

Action No. 0901-13483

**TRIDENT EXPLORATION CORP., FORT ENERGY CORP.,
FENERGY CORP., 981384 ALBERTA LTD., 981405 ALBERTA LTD.,
981422 ALBERTA LTD., TRIDENT RESOURCES CORP.,
TRIDENT CBM CORP., AURORA ENERGY LLC,
NEXGEN ENERGY CANADA, INC. AND TRIDENT USA CORP.**

THIRD REPORT OF THE MONITOR

November 20, 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 A PLAN OF COMPROMISE OR ARRANGEMENT
OF TRIDENT EXPLORATION CORP., FORT ENERGY CORP.,
FENERGY CORP., 981384 ALBERTA LTD., 981405 ALBERTA LTD.,
981422 ALBERTA LTD., TRIDENT RESOURCES CORP.,
TRIDENT CBM CORP., AURORA ENERGY LLC,
NEXGEN ENERGY CANADA, INC. AND TRIDENT USA CORP.

THIRD REPORT TO THE COURT
SUBMITTED BY FTI CONSULTING CANADA ULC
IN ITS CAPACITY AS MONITOR

INTRODUCTION

1. On September 8, 2009, Trident Exploration Corp. ("**TEC**"), Fort Energy Corp. ("**Fort**"), Fenenergy Corp., 981384 Alberta Ltd., 981405 Alberta Ltd., 981422 Alberta Ltd., Trident Resources Corp. ("**TRC**"), Trident CBM Corp., Aurora Energy LLC, Nexgen Energy Canada, Inc. and Trident USA Corp. (collectively, the "**Applicants**") made an application under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") and an initial order (the "**Initial Order**") was made by the Honourable Mr. Justice Hawco of the Court of Queen's Bench of Alberta, judicial district of Calgary (the "**Court**") granting, *inter alia*, a stay of proceedings against the Applicants until October 7, 2009, (the "**Stay Period**") and appointing FTI Consulting Canada ULC as monitor (the "**Monitor**"). The proceedings commenced by the Applicants under the CCAA will be referred to herein as the "**CCAA Proceedings**".

2. Also on September 8, 2009, Trident Resources Corp., Trident CBM Corp., Aurora Energy LLC, Nexgen Energy Canada, Inc. and Trident USA Corp. (collectively, the “**US Debtors**”) commenced proceedings (the “**Chapter 11 Proceedings**”) under Chapter 11, Title 11 of the *United States Code* in the United States Bankruptcy Court, District of Delaware (the “**US Court**”). The case has been assigned to the Honourable Judge Mary F. Walrath.
3. On October 6, 2009, the Honourable Madam Justice Romaine granted an order *inter alia* extending the Stay Period to December 4, 2009 and, subject to the parties agreeing the wording of certain paragraphs, amending and restating the Initial Order (the “**Amended and Restated Initial Order**”).
4. On November 20, 2009, the Applicants sought approval of revised limits for payments of pre-filing liabilities in accordance with paragraph 13 of the Amended and Restated Order, which limits had been agreed with the Required Lenders. As set out in the Monitor’s Second Report, the Monitor supported the Applicants’ request. At the return of the Applicants’ motion on that date, the Honourable Madam Justice Romaine requested details of the amounts paid in respect of pre-filing liabilities pursuant to paragraph 13 of the Initial Order.
5. The purpose of this report is to provide the Court details of the payments made to date in respect of pre-filing liabilities pursuant to paragraph 13 of the Initial Order and of anticipated future payments.

6. In preparing this report, the Monitor has relied upon unaudited financial information of the Applicants, the Applicants' books and records, certain financial information prepared by the Applicants and discussions with the Applicants' management. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information. Accordingly, the Monitor expresses no opinion or other form of assurance on the information contained in this report or relied on in its preparation. Future oriented financial information reported or relied on in preparing this report is based on management's assumptions regarding future events; actual results may vary from forecast and such variations may be material.
7. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars. Capitalized terms not otherwise defined herein have the meanings defined in the Initial Order or in the Monitor's previous reports.

PAYMENTS PURSUANT TO PARAGRAPH 13 OF THE INITIAL ORDER

8. Pursuant to paragraph 13 of the Initial Order, the Applicants are entitled, with the consent of the Monitor to make payments in respect of pre-filing amounts, subject to the criteria set out therein.
9. At the commencement of the CCAA Proceedings, the Monitor implemented a procedure wherein if the Applicants believed that the payment of a pre-filing amount was necessary and justified under paragraph 13 of the Initial Order, it would seek the consent of the Monitor by submitting its request in writing on a form setting out the details necessary for the Monitor to make its assessment of whether its consent should be given (the "**Pre-Filing Payment Request Form**"). A copy of the Pre-Filing Request Form is attached hereto as Appendix A.
10. The payments made to date and estimated future payments are summarized as follows:

Item	Paid	To be Paid	Total	Rationale
Crown Royalties	\$734,386.70	\$833,090.90	\$1,567,477.60	Following discussions with legal counsel for the Company, the Province and the Monitor, payment determined to be necessary to avoid risk to title and rights to the areas
Freehold Royalties	\$0.00	\$100,856.61	\$100,856.61	Following discussions with legal counsel for the Company, the Province and the Monitor, payment determined to be necessary to avoid risk to title and rights to the areas
Subtotal Royalties	\$734,386.70	\$933,947.51	\$1,668,334.21	
Surface/ Mineral rights	\$3,234.00	\$40,000.00	\$43,234.00	Following discussions with legal counsel for the Company, the Province and the Monitor, payment determined to be necessary to avoid risk to title and rights to the areas and to ensure no access issues
Gas Processors	\$701,068.80	\$0.00	\$701,068.80	Processors held letters of credit as security. On expiry of TD Facility, L/C's would have been drawn and equivalent cash security would have had to be posted. This would have resulted in unnecessary additional cost while resulting in the same cash result for the processor
Gas Purchase Sale	\$17,268.30	\$23,000.00	\$40,268.30	Processors held letters of credit as security. On expiry of TD Facility, L/C's would have been drawn and equivalent cash security would have had to be posted. This would have resulted in unnecessary additional cost while resulting in the same cash result for the processor. Estimated future payment to be made in respect of amount which supplier would otherwise be entitled to set-off
Other	\$2,000.00	\$120,140.00	\$122,140.00	\$118k of the to be paid amount relates an expected payment to release repaired equipment that is subject to a possessory lien. Sundry other reasons for the remaining small balances.
Subtotal Other	\$723,571.10	\$183,140.00	\$906,711.10	
Total	\$1,457,957.80	\$1,117,087.51	\$2,575,045.31	

11. The Applicants have requested that the limits for payments of pre-filing liabilities in accordance with paragraph 13 of the Amended and Restated Order be set at \$1.75 million for royalties and \$1.25 million for other amounts. These amounts are slightly higher than the total amounts currently expected to be paid in order to provide the Applicants' the ability, with the Monitor's consent, to address any unforeseen payment requirements that may arise.

12. The Monitor believes that the proposed limits are reasonable and appropriate in the circumstances and, as set out in the Second Report, the Monitor supports the Applicants' request for approval of revised limits.

The Monitor respectfully submits to the Court this, its Third Report.

Dated this 20th day of November, 2009.

FTI Consulting Canada ULC
In its capacity as Monitor of
Trident Exploration Corp., Fort Energy Corp., Fenenergy Corp., 981384 Alberta Ltd.,
981405 Alberta Ltd., 981422 Alberta Ltd., Trident Resources Corp., Trident CBM Corp.,
Aurora Energy LLC, Nexgen Energy Canada, Inc. and Trident USA Corp.



Nigel D. Meakin
Senior Managing Director

Appendix A

Pre-Filing Payment Request Form

**Trident Exploration Corp. ULC, Fort Energy Corp. ULC, Fenergy Corp. ULC,
981384 Alberta Ltd., 981405 Alberta Ltd., 981422 Alberta Ltd., Trident Resources
Corp., Trident CBM Corp., Aurora Energy LLC, Nexgen Energy Canada, Inc. and
Trident USA Corp. ("Company")**

Pre-Filing Payment Request

Pursuant to Section 13 of the CCAA Initial Order from the Court of Queen’s Bench of Alberta, Judicial Centre of Calgary, the Company requests the consent of the Monitor, in consultation with their financial advisors, to make payment of the following pre-filing amount.

Vendor Name:	
Pre-Filing Amount Owed:	
Requested Pre-Filing Amount to be Paid:	
Type of Payment (Cheque/Wire):	
Describe necessity of payment (reason):	
Describe terms and conditions of proposed payment:	
Describe the material benefit to Trident and its stakeholders:	
Likely outcome if not paid:	
Other options available/considered:	
Supporting Documentation:	

Signed: _____
Submitted by:

Date: _____

Signed: _____
Approved by:

Date: _____

Monitor Approval (Yes/No):
Approved by:
Date: