

TWIN BUTTE ENERGY LTD.

**INSTRUMENT OF PROXY
FOR USE AT THE JANUARY 9, 2012
SPECIAL MEETING OF SHAREHOLDERS**

The undersigned shareholder of Twin Butte Energy Ltd. (the "**Corporation**") hereby appoints James Saunders, President and Chief Executive Officer of the Corporation, of the City of Calgary, in the Province of Alberta, or, failing him, Alan Steele, Vice-President, Finance, Chief Financial Officer and Corporate Secretary of the Corporation, of the City of Calgary, in the Province of Alberta, or instead of either of them, _____, as proxyholder of the undersigned, with full power of substitution, to attend, act and vote for and on behalf of the undersigned at the special meeting (the "**Meeting**") of holders of common shares of the Corporation (the "**Common Shares**") to be held in the Plaza Room at the Metropolitan Conference Centre, 333- 4th Avenue S.W. at 10:00 a.m. (Calgary time) on Monday, January 9, 2012 and at any adjournment thereof, and on every ballot that may take place in consequence thereof to the same extent and with the same powers as if the undersigned were personally present at the Meeting with authority to vote at the said proxyholder's discretion, except as otherwise specified below.

Without limiting the general powers hereby conferred, the undersigned hereby directs the said proxyholder to vote the Common Shares represented by this Instrument of Proxy in the following manner (check the appropriate box):

1. **FOR** or **AGAINST** (and, if no specification is made, **FOR**) to approve, with or without amendment, an ordinary resolution, the full text of which is set forth as Appendix A-2 to the Joint Information Circular and Proxy Statement of the Corporation and Emerge Oil & Gas Inc. ("**Emerge**") dated December 9, 2011, 2011 (the "**Information Circular**"), the issuance of up to 55,476,580 Common Shares such is required to acquire all of the outstanding common shares of Emerge, all as more particularly described in the Information Circular, and in accordance with the terms of a plan of arrangement (the "**Arrangement**") involving the Corporation, Emerge and the shareholders of Emerge (the "**Twin Butte Resolution**").
2. **FOR** or **AGAINST** (and, if no specification is made, **FOR**) to approve, with or without amendment, an ordinary resolution, the full text of which is set forth in the Information Circular, approving a share award incentive plan for Twin Butte.

If any amendments or variations to the matters referred to above or to any other matters identified in the notice of Meeting are proposed at the Meeting or any adjournment or adjournments thereof, or if any other matters which are not now known to management should properly come before the Meeting or any adjournment or adjournments thereof, this proxy confers discretionary authority on the person voting the proxy to vote on such amendments or variations or such other matters in accordance with the best judgment of such person.

This proxy is solicited by management of the Corporation. Each shareholder has the right to appoint a person other than the management designees specified above to attend, act and vote for and on behalf of such shareholder at the Meeting. Such right may be exercised by crossing out the names of the persons designated by the management to act and inserting in the space provided the name of the person to be appointed, who need not be a shareholder of the Corporation.

If the shareholder specifies a choice in this proxy with respect to the matters described above, the Common Shares represented by this proxy shall be voted accordingly. **If no choice is specified with respect to the matters described above, the proxy will be voted FOR such matters.**

This proxy revokes and supersedes all proxies of earlier date.

(See Reverse)

DATED this _____ day of _____, 20_____.

Signature of Shareholder

Name of Shareholder (Please Print)

Number of Common Shares Held

NOTES:

1. To be valid, this proxy must be received by the Corporation's transfer agent, Valiant Trust Company, Attn: Stock Transfer Department, 310, 606 - 4th Street S.W., Calgary, Alberta T2P 1T1 or by facsimile at (403) 233-2857, not later than 10:00 a.m. (Calgary time) on Thursday, January 5, 2012 or not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to any adjournment of the Meeting. Notwithstanding the foregoing, the Chair of the Meeting has the discretion to accept proxies received after such deadline. You may also send your proxy via fax to: (403) 233-2857 or vote your shares online via: www.valianttrust.com.

2. If the shareholder is a corporation, its corporate seal must be affixed or it must be signed by an officer or attorney thereof duly authorized.

3. This Instrument of Proxy must be dated and the signature hereon should be exactly the same as the name in which the Shares are registered. If the Instrument of Proxy is not dated in the above space, it is deemed to bear the date on which it is mailed by the person making the solicitation.

4. The shareholder has the right to appoint a proxyholder (who need not be a shareholder of other than the persons designated above to attend and act for and on behalf of the shareholder at the Meeting. To exercise this right, the shareholder must either insert the name of the desired person in the blank space provided above and strike out the other names or complete another appropriate proxy and, in either case, must deliver the completed proxy in accordance with the provisions set out in the Information Circular.

5. For further information, see "*General Proxy Matters – Twin Butte*" in the Information Circular.