

CANADIAN SUPERIOR ENERGY INC  
Form SC 13G/A  
September 08, 2008

---

---

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. 1)

Canadian Superior Energy Inc.  
(Name of Issuer)

Common Stock, no par value per share  
(Title of Class of Securities)

136644101  
(CUSIP Number)

September 3, 2008  
(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).



|     |   |                                  |                  |
|-----|---|----------------------------------|------------------|
| 1.  | Names of Reporting Persons.   | STEELHEAD NAVIGATOR MASTER, L.P. |                  |
| 2.  | Check the Appropriate Box if a Member of a Group (See Instructions)                 |                                  | (a) ..<br>(b) .. |
| 3.  | SEC Use Only  |                                  |                  |
| 4.  | Citizenship or Place of Organization  |                                  | Bermuda          |
|     | 5.  | Sole Voting Power                | 19,048,265       |
|     | 6.  | Shared Voting Power              | 0                |
|     | 7.  | Sole Dispositive Power           | 19,048,265       |
|     | 8.  | Shared Dispositive Power         | 0                |
| 9.  | Aggregate Amount Beneficially Owned by Each Reporting Person                        |                                  | 19,048,265       |
| 10. | Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) |                                  | ..               |
| 11. | Percent of Class Represented by Amount in Row (9)                                   |                                  | 11.8%            |
| 12. | Type of Reporting Person (See Instructions)   |                                  | PN               |

|     |   |                          |                  |
|-----|---|--------------------------|------------------|
| 1.  | Names of Reporting Persons.   | STEELHEAD PARTNERS, LLC  |                  |
| 2.  | Check the Appropriate Box if a Member of a Group (See Instructions)                 |                          | (a) ..<br>(b) .. |
| 3.  | SEC Use Only  |                          |                  |
| 4.  | Citizenship or Place of Organization  |                          | Delaware         |
|     | 5.  | Sole Voting Power        | 19,098,265       |
|     | 6.  | Shared Voting Power      | 0                |
|     | 7.  | Sole Dispositive Power   | 19,098,265       |
|     | 8.  | Shared Dispositive Power | 0                |
| 9.  | Aggregate Amount Beneficially Owned by Each Reporting Person                        |                          | 19,098,265       |
| 10. | Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) |                          | ..               |
| 11. | Percent of Class Represented by Amount in Row (9)                                   |                          | 11.9%            |
| 12. | Type of Reporting Person (See Instructions)   |                          | IA               |

|     |   |                          |                  |
|-----|---|--------------------------|------------------|
| 1.  | Names of Reporting Persons.   | JAMES MICHAEL JOHNSTON   |                  |
| 2.  | Check the Appropriate Box if a Member of a Group (See Instructions)                 |                          | (a) ..<br>(b) .. |
| 3.  | SEC Use Only  |                          |                  |
| 4.  | Citizenship or Place of Organization  |                          | United States    |
|     | 5.  | Sole Voting Power        | 0                |
|     | 6.  | Shared Voting Power      | 19,098,265       |
|     | 7.  | Sole Dispositive Power   | 0                |
|     | 8.  | Shared Dispositive Power | 19,098,265       |
| 9.  | Aggregate Amount Beneficially Owned by Each Reporting Person                        |                          | 19,098,265       |
| 10. | Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) |                          | ..               |
| 11. | Percent of Class Represented by Amount in Row (9)                                   |                          | 11.9%            |
| 12. | Type of Reporting Person (See Instructions)   |                          | IN/HC            |

|               |   |                  |
|---------------|---|------------------|
| 1.            | Names of Reporting Persons.   | BRIAN KATZ KLEIN |
| 2.            | Check the Appropriate Box if a Member of a Group (See Instructions)                 | (a) ..<br>(b) .. |
| 3.            | SEC Use Only  |                  |
| 4.            | Citizenship or Place of Organization  | United States    |
|               | 5. Sole Voting Power  | 0                |
| NUMBER OF     | 6. Shared Voting Power  | 19,098,265       |
| SHARES        | 7. Sole Dispositive Power   | 0                |
| BENEFICIALLY  | 8. Shared Dispositive Power   | 19,098,265       |
| OWNED BY EACH |   |                  |
| REPORTING     |   |                  |
| PERSON WITH   |   |                  |
| 9.            | Aggregate Amount Beneficially Owned by Each Reporting Person                        | 19,098,265       |
| 10.           | Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions) | ..               |
| 11.           | Percent of Class Represented by Amount in Row (9)                                   | 11.9%            |
| 12.           | Type of Reporting Person (See Instructions)   | IN/HC            |

Item  
1.

- (a) Name of Issuer: Canadian Superior Energy Inc.
- (b) Address of Issuer's Principal Executive Office: Suite 3300, 400 Third Avenue, SW  
Calgary, Alberta, Canada T2P 4H2

Item  
2.

- (a) Name of Person Filing: Steelhead Navigator Master, L.P. ("Navigator")  
Steelhead Partners, LLC ("Steelhead")  
James Michael Johnston  
Brian Katz Klein
- (b) Address of Principal Business Office or, if none, Residence: The business address of each reporting person is  
1301 First Avenue, Suite 201, Seattle, WA 98101.
- (c) Citizenship: Reference is made to Item 4 of pages 2, 3, 4 and 5 of this  
Schedule 13G (this "Schedule"), which Items are incorporated by  
reference herein.
- (d) Title of Class of Securities: Common Stock, no par value
- (e) CUSIP Number: 136644101

If this statement is filed pursuant to §§240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:

Item  
3.

- .. (a) Broker or dealer registered under section 15 of the Act (15 U.S.C. 78o).
- .. (b) Bank as defined in section 3(a)(6) of the Act (15 U.S.C. 78c).
- .. (c) Insurance company as defined in section 3(a)(19) of the Act (15 U.S.C. 78c).
- .. (d) Investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C 80a-8).
- ý (e) An investment adviser in accordance with §240.13d-1(b)(1)(ii)(E);
- .. (f) An employee benefit plan or endowment fund in accordance with §240.13d-1(b)(1)(ii)(F);
- ý (g) A parent holding company or control person in accordance with § 240.13d-1(b)(1)(ii)(G);
- .. (h) A savings associations as defined in Section 3(b) of the Federal Deposit Insurance Act (12 U.S.C. 1813);

“(i) A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3);

“(j) Group, in accordance with §240.13d-1(b)(1)(ii)(J).

Ownership. Provide the following information regarding the aggregate number and percentage of the class of Item securities of the issuer identified in Item 1.

4.

Reference is hereby made to Items 5-9 and 11 of pages 2, 3, 4, and 5 of this Schedule, which Items are incorporated by reference herein.

-6-

---



The securities to which this Schedule relates (the "Securities") are owned by Navigator and by certain client accounts, for which Steelhead serves as general partner and/or investment manager. Steelhead, as general partner and/or investment manager of Navigator and those certain client accounts and as the sole member of Navigator's general partner, and J. Michael Johnston and Brian K. Klein, as the member-managers and owners of Steelhead, may therefore be deemed to beneficially own Securities owned by Navigator and those certain client accounts for the purposes of Rule 13d-3 of the Securities Exchange Act of 1934, as amended (the "Act") insofar as they may be deemed to have the power to direct the voting or disposition of those Securities.

Neither the filing of this Schedule nor any of its contents shall be deemed to constitute an admission that Steelhead, Mr. Johnston or Mr. Klein is, for any other purpose, the beneficial owner of any of the Securities, and each of Steelhead, Mr. Johnston and Mr. Klein disclaims beneficial ownership as to the Securities, except to the extent of his or its pecuniary interests therein.

Under the definition of "beneficial ownership" in Rule 13d-3 under the Act, it is also possible that the individual general partners, executive officers, and members of the foregoing entities might be deemed the "beneficial owners" of some or all of the Securities insofar as they may be deemed to share the power to direct the voting or disposition of the Securities. Neither the filing of this Schedule nor any of its contents shall be deemed to constitute an admission that any of such individuals is, for any purpose, the beneficial owner of any of the Securities, and such beneficial ownership is expressly disclaimed.

The calculation of percentage of beneficial ownership in item 11 of pages 2, 3, 4 and 5 was derived from transaction documents the reporting persons and other purchasers entered into with the Issuer on August 25, 2008, in which the Issuer stated that the number of shares of its common stock, no par value per share, outstanding was approximately 157,650,169.

Ownership of Five Percent or Less of a Class

Item

5.

Not Applicable.

Ownership of More than Five Percent on Behalf of Another Person.

Item

6.

Not Applicable.

Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent

Item Holding Company

7.

Not Applicable.

Identification and Classification of Members of the Group

Item

8.

Not Applicable.

Notice of Dissolution of Group

Item

9.

Not Applicable.

Certification

Item

10.

By signing below the undersigned certify that, to the best of their knowledge and belief, the securities referred to above were acquired and are held in the ordinary course of business and were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

-7-

---

Signature

After reasonable inquiry and to the best of their knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated: September 5, 2008

STEELHEAD PARTNERS, LLC

By: /s/ James Michael Johnston  
James Michael Johnston  
Its Member-Manager

JAMES MICHAEL JOHNSTON

/s/ James Michael Johnston  
James Michael Johnston

BRIAN KATZ KLEIN

/s/ Brian Katz Klein  
Brian Katz Klein

By signing below the undersigned certifies that, to the best of its knowledge and belief, the securities referred to above were not acquired and are not held for the purpose of or with the effect of changing or influencing the control of the issuer of the securities and were not acquired and are not held in connection with or as a participant in any transaction having that purpose or effect.

Signature

After reasonable inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: September 5, 2008

STEELHEAD NAVIGATOR MASTER, L.P.

By: Steelhead Partners, LLC, its Investment  
Manager

By: /s/ James Michael Johnston  
James Michael Johnston  
Its Member-Manager

EXHIBIT INDEX

Exhibit A Joint Filing Page 9  
Undertaking



EXHIBIT A

JOINT FILING UNDERTAKING

The undersigned, being authorized thereunto, hereby execute this agreement as an exhibit to this Schedule 13G to evidence the agreement of the below-named parties, in accordance with rules promulgated pursuant to the Securities Exchange Act of 1934, to file this Schedule, as it may be amended, jointly on behalf of each of such parties.

Dated: September 5, 2008

STEELHEAD NAVIGATOR MASTER, L.P.

By: Steelhead Partners, LLC, its Investment Manager

By: /s/ James Michael Johnston

James Michael Johnston

Its Member-Manager

STEELHEAD PARTNERS, LLC

By: /s/ James Michael Johnston

James Michael Johnston

Its Member-Manager

JAMES MICHAEL JOHNSTON

/s/ James Michael Johnston

James Michael Johnston

BRIAN KATZ KLEIN

/s/ Brian Katz Klein

Brian Katz Klein

