

**PEYTO EXPLORATION & DEVELOPMENT CORP.**

**FORM OF PROXY  
FOR THE ANNUAL MEETING TO BE HELD ON MAY 18, 2011**

I, \_\_\_\_\_ of \_\_\_\_\_, being a shareholder of Peyto Exploration & Development Corp. ("**Peyto**") hereby appoint Darren Gee, President and Chief Executive Officer of Peyto, or, failing him, Kathy Turgeon, Vice-President, Finance and Chief Financial Officer of Peyto, both of the City of Calgary, in the Province of Alberta, or, instead of either of the foregoing, \_\_\_\_\_ of \_\_\_\_\_, as my proxy, with full power of substitution, to attend and act and vote for me and on my behalf at the annual meeting of the shareholders of Peyto to be held on May 18, 2011 and at any adjournment thereof and at every poll that may take place in consequence thereof. Without limiting the general powers conferred, I hereby direct the said proxy to vote the common shares represented by this proxy as follows, on the following matters, namely:

1. FOR \_\_\_\_\_ or AGAINST \_\_\_\_\_ the resolution fixing the number of directors of Peyto to be elected at the meeting at eight (8) members;
2. FOR or WITHHOLD FROM VOTING FOR the election of each of the following individuals as directors of the Corporation;
  - (a) FOR  or WITHHOLD FROM VOTING FOR  Rick Braund
  - (b) FOR  or WITHHOLD FROM VOTING FOR  Donald Gray
  - (c) FOR  or WITHHOLD FROM VOTING FOR  Michael MacBean
  - (d) FOR  or WITHHOLD FROM VOTING FOR  Brian Davis
  - (e) FOR  or WITHHOLD FROM VOTING FOR  Darren Gee
  - (f) FOR  or WITHHOLD FROM VOTING FOR  Gregory Fletcher
  - (g) FOR  or WITHHOLD FROM VOTING FOR  Stephen Chetner
  - (h) FOR  or WITHHOLD FROM VOTING FOR  Scott Robinson
3. FOR \_\_\_\_\_ or WITHHOLD FROM VOTING FOR \_\_\_\_\_ the appointment of Deloitte & Touche LLP, Chartered Accountants, as our auditors and to authorize the directors to fix their remuneration as such; and
4. At the discretion of the said proxy upon any amendment or variation of the above matters or any other matter that may properly be brought before the meeting or any adjournment thereof in such manner as such proxy in his sole judgment may determine.

I hereby revoke any proxies heretofore given.

**Your common shares will be voted as directed in the spaces provided above or, if no direction is given, be voted in favour of each of the above matters. You have the right to appoint a person, who need not be a shareholder, to attend and to act for you at the meeting, other than the persons designated above. To exercise such right, the names of the persons designated by management should be crossed out and the name of the shareholders appointee should be legibly printed in the blank space provided.**

**This solicitation is made on behalf of our management.**

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
(signature of shareholder)

\_\_\_\_\_  
(name of shareholder - please print)

**Notes:**

- (1) If you are a corporation, your corporate seal must be affixed or this form of proxy must be signed by a duly authorized officer or attorney of the corporation.
- (2) If you are an executor, administrator, trustee, etc. you should indicate their capacity.
- (3) This form of proxy must be dated and the signature of the proxy should be exactly the same as the name in which the shares are registered.
- (4) This proxy will not be valid and will not be acted upon or voted unless it is signed and dated and delivered to Valiant Trust Company, Suite 600, 750 Cambie Street, Vancouver, B.C., V6B 0A2 or by fax at (604) 681-3067 not less than 24 hours before the time for holding the meeting or any adjournment thereof.