

**CONFIDENTIALITY AGREEMENT  
COMPTON CECIL ASSET DIVESTITURE**

**THIS AGREEMENT** has been entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2008 between:

**COMPTON PETROLEUM CORPORATION**, a corporation with an office located in Calgary, Alberta (hereinafter referred to as "**Compton**")

and

\_\_\_\_\_ a corporation with an office located  
in \_\_\_\_\_ (hereinafter referred to as "**Recipient**")

**WHEREAS** the Recipient wishes to conduct a review and analysis of certain assets of Compton, comprising the properties set forth in Schedule A here to, in conjunction with a proposed acquisition of such assets (the "**Transaction**"), and in conjunction therewith Recipient will be reviewing certain information concerning Compton which is confidential, non-public or proprietary, or is not otherwise available to it;

**AND WHEREAS** Compton and Recipient wish to establish the terms and limitations upon which Compton will disclose such information to the Recipient;

**NOW THEREFORE**, in consideration of the mutual covenants and agreements herein contained, the Parties hereto covenant and agree with each other as set forth below.

1. **Definitions:** In this agreement, unless the context otherwise requires, the following terms shall have the meanings set forth below:

"**Confidential Information**" means all information furnished (orally, in writing or in electronic form or any other form) by or on behalf of Compton to Recipient or its Representatives and all analyses, compilations, studies, documents or records prepared by the Recipient or its Representatives containing, reflecting, generated from or based upon, in whole or in part, any such furnished information, but shall not include information which:

- (a) was or becomes generally available to the public other than as a result of disclosure by the Recipient or its Representatives;
- (b) was or becomes available to the Recipient on a non-confidential basis from a source other than Compton or its Representatives, provided that such source is not to the Recipient's knowledge (and being aware of no reasonable basis for determining otherwise) bound by a confidentiality agreement with

- (c) Compton or any of its Representatives or otherwise prohibited from transmitting the information to the Recipient or its Representatives by a contractual, legal or fiduciary obligation; or
- (d) was, as evidenced by its records, within the Recipient's knowledge or possession prior to being furnished to the Recipient by or on behalf of Compton, provided that the source of such information was not bound by a confidentiality agreement with Compton or any of its Representatives or otherwise prohibited from transmitting the information to the Recipient or its Representatives by a contractual, legal or fiduciary obligation;

"**Notices**" shall have the meaning set out in paragraph 10 hereof;

"**Representatives**" means directors, officers, employees, agents or advisors (including, without limitation, lawyers, accountants, consultants, bankers and financial advisors and any directors officers, employees, agents or advisors thereof) of a Party;

"**Party**" means either Compton or Recipient, as applicable.

2. **Confidentiality and Use.** Recipient acknowledges that the information contained in the Confidential Information is confidential and proprietary. Confidential Information regarding Compton which is furnished to the Recipient by or on behalf of Compton, whether furnished before or after the date of this agreement and regardless of the manner or form in which it is furnished, shall be kept in strict confidence in accordance with the provisions of this agreement and the Recipient and its Representatives shall take all commercially reasonable precautions to safeguard the Confidential Information from disclosure to anyone other than as permitted hereby. Recipient agrees that any Confidential Information received by it will be used solely for the purpose of conducting a review and analysis of Compton's properties set out in Schedule A in conjunction with the Transaction, and will not be disclosed to any person by a Recipient or its Representatives; provided, however, that (i) any of the information contained in the Confidential Information may be disclosed to the Recipient's Representatives who need to know such information for the purposes set out herein (but only to the extent a particular Representative needs to know same) and (ii) any disclosure of such information may be made to which Compton consents to in writing. Recipient shall be responsible for any breach of this agreement by any of its Representatives which occurs while such Representative is employed or is directly or indirectly under contract to the Recipient. The Recipient agrees, at its sole expense, to take all commercially reasonable measures (including but not limited to court proceedings) to restrain its Representatives from prohibited or unauthorized disclosure or use of the Confidential Information.

3. **Transaction Confidentiality.** In addition, without the prior written consent of Compton, the Recipient will not, and will direct its Representatives not to, disclose to any person which is not the Recipient or one of its Representatives (i) that the Confidential Information has been made available to the Recipient or its Representatives, or (ii) that Recipient is undertaking a review and analysis of such Confidential Information for the purposes set out herein, unless and only to the extent that disclosure is required to be made under Canadian or United States laws (including pursuant to any court order) or applicable stock exchange regulation, provided that the Recipient shall advise Compton of any such proposed disclosure and consult with Compton prior to disclosure of any Confidential Information. Recipient agrees not to, and not to permit any of its Representatives to, contact, either directly or indirectly any officers, employees, affiliates, customers or suppliers of Compton with respect to any of the information contained in the Confidential Information, or otherwise with respect to the business of Compton, except as may be arranged by or through Compton.
4. **Compelled Disclosure.** In the event that the Recipient or anyone to whom the Recipient transmits the Confidential Information pursuant to this agreement becomes legally compelled (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process) to disclose any of the Confidential Information, the Recipient will provide Compton with prompt written notice so that Compton may seek a protective order or other appropriate remedy or waive compliance under the provisions of this agreement. In the event that such protective order or other remedy is not obtained, or that Compton waives compliance with any provisions of this agreement, the Recipient or its Representatives will furnish only that portion of the Confidential Information that is legally required and the Recipient will exercise its commercially reasonable efforts to obtain reliable assurance that confidential treatment will be accorded such Confidential Information.
5. **No Representation or Warranty.** Although Compton shall endeavor to include in the information provided to the Recipient those materials that are believed to be reliable and relevant for purposes of the Recipient's review and analysis, Recipient hereto understands and acknowledges that any and all information contained in the Confidential Information is being provided to it without any representation or warranty, express or implied, on the part of Compton or its Representatives as to the accuracy or completeness of the Confidential Information, or that any financial or operating projections or forecasts included therein have been made in conformity with any requirements of securities regulatory authorities or accounting standards. Recipient agrees that neither Compton or its Representatives shall have any liability to the Recipient or any of its Representatives resulting from the use of the Confidential Information by the Recipient or its Representatives.
6. **Return of Documents.** Upon completion of Recipient's review and analysis, or at Compton's written request, the Recipient and its Representatives shall return to Compton, within 10 business days, the Confidential Information provided by or on

behalf of Compton and will not retain any copies, extracts or other reproductions in whole or in part of such material. Upon such a request, all documents, memoranda, notes and other material in written or other recorded form whatsoever prepared by the Recipient or its Representatives related to the information contained in the Confidential Information shall be destroyed and the Recipient shall, upon request, provide Compton with its written certificate attesting to such destruction, except that any such material prepared by the Recipient or its Representatives solely from publicly available information or from information not obtained from Compton or its Representatives pursuant to this agreement may be retained by the Recipient or its Representatives.

7. **Injunctive Relief.** It is understood and agreed that money damages would not be a sufficient remedy for any breach of this agreement and that Compton shall be entitled to specific performance and injunctive or other relief as a remedy for any such breach by a Recipient or its Representatives and Recipient, as such, further agrees to waive any requirement for the deposit of security or posting of any bond in conjunction with such remedy. Such remedy shall not be deemed to be the exclusive remedy for breach of this agreement, but shall be in addition to all other remedies available at law or equity to Compton. No failure or delay by Compton in exercising any right, power or privilege under this agreement shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or future exercise of any right, power or privilege hereunder.
8. **Indemnity.** Recipient agrees to indemnify and hold harmless Compton against all claims, liabilities, damages, losses (including lost profits), costs and expenses of any nature whatsoever (including legal fees, charges and disbursements on an as between a solicitor and his own client basis) resulting from the use or disclosure of the Confidential Information by the Recipient or its Representatives in contravention of the provisions of this agreement.
9. **Legal Obligations Regarding Confidential Information.** The Recipient acknowledges and agrees, and will ensure that each Representative acknowledges and agrees, that: (i) certain of the Confidential Information may constitute material facts that have not been generally disclosed within the meaning of applicable securities laws; (ii) each Recipient and each Representative should consider themselves in a special relationship with Compton by virtue of the acquisition of the Confidential Information pursuant to this agreement; and (iii) each of the Recipient and each Representative will comply with all applicable securities law in such regard, including, without limitation, that the Recipient and the Representatives will not make use of any Confidential Information in connection with any trade of securities of Compton or communicate such information to any other persons ("special relationship" and "material fact" having the same meanings in this paragraph as under the Securities Act (Alberta)), except as permitted by applicable securities laws.

10. **Notices.** All notices, requests, demands, consents, approvals or other communications ("**Notices**") required or permitted under the terms and provisions hereof shall be in writing and shall be delivered by hand to a responsible officer of the addressee or sent by facsimile device (with a copy thereof to be sent by mail forthwith thereafter) addressed: if to Compton Petroleum Corporation, Suite 3300, 425 – 1 Street, SW, Fifth Avenue Place, East Tower, Calgary Alberta T2P 3L8, Attention: Manager, Acquisitions and Divestments, (fax number 237-8234); and if to Recipient, (as indicated in Schedule B), or to such other address or fax number, or to such other addressee, as a Party shall from time to time notify the other Party in accordance with this paragraph 10. Any Notice so given or made shall be conclusively deemed to have been given and received when delivered by hand or, if sent by facsimile (with transmission confirmed) prior to 4:00 p.m. (based on the Recipient's time zone) on a business day, on the date of such sending (failing which it shall be deemed to have been received on the next business day).
11. **Headings, Etc.** The division of this agreement into paragraphs and schedules and the insertion of headings are for convenience of reference only and shall not affect the interpretation hereof.
12. **Term.** This agreement shall remain in full force and effect for a period of one year from the date hereof (notwithstanding that the Confidential Information may have been returned or copies or other reproductions thereof destroyed prior to the expiration of such period) and thereupon shall terminate, provided that termination of this agreement will not affect the rights of Compton pursuant to the indemnity provisions hereof.
13. **Governing Law.** This agreement shall be governed by the laws of the Province of Alberta and the laws of Canada applicable herein, without giving effect to the principles of conflicts of laws thereof and the undersigned hereby:
  - (a) irrevocably submits and attorns to the jurisdiction of the Courts of the Province of Alberta in respect of any matter arising hereunder or connection herewith;
  - (b) waives all right to object to jurisdiction of such courts in any legal action or proceeding relative to this letter agreement or the transactions contemplated hereby or execution of any judgment, order or decree issued in or as a result of any such action, suit or proceeding which they may now or hereafter have by reason of domicile or otherwise;
  - (c) waives any objection to the layings of venue in such courts of any of the aforesaid actions, suits or proceedings arising out of or in connection with this agreement;
  - (d) waives and agrees not to plead or claim that any action, suit or proceeding in such courts has been brought in an inconvenient forum; and

- (e) waives any right they may have to, or to apply for, trial by jury in connection with any matter, action, proceeding, claim or counterclaim arising out of or relating to this letter agreement.
- 14. **Entire Agreement.** This agreement constitutes the entire agreement and understanding between the Parties relating to the subject matter herein and merges all prior discussions between the Parties.
- 15. **Amendments.** No amendment or modification of this agreement will be effective unless in writing and signed by both Parties.
- 16. **Severability.** If any provision of this agreement is unenforceable or invalid for any reason, in whole or part, the unenforceability or invalidity thereof shall not effect the enforceability or validity of any other provision in this agreement and all provisions of this agreement shall be construed so as to preserve the enforceability thereof.
- 17. **Successors and Assigns.** This agreement shall be binding upon the respective successors and assigns and other legal representatives of the Parties.
- 18. **Further Assurances.** The Parties agree to execute any such other documents required to carry out the terms of this agreement.
- 19. **Counterpart Execution.** This agreement may be executed in counterpart, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. A facsimile copy of an executed counterpart signature page will be as valid as an originally executed counterpart for purposes of executing this agreement.

**IN WITNESS WHEREOF** this agreement has been executed and delivered by the duly authorized officers of each of the Parties hereto as of the date first written above.

**COMTON PETROLEUM CORPORATION**  
by its agent Tristone Capital Inc.

\_\_\_\_\_  
Ian van Staalduinen  
Principal, Acquisitions & Divesitures

\_\_\_\_\_  
Full Company Name

\_\_\_\_\_  
Per:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

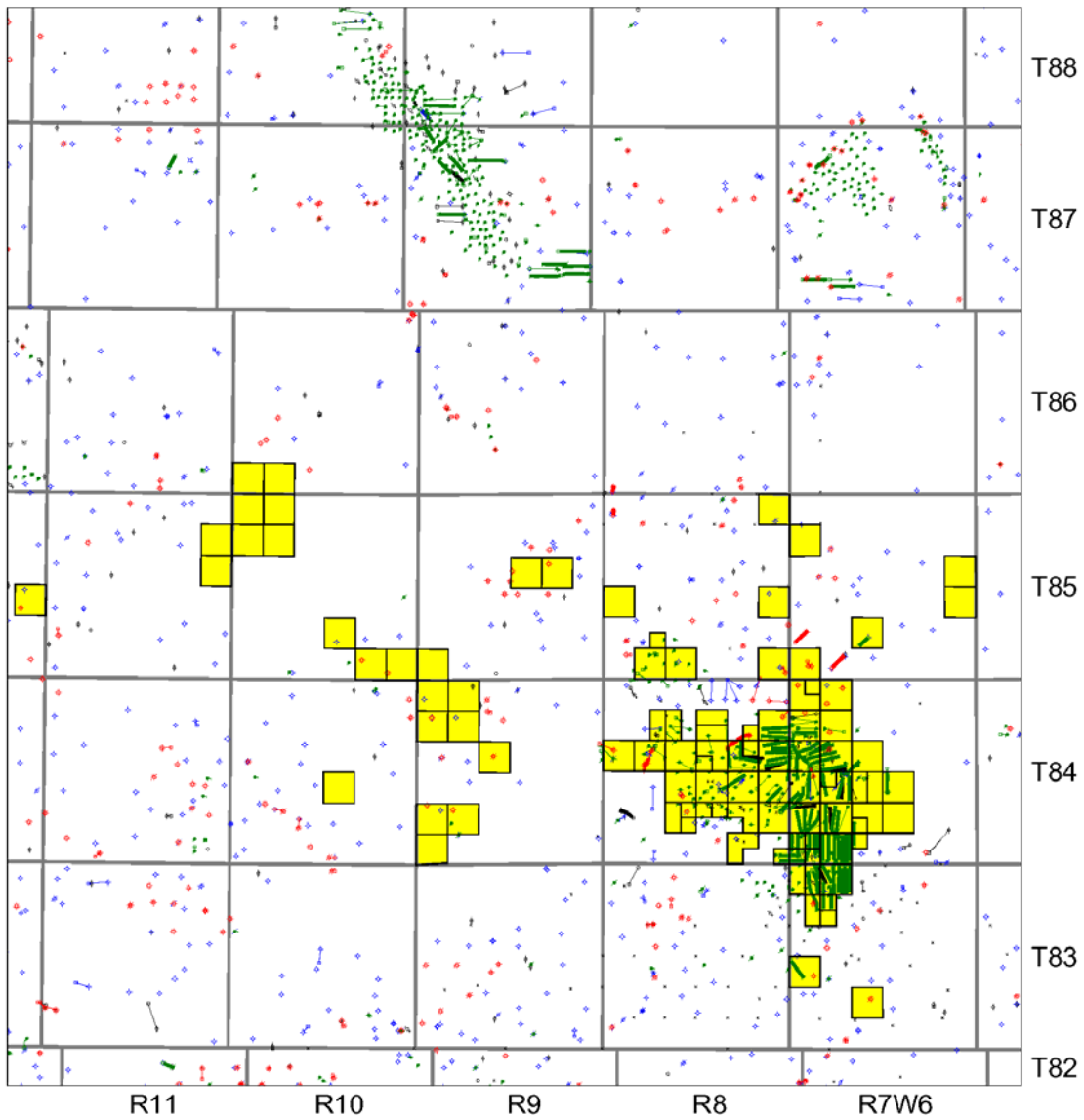
**SCHEDULE "A"**

**TO**

**CONFIDENTIALITY AGREEMENT**

**CECIL ASSET DIVESTITURE**

Cecil Properties: as per Property Report in Tristone Data Room and attached map.



**SCHEDULE "B"**  
**TO**  
**CONFIDENTIALITY AGREEMENT**  
**CECIL ASSET DIVESTITURE**

**Please forward the Confidential Information to:**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_