

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

IN THE MATTER OF THE PROPOSAL OF  
RICHARDS OIL & GAS LIMITED

AFFIDAVIT  
(Approval Order)

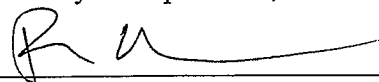
I, FERDIE ARTZEN, of the City of Calgary, in the Province of Alberta, Businessman,  
MAKE OATH AND SAY THAT:

1. I am the Vice President - Land of Richards Oil & Gas Limited ("Richards" or "the Company"), an insolvent person, and as such have knowledge of the matters hereinafter deposed to.
2. Richards was a TSX Venture Exchange listed oil and gas company specializing in the exploration, development and production of coalbed methane properties. Earlier this year, Richards was delisted from the TSX Venture Exchange, and was the subject of cease-trade orders ("CTO's") issued by various provincial security commissions.
3. On September 2, 2010 Richards filed a Proposal (the "Proposal") to its Creditors under the provisions of Part III, Division I of the *Bankruptcy and Insolvency Act* ("BIA"). A copy of the Proposal is attached to the Trustee's Report on the Proposal.
4. The Meeting of Creditors to vote on the Proposal was held on September 24, 2010. At the time, the Meeting of Creditors was duly constituted, and the Proposal was approved by 93% of the creditors in number and 96% of the creditors in value then present (in person or by proxy) and entitled to vote. Details of the result of the vote are contained in the Trustee's Report on the Proposal.

5. There are a number of conditions precedent to the implementation of the Proposal. These conditions are:
  - (a) Approval of the Proposal by this Honourable Court;
  - (b) Richards having received Orders from the applicable Securities Commissions revoking or varying the CTO's so as to permit the implementation of the Proposal;
  - (c) Approval of certain amendments to Richards' Articles so as to permit Richards to raise new operating capital through the issuance of new shares in replacement of existing Richards shares; and
  - (d) The closing of a Private Placement for minimum gross proceeds of \$500,000.
6. Richards has been working diligently on satisfying these various conditions in order that the Proposal can be fully implemented, and believes that it will be able to satisfy these conditions
7. The amendments to Richards' Articles which are sought in the Proposal are reasonably necessary to allow the restructuring of Richards' affairs, and are for the benefit of Richards' body of creditors. Without these amendments, Richards would not be able to raise the new operating capital necessary to fund the Proposal and restructure its affairs.
8. Richards has made application to the applicable securities commissions to have the CTO's revoked or varied so as to permit the implementation of the Proposal, and has been diligently prosecuting such applications.
9. Richards' current Board of Directors have agreed to serve until the Proposal is fully implemented and are willing to resign upon request, whereupon Richards anticipates appointing a new Board of Directors.

10. I swear this Affidavit in support of an application for approval of the Proposal and to amend Richards' Articles as contemplated by the Proposal.

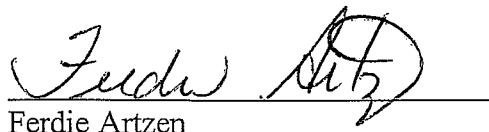
SWORN BEFORE ME at the City  
of Calgary in the province of Alberta  
29<sup>th</sup> day of September, 2010.



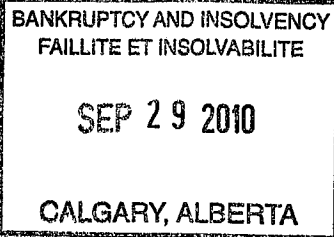
A Commissioner For Oaths in and for  
The Province of Alberta

Fraser M. Bush  
Student-at-Law

)  
)  
)  
)  
)

  
Ferdie Artzen

Action No. 25-1356341



---

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

---

**IN THE MATTER OF THE PROPOSAL OF  
RICHARDS OIL AND GAS LIMITED**

---

**AFFIDAVIT  
(Approval Order)**

---

**MACLEOD DIXON LLP**  
3700 Canterra Tower  
400 Third Avenue SW  
Calgary, Alberta T2P 4H2  
Telephone: (403) 267-8222  
Fax: (403) 264-5973

Attention: Randal S. Van de Mosselaer

---

File No. 266394/RSV