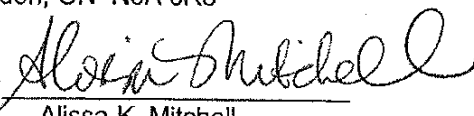
TAKE NOTICE THAT:

1. GE Canada Equipment Financing G.P. ("**GE Canada**"), a secured creditor of Landdrill International Inc., intends to enforce its security on the property of the insolvent person, described as all present and after acquired personal property of whatsoever nature or kind including, without limitation, all inventory, equipment, accounts, instruments, intellectual property, contractual rights, securities, immovable property, goodwill, money and all proceeds derived from all or any portion thereof.
2. The security that is to be enforced is the following:
 - (a) a General Security Agreement dated July 20, 2010 between Landdrill International Inc., as debtor, and GE Canada Equipment Financing G.P., GE Canada Leasing Services Company, General Electric Canada Equipment Finance G.P., GE Canada Asset Financing Holding Company, GE Technology Finance, GE VFS Canada Limited Partnership and GE Capital Canada Equipment Financing & Leasing Company, as secured parties; and
 - (b) Hypothecation and Pledge Agreement dated July 20, 2010 between Landdrill International Inc., as debtor, and GE Canada Equipment Financing G.P., as secured party,(collectively, the "**Security**").
3. The total amount of indebtedness secured by the Security is the principal sum of \$2,875,037.76 as at August 17, 2012 plus accrued interest to the date hereof together with further interest at the rate of 24% per annum from the date hereof to the date of payment together with all costs, and expenses, whether present or future, incurred by GE Capital in effecting recovery of amounts payable under the Security as herein demanded.
4. The secured creditor will not have the right to enforce the Security until after the expiry of the ten (10) day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at London, Ontario this 17th day of August, 2012.

**GE CANADA EQUIPMENT FINANCING
G.P., GE CAPITAL LEASING SERVICES
COMPANY, GENERAL ELECTRIC
CANADA EQUIPMENT FINANCE G.P., GE
CAPITAL ASSET FINANCING HOLDING
COMPANY, GE TECHNOLOGY FINANCE,
GE VFS CANADA LIMITED
PARTNERSHIP AND GE CAPITAL
CANADA EQUIPMENT FINANCING &
LEASING COMPANY**

by their solicitors
MILLER THOMSON LLP
One London Place
255 Queens Avenue, Suite 2010
London, ON N6A 5R8

Per: 

Alissa K. Mitchell
Tel: 519.931.3510
Fax: 519.858.8511

The undersigned hereby acknowledges receipt of notice pursuant to section 244 of the *Bankruptcy and Insolvency Act* (the "BIA") and waives, in its entirety, its entitlement to reasonable notice and the ten (10) day notice period set forth in the BIA and consents to the immediate enforcement of the Security herein described.

Dated this _____ day of _____, 2012.

LANDDRILL INTERNATIONAL INC.

Per: _____

Name:
Title

I have authority to bind the Company