

**INSTRUCTION LETTER FOR THE CLAIMS PROCESS OF
THE APPLICANTS LISTED HEREIN
(hereinafter referred to as the “Applicants”)**

**OILEXCO INCORPORATED
OILEXCO TECHNICAL SERVICES INC.**

A. Claims Process

By order of the Honourable Madam Justice K. M. Horner dated May 20, 2009 (the “**Claims Process Order**”), which is attached hereto without Schedules (other than Schedule “A”), under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), the Applicants have been authorized to conduct a claims process (the “**Claims Process**”). A copy of the Claims Process Order may be found on the Monitor’s website at: www.ey.com/ca/oilexco.

This letter provides instructions for completing the Proof of Claim. For your information, at this point, there is no proposed plan under the CCAA or any other immediate distribution as the Applicants are still assessing their options. Defined terms which are not defined herein shall have the meaning ascribed thereto in the Claims Process Order.

The Claims Process is intended for any Person asserting a Pre-Filing Claim of any kind or nature whatsoever against the Applicant arising before February 5, 2009 (the “Filing Date”), and any Subsequent Claim arising after the Filing Date as a result of a disclaimer or repudiation after the Filing Date of any contract, lease, employment agreement, or other arrangement or agreements of any nature whatsoever, whether oral or written, and any amending agreement related thereto.

If you have any questions regarding the Claims Process, please contact the Court-appointed Monitor at the address provided below.

All enquiries with respect to the Claims Process should be addressed to:

The Monitor
Ernst & Young Inc., the Court-appointed Monitor of
Oilexco Incorporated and Oilexco Technical Services Inc.
Attn: Jessica Caden
Ernst & Young Tower
1000, 440-2nd Avenue S.W.
Calgary, Alberta T2P 5E9
E-mail: jessica.caden@ca.ey.com
Telephone: (403) 206-5153
Fax: (403) 206-5075

For Creditors Submitting a Proof of Claim

To avoid the barring and extinguishment of any Claim you may have against the Applicant you are required to file a Proof of Claim with the Monitor at the address indicated above, in the form attached hereto so as to be received by 5:00 p.m. (Mountain Time) on July 31, 2009 (the “**Claims Bar Date**”).

To avoid the barring and extinguishment of any Subsequent Claim you may have against an Applicant, you are required to file a Proof of Claim, in the form attached hereto, so as to be received by the later of: (a) the Claims Bar Date, and (b) 5:00 p.m. (Mountain Time) on the day which is 30 days after the date of the applicable repudiation or disclaimer (the “**Subsequent Claims Bar Date**”).

All Claims are to be filed in the currency of the transactions. For the purposes of the Claims Procedure only (and without prejudice to the terms of any plan of arrangement or compromise), Claims in foreign currency will be converted to Canadian dollars at the Bank of Canada noon spot rate as at February 5, 2009. Exchange rate conversions on such date were:

US\$1 = CAD\$1.2303

1 Euro = CAD\$1.5793

1 UK Pound Sterling = CAD\$1.7988

A separate Proof of Claim must be filed for a Claim against each of the Applicants.

Additional Proof of Claim forms can be found on the Monitor’s website at www.ey.com/ca/Oilexco or obtained by contacting the Monitor at the address indicated above and providing particulars as to your name, address, facsimile number and e-mail address. Once the Monitor has this information, you will receive, as soon as practicable, additional Proof of Claim forms.

PROOFS OF CLAIM WHICH ARE NOT RECEIVED BY THE CLAIMS BAR DATE OR SUBSEQUENT CLAIMS BAR DATE, AS APPLICABLE, WILL BE BARRED AND EXTINGUISHED FOREVER, UNLESS OTHERWISE ORDERED BY THE COURT.