

COURT/ESTATE FILE NUMBER B201 851343

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL UNDER SECTION 50.4(1) OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED, OF PETROLAMA ENERGY CANADA INC.

Entered



DOCUMENT **ORDER**
(Extension of Time to File Proposal, etc.)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **JENSEN SHAWA SOLOMON DUGUID HAWKES LLP**
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File: 15378.001

DATE ON WHICH ORDER WAS PRONOUNCED: September 28, 2022

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Justice D.B. Nixon

LOCATION OF HEARING: Calgary, Alberta via WebEx

UPON THE APPLICATION of Petrolama Energy Canada Inc. (the "**Company**") filed September 19, 2022, 2022 (the "**Application**"); **AND UPON** having read the Application and the Affidavit of Paul Farley Joslyn sworn September 18, 2022, filed (the "**Joslyn Affidavit**"); **AND UPON** having read the First Report of the Proposal Trustee, Alvarez & Marsal Canada Inc. (the "**Proposal Trustee**") filed on August 4, 2022; **AND UPON** having read the Second Report of the Proposal Trustee, filed; **AND UPON** noting the Brief filed by the Company on August 4, 2022 in so far as it addresses matters which are the subject of the Application; **AND UPON** noting the submissions of counsel for the Applicant, counsel for the Proposal Trustee and the other parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

General

1. Capitalized terms used but not otherwise defined in this Order shall have the meaning given to such terms in the Initial Order of this Court in these proceedings dated August 10, 2022 (the “**Initial Order**”).
2. All other terms of the Initial Order shall remain in full force and effect, unamended, except as may be required to give effect to this Order.
3. This Order shall have immediate full force and effect in all provinces and territories in Canada.

Service of the Application

4. The time for service of the Application together with all supporting materials, upon the parties named in the Service List attached as Schedule “A” (the “**Service List**”) is hereby abridged and declared to be good, valid, timely and sufficient and no other person is required to have been served with such documents, and this hearing is properly returnable before this Court today and further service thereof is hereby dispensed with.

Foreign Representative

5. The Proposal Trustee, or alternatively, the Company, are hereby authorized and empowered, but not required, to act as the foreign representative (in such capacity, the “**Foreign Representative**”) in respect of the within proceedings for the purpose of having these proceedings recognized and approved in a jurisdiction outside of Canada.
6. The Foreign Representative is hereby authorized to apply for foreign recognition and approval of these proceedings, as necessary, in any jurisdiction outside of Canada. Including in the United States pursuant to chapter 15 of title 11 of the United States Code, 11 U.S.C. § § 101-1532.

Interim Financing and the Interim Lender Charge Increase

7. The Amendment to Interim Financing Terms between the Company and the Interim Lender, a copy of which is attached as **Exhibit “C”** to the Joslyn Affidavit, is hereby approved and the Company is authorized to borrow under the Interim Facility in an amount not to exceed CAD \$300,000 plus US \$75,000 together with any further sum as may be permitted by further Order of this Court.
8. The maximum principal amount to be secured by the Interim Lender Charge shall be increased by US \$75,000 and shall not exceed the principal amount of CAD \$300,000 plus US \$75,000 unless permitted by further Order of this Court.

Administration Charge Increase

9. The amount secured by the Administration Charge shall be increased by CAD \$100,000 such that the Administration Charge shall not exceed CAD \$250,000 in an aggregate amount.

Funds to be Applied

10. The sum of US \$800,000 held by Phillips 66 Gulf Coast Properties LLC (“P66”) pursuant to a Cash Collateral Agreement dated March 10, 2021, may be applied by P66 to reduce its provable claim.

Extension of Time to file a Proposal

11. Pursuant to subsection 50.4(9) of the BIA, the period within which the Company is required to file a proposal to its creditors with the Official Receiver under subsection 62(1) of the BIA shall be and is hereby extended to 11:59 pm (local Calgary time) on November 24, 2022.

Service

12. Service of this Order shall be deemed to be achieved by posting a copy of this Order on the website of the Proposal Trustee, namely www.alvarezandmarsal.com/petrolama and by delivering an electronic copy of this Order to those parties listed on the Service List.



Justice of the Court of King's Bench of Alberta

Clerk's Stamp

COURT FILE NUMBER 25-2851343

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL UNDER SECTION 50.4(1) OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED, OF PETROLAMA ENERGY CANADA INC.

DOCUMENT **SERVICE LIST**

Schedule "A"

| PARTY | CONTACT INFORMATION | ROLE |
|---|--|---|
| Alvarez & Marsal Canada ULC Suite 1110, 250 6th Ave SW Calgary, AB T2P 3H7 | Orest Konowalchuk okonowalchuk@alvarezandmarsal.com Cassie Riglin criglin@alvarezandmarsal.com Jill Strueby jstrueby@alvarezandmarsal.com | Proposal Trustee |
| Blake, Cassels & Graydon LLP Suite 3500, 855 - 2 St. SW Calgary, AB T2P 4J8 | Kelly Bourassa kelly.bourassa@blakes.com James Reid james.reid@blakes.com | Counsel for the Proposal Trustee |
| Jensen Shawa Solomon Duguid Hawkes LLP 800, 304 - 8 Avenue SW Calgary, Alberta T2P 1C2 | Christa Nicholson, KC nicholsonc@jssbarristers.ca Angad Bedi bedia@jssbarristers.ca | Counsel for Petrolama Energy Canada Inc. |
| Keyera Energy Inc. Suite 160, 10613 W Sam Houston Parkway N Houston, TX 77064-4664 | Ryan Zahara RZahara@mltaikins.com | Affected Creditor Claimant |

| PARTY | CONTACT INFORMATION | ROLE |
|---|--|--|
| Phillips 66 Gulf Coast Properties LLC c/o Phillips Gulf Coast Properties 3010 Briarpark Drive Houston, TX 77042 | Jakub Maslowski jmaslowski@stikeman.com | Affected Creditor Claimant |
| PMI Trading DAC c/o Holland & Knight 31 West 52nd Street New York, NY 10019 | Marisa Marinelli Marisa.marinelli@hklaw.com | Affected Creditor Claimant |
| Navitas Energy Group Suite 510, 715 5th Avenue SW Calgary, AB T2P 2X6 | Paul Joslyn pjoslyn@petrolama.com | Affected Creditor Claimant and Unaffected Creditor |
| Lama Energy Group SRO Na Florenci 2116/15, Florentinum, Building C Nové Město, 110 00 Praha 1 Prague, Czech Republic | Karen Fellowes KC KFellowes@stikeman.com Natasha Doelman NDoelman@stikeman.com | Affected Creditor Claimant |
| Nefrite Investment a.s. Na Florenci 2116/15, 110 00 Prague 1 Prague, Czech Republic | Karen Fellowes KC KFellowes@stikeman.com Natasha Doelman NDoelman@stikeman.com | Affected Creditor Claimant |
| US Venture Inc 425 Better Way Appleton, WI 54915 | Chris Simard simardc@bennettjones.com | Unaffected Creditor |
| BB Energy USA LLC Suite 1075, 2229 San Felipe Street Houston, TX 77019 | Kristen Procinsky Kristen.procinsky@bbenergy.com Luke Schabb luke.schaab@bbenergy.com | Affected Creditor Claimant |

| PARTY | CONTACT INFORMATION | ROLE |
|---|--|------------------------|
| Gunvor USA, LLC 600 Travis Street, Suite 6500 Houston, Texas 77002 | Legal Gunvor USA LLC GUSA.Notices@gunvorgroup.com with copy to GUSA.CrudeOperations@gunvorgroup.com | Unaffected Creditor |
| Lotam Capital Inc. 16 Hawthorne Cres NW Calgary, AB T2N 3V4 | Corey Riley criley@lotamcapital.com | Unaffected Creditor |
| OdysseyNRG Ltd. c/o DLA Piper (Canada) LLP Suite 1000, Livingston Place West 250 2nd Street SW Calgary, AB T2P 0C1 | Trevor Wong-Chor Trevor.wong-chor@dlapiper.com | Unaffected Creditor |
| Brian N Clark | Brian Clark bclark@clarkandassociates.ca | Unaffected Creditor |
| 266 Deer Run Ponte Vedra LLC | Bill Schaefer ironschaefer@icloud.com | Unaffected Creditor |
| Lago Energy Corp Suite 740, 7501 Fannin Houston, TX 77054 | Van Quan Van.c.quan@deepbluepetroleum.com | Unaffected Creditor |
| Canada Revenue Agency Surrey National Verification and Collection Centre Insolvency Intake Centre Collections Directorate 9755 King George Blvd Surrey, BC V3T 5E1 | L. Kareem Fax: 1-866-219-0311 | Unaffected Creditor |