

BAYTEX

ENERGY TRUST

September 3, 2003

NOTICE OF PLAN OF ARRANGEMENT

Re: Baytex Energy Trust

On September 2, 2003, Baytex Energy Ltd. ("BEL") and its affiliates listed below closed a Plan of Arrangement pursuant to the Alberta Business Corporations Act and sanctioned by the Court of Queen's Bench of Alberta (the "Arrangement"). The effect of the Arrangement was to create a new oil and gas energy trust, Baytex Energy Trust, which owns substantially all of BEL's existing assets and the creation of a new junior oil and natural gas exploration and development company, Crew Energy Inc. ("CEI"), which owns predominantly higher growth assets with significant exploration and development upside.

Pursuant to the Arrangement, a number of reorganization transactions occurred, the fundamental ones of which can be summarized as follows:

1. Baytex Energy Partnership and BEL transferred a substantial portion of its petroleum and natural gas interests in central Alberta and north-eastern British Columbia to its affiliate, Baytex Resources Ltd., all as more particularly described in the Arrangement disclosure documents (the "Crew Assets").
2. Baytex Resources Ltd. changed its name to Crew Resources Inc. ("CRI") and CRI then contributed a portion of the Crew Assets (developed assets) to a newly formed, affiliated general partnership, Crew Energy Partnership, whose managing partner is CEI and whose constituent partners are CEI and CRI. The balance of the Crew Assets (the undeveloped assets) were then transferred from CRI to CEI.
3. BEL and Baytex Acquisition Corp., a wholly-owned subsidiary of Baytex Energy Trust, amalgamated as Baytex Energy Ltd. (the "AmalgamationCo"). The existing Baytex Energy Partnership was dissolved and all of the property of that partnership was transferred to the AmalgamationCo and Baytex Exploration Ltd., its constituent partners. At that point, Baytex Exploration Ltd. was dissolved and all of its property was transferred to AmalgamationCo, (i.e. Baytex Energy Ltd.). Baytex Energy Trust owns all of the issued and outstanding shares of this amalgamated company. Consequently, those affiliates are asterisked on the next page and have not signed this letter, as they no longer exist.
4. As a result of the reorganization, former shareholders of BEL now hold units (or shares exchangeable for units) in Baytex Energy Trust or shares in Crew Energy Inc. or both.

From and after September 2, 2003, CEI and CRI, as partners of the Crew Energy Partnership, are jointly and severally liable for that partnership's liabilities and obligations related to the assets contributed to the partnership.

Any necessary assignments, novations and notices relating to the transferred assets are under preparation and will be circulated in due course. Registrable assets, including, but not limited to, freehold and crown leases, titles, licenses and permits, in the case of the Crew Assets contributed to the Crew Energy Partnership, will be transferred to and held in the name of Crew Energy Inc., as managing partner for the Crew Energy Partnership. The balance of the Crew Assets (the undeveloped assets) will also be transferred to and held in the name of Crew Energy Inc. Due to the nature of the reorganization, no pre-emptive rights were triggered and consequently, no notices of rights of first refusal will be circulated. Similarly, change of operatorship advice will be circulated in the near future relating to the Crew Assets, where applicable.

A number of the relating documents and/or certificates resulting from the Arrangement are available on the Baytex website located at: www.baytex.ab.ca/industry_notices.

The GST number for the new partnership, Crew Energy, is 878203702RT0001. In the case of notices, correspondence, payments and invoices to Crew Energy, please mail to:

Office Address:
Crew Energy Inc.
1920, 205 – 5 Avenue S.W.
Calgary, Alberta
T2P 2V7


Mailing Address:
Crew Energy Inc.
P.O. Box 20114 BVPO
Calgary, Alberta
T2P 4H3

Main Phone Number: (403) 266-2088
Main Facsimile Number: (403) 266-6259

Please amend your records accordingly. If you have any questions or require additional information relating to Crew, please call Dan Horner, Vice President, Land at (403) 231-8852. If you have any questions or require additional information relating to Baytex, please call Brett McDonald, General Manager, Land at (403) 750-1234.

Yours truly,

BAYTEX ENERGY LTD., successor by way of amalgamation of **Baytex Energy Ltd.** and **Baytex Acquisition Corp.**

Per: 
Raymond T. Chan, President and C.E.O.

BAYTEX ENERGY TRUST


Raymond T. Chan, President and C.E.O.

BAYTEX EXCHANGECO LTD.

Per: 
Raymond T. Chan, President and C.E.O.

CREW ENERGY PARTNERSHIP, by its Managing Partner, **Crew Energy Inc.**


Dan Horner, Vice President, Land

CREW RESOURCES INC. (successor to Baytex Resources Ltd. by way of name change)

Per: 
Dan Horner, Vice President, Land

CREW ENERGY INC.


Dan Horner, Vice President, Land

***BAYTEX ENERGY PARTNERSHIP**

***BAYTEX ACQUISITION CORP.**

***BAYTEX EXPLORATION LTD.**

***no longer in existence**