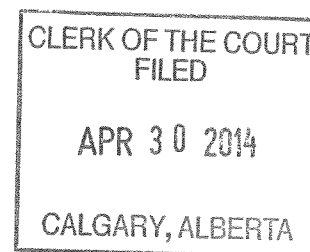


COURT FILE NUMBER 1301-14151  
COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY



**IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMENDED  
  
AND IN THE MATTER OF THE *BUSINESS*  
*CORPORATIONS ACT*, RSA 2000, c B-9, AS AMENDED  
  
AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF ALSTON ENERGY INC.**

**DOCUMENT**

**APPLICATION**

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS  
DOCUMENT

**DENTONS CANADA LLP**  
Bankers Court  
15<sup>th</sup> Floor, 850 - 2<sup>nd</sup> Street S.W.  
Calgary, Alberta T2P 0R8  
**Attention: David LeGeyt / Derek M. Pontin**  
Ph. (403) 268-3075/6301 Fx. (403) 268-3100  
File No.: 549521-6

**NOTICE TO RESPONDENTS**

This application is made on behalf of Alston Energy Inc. in these proceedings. You are a respondent.

You may have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below:

Date: May 5, 2014  
Time: 10:30 a.m.  
Where: Calgary Courts Centre,  
601 - 5 Street SW,  
Calgary, AB T2P 5P7  
Before: The Honourable Justice Horner

Go to the end of this document to see what you can do and when you must do it.

**Remedy sought:**

1. The Applicant, Alston Energy Inc. ("**Alston**"), respectfully seeks an Order, substantially in the form attached hereto as Schedule "A":
  - (a) granting an extension of the stay of proceedings currently in place in these proceedings to and including August 1, 2014;
  - (b) An Order vacating the Order (Sealing Confidential Appendices) of this Honourable Court dated March 4, 2014, and unsealing the materials sealed by that Order; and
  - (c) such other relief as may be sought by Alston and granted by this Honourable Court.

**Grounds for making this application:**

2. Since the granting of the Amended and Restated Initial Order, Alston has stabilized its business and operations, worked closely with Sayer Energy Advisors ("**Sayer**"), the Monitor, and various stakeholders.
3. Alston has taken a number of steps, including:
  - (a) continuing discussions with certain suppliers and service providers, and other stakeholders;
  - (b) meeting with representatives of Sayer and the Monitor, and working toward a strategic alternative, and asset dispositions;
  - (c) closing the sale of its assets in the area of Alexander, Alberta, as previously approved by this Honourable Court;
  - (d) continuing communications with the Alberta Energy Regulator as and when necessary;
  - (e) negotiating and executing a non-binding letter of intent with a counterparty (the "**LOI**"), which LOI describes a corporate transaction with the counterparty capable of supporting a plan of arrangement in these proceedings;
  - (f) continuing discussions with Alberta Treasury Branches generally, and specifically in respect of the LOI and this Application; and
  - (g) focusing on the continuity and stability of operations to ensure Alston continues to operate in a "business as usual" fashion.
4. Alston is working in good faith and with due diligence in these proceedings and believes it is in the best interests of Alston and all stakeholders to continue in these proceedings.

**Material or evidence to be relied on:**

5. Affidavit #4 of Don Umbach, sworn April 30, 2014.
6. The Third Report of the Monitor, dated April 30, 2014.
7. The previous Affidavits, pleadings, and Monitor's Reports filed in these proceedings.
8. Such further and other material as counsel may advise and this Honourable Court may permit.

**Applicable Acts and regulations:**

9. *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended, and the regulations thereunder.
10. *Business Corporations Act*, RSA 2000, c B-9, as amended, and the regulations thereunder.
11. Such further and other acts and regulations as counsel may advise and this Honourable Court may permit.

***How the application is proposed to be heard or considered:***

12. In person before the presiding Justice in Chambers.

**WARNING**

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

**SCHEDULE "A"**

SCHEDULE "A"

COURT FILE NUMBER 1301-14151

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

**IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMENDED**

**AND IN THE MATTER OF THE *BUSINESS*  
*CORPORATIONS ACT*, RSA 2000, c B-9, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF ALSTON ENERGY INC.**

DOCUMENT

**ORDER**

(Stay Extension)

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS  
DOCUMENT

**DENTONS CANADA LLP**

Bankers Court

15<sup>th</sup> Floor, 850 - 2<sup>nd</sup> Street S.W.

Calgary, Alberta T2P 0R8

**Attention: David LeGeyt / Derek M. Pontin**

Ph. (403) 268-3075/6301 Fx. (403) 268-3100

File No.: 549521-6

**DATE ON WHICH ORDER WAS  
PRONOUNCED:**

**May 5, 2014**

**LOCATION WHERE ORDER WAS  
PRONOUNCED:**

**Calgary, Alberta**

**NAME OF JUSTICE WHO MADE THIS  
ORDER:**

**The Honourable Justice Horner**

**UPON** the application of Alston Energy Inc. ("**Alston**"); AND UPON having read the Affidavit #4 of Don Umbach, dated April 30, 2014 (the "**Umbach Affidavit**"), the Third Report of Alvarez and Marsal Canada Inc., (the "**Monitor**"), dated April 30, 2014 (the "**Third Report**"), and the Affidavit of Gail Wheatley, dated April \_\_\_\_, 2014 (the "**Service Affidavit**"), and such other material in the pleadings and proceedings as are deemed necessary; **AND UPON** hearing counsel to Alston, counsel to the Monitor, counsel to Alberta Treasury Branches ("**ATB**"), and other interested parties;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

***Service***

1. The manner of service of the within Application and the materials in support thereof is sufficient and is hereby validated and approved, the time for service and notice thereof is abridged to the time actually given (if necessary), the within Application is properly returnable today and further service of the Application and materials in support thereof, on any party other than those listed and in any other manner other than as set out in the Service Affidavit, is hereby dispensed with.
2. All capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the Amended and Restated Initial Order granted by Madam Justice B.E.C. Romaine in this Action, dated December 9, 2013.

***Extension of Stay***

3. The Stay Period currently in place in these CCAA proceedings is hereby confirmed and extended up to and including August 1, 2014.

***Vacating Sealing Order***

4. The Order (Sealing Confidential Appendices) granted by this Honourable Court on March 4, 2014 is hereby vacated, and the materials sealed by that Order are hereby unsealed.

***Miscellaneous***

5. The Applicant shall serve, by courier, facsimile transmission, e-mail transmission, or ordinary post, a copy of this Order on all parties present at this application and on all parties who received notice of this application or who are presently on the service list established in these proceedings, and service on any or all other parties is hereby dispensed with. Service effected as aforesaid shall be good and sufficient service.

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Justice of the Court of Queen's Bench of Alberta