

Action No. 0901-02873  
Deponent: Richard M. Watkins  
Sworn: April 28, 2009

**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 **CANADIAN SUPERIOR ENERGY INC.**

AND IN THE MATTER OF **SEEKER PETROLEUM LTD.**

AND IN THE MATTER OF **CANADIAN SUPERIOR TRINIDAD AND  
TOBAGO LIMITED**

**SUPPLEMENTAL AFFIDAVIT**

I, Richard M. Watkins, of the City of Houston, in the State of Texas, MAKE OATH AND SAY AS FOLLOWS:

1. I am a director of Canadian Superior Energy Inc. (the "Corporation") and am a member of the Independent Committee established by the Board of Directors of the Corporation. As such I have a personal knowledge of the facts hereinafter deposed to save where stated to be based on information and belief, in which case I verily believe them to be true.
2. In this Affidavit, capitalized words and phrases that are defined in my previous Affidavit sworn the 24<sup>th</sup> day of April, 2009, shall have the same meanings when used herein.

**Subsequent Event**

3. At 7:00 AM on Monday, April 27, 2009, the Corporation issued a press release to announce the departure of Greg Noval as the Executive Chairman of the Corporation and as the Chairman of the Board of Directors, and of Michael Coolen as the President and CEO of the Corporation. Both of those men, however, remain as directors of the Corporation.
4. Mr. Jake Harp has been appointed as the Interim Chairman of the Board of Directors of the Corporation.
5. As at the date of this my Affidavit, no announcement has been made concerning an interim chief executive or operating officer of the Corporation. It is my belief, however, that such an announcement will be made shortly.

**The Jennings Advisory Agreement**

6. The Independent Committee has carefully considered whether the Success Fee payable to Jennings of 0.25% of the sales value of the Corporation's interest in Block 5(c) might be

redundant in light of the fees payable to ScotiaWaterous which is leading the sales process for Block 5(c). The Independent Committee has, however, determined that there is no such redundancy. Based on its business judgment and advice from its legal counsel, the Independent Committee has concluded that such fee payable to Jennings under the terms of the Advisory Agreement is appropriate for the following reasons.

- (a) The Independent Committee has instructed Jennings to advise it on all of the strategic alternatives available to the Corporation in addressing all issues in connection with the CCAA proceedings, including the best interests of the shareholders of the Corporation. Accordingly, the Independent Committee expects Jennings to evaluate the bids and negotiations in connection with the proposed sale of Block 5(c) in light of all other strategic alternatives.
- (b) The Independent Committee is directly involved in instructing ScotiaWaterous in connection with the ongoing negotiations with the bidders for Block 5(c). The Independent Committee relies on Jennings to assist in the initiation of the strategy in the conduct of those negotiations and in communicating that strategy to ScotiaWaterous all with the aim of maximizing the value of the bids received and minimizing the risks and conditions associated with such bids. .
- (c) Because the Independent Committee is considering all strategic alternatives, it relies on Jennings to coordinate the negotiations concerning Block 5(c) and the communications with ScotiaWaterous in such a way as to have them integrated with the other considerations and ongoing negotiations pertaining to other aspects of the strategic alternatives.
- (d) The Jennings fee with respect to Block 5(c) at 0.25%, is less than 1/20<sup>th</sup> of the ScotiaWaterous fee. The Independent Committee considers that to be appropriate in balancing the responsibilities of those two advisory firms.
- (e) The Proposal that the Corporation intends to ultimately bring before the Court for the resolution of the issues in these CCAA proceedings, may include the requirement of a fairness opinion from Jennings. Such a fairness opinion, under the terms of the Advisory Agreement, would not require the payment of a further fee in the circumstances of a sale of the Block 5(c) interest.

7. I make this my Supplemental Affidavit in support of an application for Court approval of the formation of the Independent Committee and the appointment of its "Assistants", as more fully particularized in the Notice of Motion dated April 24, 2009, filed on behalf of the Independent Committee and the Corporation.

SWORN BEFORE ME at the City of Calgary, )  
in the Province of Alberta, this 20<sup>th</sup> day of April, )  
2009 )

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Commissioner for Oaths in and for the Province )  
of Alberta )

*Melanie Ferster*  
**MELANIE FERSTER**  
Commissioner for Oaths in and for  
the Province of Alberta  
Expiry Date: May 15, 2012

{00424445-1}

*Richard M. Watkins*  
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**RICHARD M. WATKINS**

Action No. 0901-02873

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JUDICIAL DISTRICT OF CALGARY

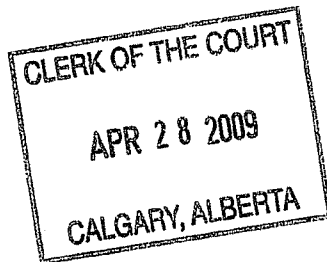
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**SUPPLEMENTAL AFFIDAVIT**

Deponent: Richard Watkins  
Sworn: April 28, 2009

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**CARSCALLEN LEITCH LLP**  
Barristers & Solicitors  
1500, 407 – 2<sup>nd</sup> Street S.W.  
Calgary, Alberta T2P 2Y3

Attention: Stanley Carscallen, Q.C.  
Telephone No. (403) 262-3775  
Facsimile No. (403) 262-2952

File No. 22967.001