Action No. 0901-01613

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, C. C 36, AS AMENDED;

AND IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, R.S.A 2000, C. B 9, AS AMENDED;

AND IN THE MATTER OF OILEXCO INCORPORATED AND OILEXCO TECHNICAL SERVICES INCORPORATED

BEFORE THE HONOURABLE	)	AT THE COURT CENTRE IN THE CITY OF
MADAM JUSTICE K.M. HORNER	)	CALGARY, IN THE PROVINCE OF ALBERTA
IN CHAMBERS	)	ON THURSDAY THE 16TH DAY OF JULY, 2009

ORDER

UPON THE APPLICATION of the Applicants Oilexco Incorporated ("Oilexco") and Oilexco Technical Services Incorporated ("OTSI") pursuant to the Notice of Motion filed July 15, 2009 (the "Notice of Motion"); **AND UPON HEARING READ** the pleadings and proceedings herein; **AND UPON HEARING READ** the Seventh Report of the Monitor filed on July 15, 2009; **AND UPON HEARING** Counsel for the Applicants; **AND UPON HEARING** Counsel for The Royal Bank of Scotland plc ("RBS"); **AND UPON HEARING** Counsel for Sevan Marine, ASA; **AND UPON HEARING** Counsel for Diamond Offshore Drilling Inc.; **AND UPON HEARING** Counsel for the Monitor;

IT IS HEREBY ORDERED THAT:

1. The Applicants be and are hereby authorized and directed to finalize the liquidation of their respective remaining property, assets and undertaking with a view to presenting a Plan of Compromise and Arrangement to their unsecured creditors with proven claims in accordance with the terms as hereinafter set out, which Plan of Compromise and Arrangement (the "Liquidation

Plan") will provide that unsecured creditors with proven distribution claims will receive their *pro rata* share of a distribution fund (the "Distribution Fund"). The Distribution Fund shall be comprised of the Applicants' current cash on hand plus the proceeds of disposition of the Applicants' remaining property, less the aggregate of all costs (a) incurred by the Applicants to July 31, 2009 and (b) associated with finalizing the liquidation and implementing the Liquidation Plan including, without limitation, all professional fees of the Applicants, the Monitor and the Monitor's counsel associated with the preparation and dissemination of the Liquidation Plan, conducting the creditors' meeting, reviewing and responding to all claims (including determining all such claims in accordance with the CCAA and the provisions of the Claims Process Order granted in the within proceedings on May 20, 2009), calling and conducting a meeting of unsecured creditors, applying for the final Sanction Order if the Liquidation Plan is approved by the requisite majority of creditors, and attending to all matters necessarily incidental to distributing the net proceeds of liquidation. In furtherance of the foregoing, the Applicant is specifically authorized and directed to:

(a) terminate its employees and to otherwise cease incurring general and administrative expenses as of the close of business July 31, 2009, with the exception of rent for its Calgary office premises for the month of August, 2009 and such other expenses that may be incurred in furtherance of the Liquidation Plan and as are otherwise specifically approved by the Monitor;

(b) hire on a contract basis, on terms to be approved by the Monitor, such of the Applicants' former employees to provide such assistance with the Liquidation Plan as is determined necessary or advisable;

(c) repudiate the office lease in respect of its Calgary premises on or before August 31, 2009 or to otherwise make arrangements satisfactory to the Monitor that lease payments for such premises on a go-forward basis from and after September 1, 2009 will be made through funds other than the Distribution Fund; and

(d) to make no further payments from the Distribution Fund on account of the commercial office premises occupied by the Applicant in London, U.K. without the prior written consent of the Monitor.

2. The Monitor's powers be and the same are hereby expanded to specifically include the requirement that the Monitor approve all expenses to be incurred by the Applicants from and after the date of the within Order. The Monitor shall have joint control with the Applicants of the Applicants' bank accounts containing the Distribution Fund and the Applicants shall arrange having the Monitor added as an approved signatory on all cheques and other instruments that may affect withdrawals from such bank accounts.

3. The Applicants be and are hereby authorized to prepare, in consultation with and with the approval of the Monitor, the Liquidation Plan. The Liquidation Plan shall contain one class of unsecured creditors.

4. The Applicants are hereby authorized to call, hold and conduct a meeting of unsecured creditors for the purpose of considering and, if deemed advisable, passing, with or without variation, a resolution to approve the Liquidation Plan (the "Meeting").

5. On or before August 25, 2009, the Monitor shall serve the following documents (collectively, the "Meeting Materials") to all unsecured creditors with proven claims by prepaid ordinary mail, courier, facsimile or e-mail at the address appearing on each Proof of Claim or such other address subsequently provided to the Monitor:

(a) a letter from Oilexco Inc. to the creditors;

(b) a notice of the Meeting and sanction hearing (the "Notice to Creditors");

(c) the Liquidation Plan;

(d) a copy of the form of proxy and instruction letter for the creditors;

(e) a copy of this Order;

(f) a Monitor's Report in respect of the Liquidation Plan; and

(g) such other items as the Monitor in its discretion determines necessary.

6. Service of a copy of the Meeting Materials upon the creditors in the manner set out in paragraph 6 above shall constitute good and sufficient service of this Order and the Liquidation Plan and good and sufficient notice of the Meeting on all unsecured creditors who may be entitled to receive notice thereof, or of these proceedings, or who may wish to be present in person or by proxy

at the Meeting, or who may wish to appear in these proceedings, and no other form of notice or service need be made on such persons and no other document or material need be served on such persons in respect of these proceedings. Service shall be effective, in the case of mailing, five (5) days after the date of mailing to addresses in Canada and fifteen (15) days after the date of mailing to international addresses. In the case of service by courier, the day after the courier package was sent and, in the case of service by facsimile or e-mail, on the day the facsimile or e-mail was transmitted, unless such day is not a business day or the facsimile or e-mail transmission was made after 5:00 p.m. MST in which case, on the next business day.

7. An officer of the Monitor shall preside as the chair of the Meeting (the "Chair") and subject to this Order and any further Order, shall decide all meetings relating to the conduct of the Meeting.

8. The Chair be and is hereby authorized to adjourn the Meeting on one or more occasions to such time(s), date(s) and place(s) as the Chair deems necessary or desirable (without the need to first convene the Meeting for the purpose of any adjournment).

9. In the event a creditor's claim has not been finally determined prior to the date of the Meeting, the creditor shall be entitled to vote at the Meeting the amount of its claim as lodged, unless otherwise ordered by the Court, and such claim shall be deemed to constitute the creditor's proven claim for voting purposes. Notwithstanding the foregoing, the classification and amount of the creditor's proven claim for distribution purposes shall be determined in accordance with the Claims Procedure Order without regard to the determination of the creditor's proven claim for voting purposes.

10. Only unsecured creditors who have proven a claim in accordance with the Claims Procedure Order or their proxy holders are entitled to vote at the Meeting. Each unsecured creditor with a proven claim is entitled to one vote, which vote shall have the value of such unsecured creditor's claim as determined in accordance with the Claims Procedure Order.

11. The quorum required at the Meeting shall be one voting creditor present at the Meeting in person or by proxy. If the requisite quorum is not present at the Meeting, then the Meeting shall be adjourned by the Chair to such time and place as the Chair deems necessary or advisable.

12. The Chair shall direct a vote with respect to a resolution to approve the Liquidation Plan and containing such other related provisions as the Applicants may consider appropriate.

13. The results of the vote conducted at the Meeting shall be binding upon all creditors, whether or not any such creditor is present in person or by proxy or voting at the Meeting.

14. The only persons entitled to attend the Meeting are the creditors (including proxy holders) with proven claims and their legal counsel, the Monitor and its legal counsel and the Applicants and their legal counsel. Any other person may be admitted to the Meeting on invitation of the Chair.

15. The Chair shall report to this Court no later than September 16, 2009 with respect to the results of the vote.

16. If the Liquidation Plan has been accepted by the requisite majority of unsecured creditors voting on the Liquidation Plan in accordance with the CCAA and this Order, the Applicants shall bring a motion seeking an Order sanctioning the Liquidation Plan on September 6, 2009 at 1:30 p.m. or such later date as the Court may set.

17. The Stay Period (as such term is defined in the Initial Order) be and is hereby extended to September 30, 2009.

18. This Court orders and requests the aid and recognition of any Court or any judicial, regulatory or administrative body in any Province or Territory of Canada (including, without limitation, the assistance of any court in Canada pursuant to section 17 of the CCAA) and the Federal Court of Canada and any judicial, regulatory or administrative tribunal or other court or any judicial, regulatory or administrative body of the United Kingdom and of any other nation or state to act in aid of and to be complimentary to the Court in carrying out the terms of this Order.

19. This Order may be approved in counterpart and by e-mail.

Carolyn S. Phillips

J.C.Q.B.A

For Justice Horner

Entered this 20 day

of July, 2009

Clerk of the Court

V.A. BRANDT COURT SEAL

137410-411322
DOCS #525210 v. 2

APPROVED AS ORDER GRANTED:

Osler, Hoskin & Harcourt LLP

Per: ______________________________
Walker W. MacLeod
Counsel for The Royal Bank of Scotland, plc

Miller Thomson LLP

Per: ______________________________
Terry Warner
Counsel for Sevan Marine, ASA

Davison Worden LLP

Per: ______________________________
G. Brian Davison, Q.C.
Counsel for Diamond Offshore Drilling Inc.

Fraser Milner Casgrain LLP

Per: ______________________________
David Mann
Counsel for the Monitor

ENTERED THIS ___________ DAY OF JULY,
A.D. 2009

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David Mann
Counsel for the Monitor

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JUL 20 2009
CALGARY, ALBERTA

ORDER

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