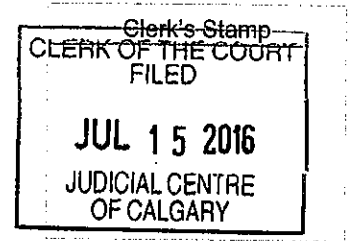


COURT FILE NUMBER 1601-02201
COURT Court of Queen's Bench of Alberta
(In Bankruptcy and Insolvency)
JUDICIAL CENTRE Calgary
PLAINTIFF(S) **BANK OF MONTREAL**
DEFENDANT(S) **BUMPER DEVELOPMENT CORPORATION LTD., and
BUMPER DEVELOPMENT CORPORATION**
DOCUMENT **APPLICATION RE: SALE APPROVAL
AND VESTING ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **Fasken Martineau DuMoulin LLP**
Barristers and Solicitors
3400 First Canadian Centre
350 – 7 Avenue SW
Calgary, Alberta T2P 3N9

Attention: Travis Lysak
Telephone: (403) 261- 5350
Facsimile: (403) 261-5351
Email: tlysak@fasken.com
File No.: 303718.00002



NOTICE TO RESPONDENT(S):

This application is made against you. You are the respondent

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

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

Date: July 22, 2016

Time: 2:00 p.m.

Where: Calgary Court Centre, 601 - 5 Street S.W., Calgary, Alberta, T2P 5P7

Before Whom: Justice D. B. Nixon

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

Remedy claimed or sought:

1. A Sale Approval and Vesting Order, substantially in the form attached as **Schedule "A"**, ordering, *inter alia*:
 - (a) the approval of an Asset Purchase Agreement (the "**Ribbon APA**") between the Receiver and Ribbon Creek Resources Inc. ("**Ribbon**") in respect of the assets contained therein ("**Ribbon Assets**"); and
 - (b) approving a distribution to Bank of Montreal ("**BMO**") of the sale proceeds realized pursuant to the Ribbon APA, the sale of the statue and the funds released by the Bumper Estate with respect to the INIM Agreement.

2. A Sale Approval and Vesting Order, substantially in the form attached as **Schedule "B"**, ordering, *inter alia*:
 - (a) the approval of an Asset Purchase Agreement (the "**Emerald APA**") between the Receiver and Emerald Lake Energy Ltd. ("**Emerald**") in respect of the assets contained therein ("**Emerald Assets**"); and
 - (b) approving a distribution to Bank of Montreal ("**BMO**") of the sale proceeds realized pursuant to the Emerald APA.

3. A Sealing Order in the form attached hereto as **Schedule "C"**, ordering, *inter alia*, the sealing of Confidential Appendices "A", "B" and "C" to the Fourth Report of the Receiver dated July 15, 2016 (the "**Fourth Report**").

Grounds for making this application:

The grounds for making this application are set out more fully in the Fourth Report, but can be summarized as follows:

(A) Background

4. Any capitalized term not defined in the Application shall take the meaning ascribed to it in the Fourth Report.
5. Effective February 16, 2016 (the “**Receivership Date**”), pursuant to an order of the Honourable Justice D. B. Nixon granted in these proceedings (the “**Receivership Order**”), Alvarez & Marsal Canada Inc. was appointed receiver (the “**Receiver**”), without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situated including all proceeds thereof (the “**Property**”) of Bumper Development Corporation Ltd. (“**Bumper Canada**”) and Bumper Development Corporation (“**Bumper US**” or the “**Guarantor**”) (collectively, “**Bumper**”) pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c B-3, as amended., (the “**BIA**”) in the within action (the “**Receivership Proceedings**”).
6. The Receivership Order empowers and authorizes, but does not obligate, the Receiver to, among other things, manage, operate and carry on the business of Bumper and to take possession and control of the Property of Bumper and any and all proceeds, receipts and disbursements arising out of or from the Property, and to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business.

(B) The Fourth Report

7. The Receiver’s actions and activities up to the date of this Application, as described in the Fourth Report are lawful, proper, and consistent with its powers under the Receivership Order.

(C) Sales Process

8. The Receiver believes that the Ribbon Assets and the Emerald Assets (collectively, the “**Assets**”) have been adequately exposed to the marketplace through the efforts completed by NRG Divestitures Inc. in the NRG Marketing Process.

9. The Receiver believes that the transactions contemplated in the Ribbon APA and in the Emerald APA are the best and highest offers available in the circumstances, and will garner the greatest recovery to the creditors in the Receivership Proceedings.

(D) Vesting of Assets

10. The Receiver seeks the Court's approval, in accordance with the Receivership Order, to vest the Assets free and clear of all claims, liens and encumbrances.

(E) Interim Distribution

11. The Receiver is advised by its counsel that BMO security as against Bumper is valid and enforceable and ranks in priority to all other unsecured creditors and the Encana secured claim. If the Ribbon APA and the Emerald APA are approved by this Court and the transactions closed, upon filing the Receiver's Certificate, the Receiver recommends to distribute to BMO as a partial repayment of the indebtedness owing by Bumper to BMO, the net sale proceeds derived from the closing of the Ribbon APA and the Emerald APA, less an amount, to be determined at the Receiver's sole discretion, to be retained to cover future costs of the administration of the estate of Bumper.
12. In addition, the Receiver respectfully recommends to also distribute to BMO, as a partial repayment of the indebtedness owing by Bumper to BMO, the net sale proceeds realized from the sale of the Statue and the cash proceeds realized by the estate with respect to the INIM Agreement, less an amount, to be determined at the Receiver's sole discretion, to be retained to cover future costs of the administration of the estate of Bumper.

(E) Sealing Order

13. The Receiver is concerned that if the confidential information contained in the offers received on the Assets is disclosed to third parties prior to the closing of the sale of the Assets, the disclosure could materially jeopardize the sale or, if the sale does not close, could materially jeopardize any subsequent sales process or the value that the Receiver could obtain from the sale of the Assets in a subsequent process. As such, the Receiver is

respectfully of the view that it is appropriate that this Honourable Court grant the Receiver's request for a sealing of the following appendices to this Fourth Report:

- (a) the Receiver's analysis of the Ribbon APA and on the Emerald APA, which include a summary of the offers received for the PKCU and Royalties in the NRG Marketing Process. (Confidential Appendix "A");
- (b) the Ribbon APA (Confidential Appendix "B"); and
- (c) the Emerald APA (Confidential Appendix "C").

Material or evidence to be relied on:

- 14. The Fourth Report of the Receiver dated July 15, 2016;
- 15. Affidavit of Service Ornela Malo dated July 15, 2016;
- 16. The other pleadings and materials filed in this Action, including the First, Second and Third Reports of the Receiver, and such further and other material as counsel may advise and this Honourable Court may permit.

Applicable rules:

- 17. Rules 1.3, 1.4, 6.3, and 13.5(2) of the *Rules of Court*; and
- 18. Such further and other rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and Regulations:

- 19. *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3;
- 20. *Judicature Act*, R.S.A. c. J-2; and
- 21. Such further and other Acts and Regulations as counsel for the Receiver may advise or this Honourable Court may permit.

Any irregularity complained of or objection relied on:

22. Not applicable.

How the application is proposed to be heard or considered:

23. Before the presiding Justice D. B. Nixon in Commercial Chambers.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicants 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 at the 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"

SALE APPROVAL AND VESTING ORDER RE: RIBBON

COURT FILE NUMBER **1601-02201**

COURT COURT OF QUEEN'S BENCH OF ALBERTA

 IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE CALGARY

PLAINTIFF(S) **BANK OF MONTREAL**

DEFENDANT(S) **BUMPER DEVELOPMENT CORPORATION LTD.,
and BUMPER DEVELOPMENT CORPORATION**

DOCUMENT **APPROVAL AND VESTING ORDER**

ADDRESS FOR SERVICE **Fasken Martineau DuMoulin LLP**
AND CONTACT Barristers & Solicitors
 3400 First Canadian Centre
INFORMATION OF PARTY 350 - 7 Avenue S.W.
 Calgary, AB T2P 3N9

FILING THIS DOCUMENT

Attention: Travis Lysak
Telephone: (403) 261-5350
Facsimile: (403) 261-5351
Email: tlysak@fasken.com
File No.: 303718.00002

APPROVAL AND VESTING ORDER

DATE ON WHICH ORDER WAS PRONOUNCED: July 22, 2016

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

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

UPON the application of Alvarez & Marsal Canada Inc. (the "**Receiver**"), in its capacity as the court-appointed receiver of all of the assets, properties and undertakings of Bumper Development Corporation Ltd. and Bumper Development Corporation (collectively the "**Debtor**") for an Order approving the transaction (the "**Transaction**") contemplated by the Offer to Purchase dated June 30, 2016 (the "**Purchase Agreement**") entered into between the Receiver and Ribbon Creek Resources Inc. (the "**Purchaser**"); AND UPON having read the Application, the Fourth Report of the Receiver dated July 15, 2016 (the "**Fourth Report**"), other materials filed in the within proceedings, and the Affidavit of Service of Ornela Malo; AND UPON hearing the submissions of counsel for the Receiver and any other interested parties appearing at the hearing of the within application;

IT IS HEREBY ORDERED AND DECLARED AS FOLLOWS:

1. Unless otherwise defined herein, all capitalized terms shall have the meaning given to them in the Purchase Agreement or the Fourth Report.
2. The manner of service of the within Application and the materials in support thereof is hereby approved and validated, the time for service thereof is abridged (if necessary) to the time actually given.

APPROVAL OF PURCHASE AGREEMENT

3. The Transaction as contemplated by the Purchase Agreement which is attached as Confidential Appendix "B" to the Report is hereby approved and the Purchase Agreement is determined to be commercially reasonable and the Purchase Price contained therein represents the best possible and realizable value for the Assets in the present circumstances.
4. The Purchase Agreement and the execution and acceptance thereof by the Receiver, (including any amendments that may be agreed upon by the parties), is hereby authorized and approved (*nunc pro tunc* if necessary) and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as the Receiver considers to be necessary or desirable for the completion of the Purchase Agreement, for the assignment and conveyance of the Assets to the Purchaser and to otherwise complete the Transaction.
5. The Receiver is hereby further authorized and directed, subject to the terms and conditions of this Order and the Purchase Agreement, to take such additional steps as the Receiver considers to be necessary or desirable for the completion of the Transaction, and for the assignment and conveyance of the Debtor's right, title and interest in the Assets to the Purchaser substantially as contemplated by the terms and conditions of this Order and the Purchase Agreement, and for greater certainty, the sale of the Assets is also approved pursuant to the Receivership Order granted on February 16, 2016 (the "**Receivership Order**").
6. The actions, conduct and activities of the Receiver to date, as outlined in the Fourth Report are hereby authorized and approved.

VESTING PROVISIONS

7. Effective immediately upon the delivery by the Receiver to the Purchaser of a Receiver's Certificate in substantially in the form attached hereto as Schedule "A" confirming the Closing of the Transaction contemplated by the Purchase Agreement, all legal and beneficial ownership of and title to the Assets, shall vest and is hereby vested in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens whether contractual, statutory or otherwise (including without limitation any statutory or builders' liens), executions, levies, charges, or other financial or monetary claims, taxes and arrears of taxes, executions, levies and other rights, limitations, restrictions, interests and encumbrances, whatsoever, howsoever and wheresoever created or arising whether absolute or contingent, fixed or floating, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing:

- a. any encumbrances or charges created by the Receivership Order or any further orders granted in this action;
- b. all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and
- c. those Claims listed in **Schedule "B"** hereto;

(all of which are collectively referred to as the "**Encumbrances**"), but subject to the permitted encumbrances listed in **Schedule "C"** hereto.

For greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets, other than Permitted Encumbrances, are hereby expunged and discharged as against the Purchased Assets.

8. Upon the delivery of the Receiver's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees:

- a. the Registrar of Land Titles of Alberta (the “**Registrar**”) is hereby authorized, requested, and directed to:
- (i) notwithstanding Section 191 of the *Land Titles Act* (Alberta), transfer those interests listed in **Schedule “D”**, subject only to the Permitted Encumbrances listed in **Schedule “C”**, to Ribbon Creek Resources Inc., having an address of 1100, 521-3rd Avenue SW, Calgary Alberta T2P 3T3;
 - (ii) discharge and expunge from the specified Certificates of Title for the Lands all of the registrations listed in **Schedule “B”** hereto; and
 - (iii) register such transfers, discharges, discharge statements or conveyances, as may be required to convey clear title to the Lands to the Purchaser (or its nominee), which Certificates of Title shall be subject only to the Permitted Encumbrances;
- b. the Department of Energy and the Minister of Energy is hereby authorized, requested, and directed to:
- (i) enter the Purchaser as a current participant in place of the Debtor, as applicable, of the mines and minerals interests listed in **Schedule “E”** subject only to the Permitted Encumbrances listed in **Schedule “C”**; and
 - (ii) delete and expunge from title to the Real or Mineral Property all of the Claims listed in **Schedule “B”** hereto.

9. This Order shall be registered by the Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.

10. For greater certainty, subject only to the Permitted Encumbrances, the Purchaser shall, by virtue of the completion of the Transactions, have no liability of any kind whatsoever to any Claimants.

CLOSING OF THE SALE TRANSACTION

11. The closing of the Transaction shall be effected in accordance with the terms of the Purchase Agreement and such amendments to the Purchase Agreement as may be agreed to in writing between the Purchaser and the Receiver.

12. For the purposes of determining the nature and priority of Claims, the net proceeds arising out of the Purchase Agreement shall stand in the place and stead of the Assets and all Claims shall attach solely to such net proceeds with the same validity, priority and in the same amounts and subject to the same defences that were or may have been available immediately prior to the closing of the Transaction as if the Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the closing of the Transaction.

13. Upon the closing of the Transaction, the Debtor and all persons who claim in respect of the Assets, save and except the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Assets and, to the extent that any such person other than the Receiver remains in possession or control of any of the Assets, they shall forthwith deliver possession of same to the Purchaser or its nominee.

14. If the Transaction is for any reason not completed the Receiver and the Purchaser are hereby given leave to re-apply to this Honourable Court for such variations and modifications to the within Order as may be necessary and prudent in the circumstances, including without limitation reinstatement of affected Claims.

INTERIM DISTRIBUTION

15. The Receiver shall, immediately upon the filing of the Receiver's Certificate, distribute to BMO as a partial repayment of the indebtedness owing by the Debtor to BMO:

- a. the net sale proceeds derived from the Closing of the Transaction;
- b. the net sale proceeds from the sale of the Statue by the Receiver through the Nancy Wiener Gallery; and

- c. the net cash proceeds realized by the estate of Bumper pursuant to the transaction contemplated in the INIM Agreement,

less an amount, to be determined at the Receiver's sole discretion, to be retained to assist with the administration of the estate of the Debtor.

GENERAL

16. Notwithstanding:

- a. the pendency of these proceedings;
- b. any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- c. any assignment in bankruptcy made in respect of the Debtor;

the vesting of the lands included in the Assets and the assignment and conveyance of the Assets to the Purchaser pursuant to the Purchase Agreement as approved by this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable, shall not constitute or be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, and shall not constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

17. No authorization or approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Assets is required for the due execution, delivery and performance by the Receiver of the Purchase Agreement, other than authorizations, approvals or exemptions from requirements therefor previously obtained and currently in force, if any.

18. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to

give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

SERVICE OF THIS ORDER

19. This Order shall be sufficiently served by serving the same on the service list, in the same manner as the Application was served and by posting a copy of the same on the Receiver's website at: <http://www.alvarezandmarsal.com/bumper>

20. Service of this Order on any other interested person in any other manner than set out above is hereby dispensed with.

J.C.Q.B.A.

Schedule "A"

COURT FILE NUMBER **1601-02201**

COURT COURT OF QUEEN'S BENCH OF ALBERTA
 IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE CALGARY

PLAINTIFF(S) **BANK OF MONTREAL**

DEFENDANT(S) **BUMPER DEVELOPMENT CORPORATION LTD.,
and BUMPER DEVELOPMENT CORPORATION**

DOCUMENT **Receiver's Certificate**

ADDRESS FOR SERVICE **Fasken Martineau DuMoulin LLP**
AND CONTACT Barristers & Solicitors
 3400 First Canadian Centre
INFORMATION OF PARTY 350 - 7 Avenue S.W.
FILING THIS DOCUMENT Calgary, AB T2P 3N9

Attention: Travis Lysak
 Telephone: (403) 261-5350
 Facsimile: (403) 261-5351
 Email: tlysak@fasken.com
 File No.: 303718.00002

RECITALS

A. Pursuant to an Order of the Honourable Justice D. B. Nixon of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated February 16, 2016, Alvarez & Marsal Canada Inc. was appointed as the receiver and manager (the "**Receiver**") of the undertaking, property and assets of Bumper Development Corporation Ltd. and Bumper Development Corporation (collectively the "**Debtor**").

B. Pursuant to an Order of the Court dated July 22, 2016, the Court approved the Offer to Purchase made as of June 30, 2016 (the "**Purchase Agreement**") between the Receiver and Ribbon Creek Resources Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Purchase Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Assets payable on the Closing Date pursuant to the Purchase Agreement;
2. The conditions to Closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ on _____, 2016.

Alvarez & Marsal Canada Inc., in its capacity as Receiver of the undertaking, property and assets of Bumper Development Corporation Ltd. and Bumper Development Corporation, and not in its personal capacity.

Per; _____

Name:

Title:

Schedule "B"

Claims

Certificates of Title

Nil.

Alberta Department of Energy Mineral Information

Nil.

Schedule "C"

Permitted Encumbrances

- i. easements, rights of way, servitudes, permits, licenses and other similar rights in land, including right of ways and servitudes for highways and other roads, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone, telegraph and cable television conduits, poles, wires and cable;
- ii. the right reserved to or vested in any government authority by the terms of any Title and Operating Document, lease, license, franchise, grant or permit or by any Applicable Law, to terminate any such Title and Operating Document, lease, license, franchise, grant or permit or to require annual or other periodic payments as a condition of the continuance thereof;
- iii. the right reserved to or vested in any government authority to levy taxes on Petroleum Substances or the income or revenue attributable thereto and governmental requirements and limitations of general application;
- iv. rights reserved to or vested in any government authority to control or regulate any of the Assets in any manner;
- v. liens granted in the ordinary course of business to a public utility or government authority in connection with operations on or in respect of the Lands;
- vi. the express or implied reservations, limitations, provisos and conditions in any original grants from the Crown of any of the Lands or interests therein and statutory exceptions to title;
- vii. all royalty burdens or conversions and other encumbrances as more specifically identified in the Land Schedule;
- viii. the terms and condition of the Leases and the Title and Operating Documents;
- ix. any other circumstance, matter or thing disclosed in the Schedules attached to the Offer to Purchase; and
- x. the instruments and registrations as set out below:

Certificates of Title

Nil.

Alberta Department of Energy Mineral Information

Nil.

Schedule "D"

Real or Mineral Property Caveat Interests

Nil.

Schedule "E"

Mines and Minerals Interests

Agreement Number	Participation Interest
28692	100%

SCHEDULE "B"

SALE APPROVAL AND VESTING ORDER RE: EMERALD

COURT FILE NUMBER **1601-02201**

COURT COURT OF QUEEN'S BENCH OF ALBERTA

 IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE CALGARY

PLAINTIFF(S) **BANK OF MONTREAL**

DEFENDANT(S) **BUMPER DEVELOPMENT CORPORATION LTD.,
and BUMPER DEVELOPMENT CORPORATION**

DOCUMENT **APPROVAL AND VESTING ORDER**

ADDRESS FOR SERVICE **Fasken Martineau DuMoulin LLP**
AND CONTACT Barristers & Solicitors
 3400 First Canadian Centre
INFORMATION OF PARTY 350 - 7 Avenue S.W.
 Calgary, AB T2P 3N9

FILING THIS DOCUMENT

Attention: Travis Lysak
Telephone: (403) 261-5350
Facsimile: (403) 261-5351
Email: tlysak@fasken.com
File No.: 303718.00002

APPROVAL AND VESTING ORDER

DATE ON WHICH ORDER WAS PRONOUNCED: July 22, 2016

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

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

UPON the application of Alvarez & Marsal Canada Inc. (the "**Receiver**"), in its capacity as the court-appointed receiver of all of the assets, properties and undertakings of Bumper Development Corporation Ltd. and Bumper Development Corporation (collectively the "**Debtor**") for an Order approving the transaction (the "**Transaction**") contemplated by the Offer to Purchase dated July 5, 2016 (the "**Purchase Agreement**") entered into between the Receiver and Emerald Lake Energy LP (the "**Purchaser**"); **AND UPON** having read the Application, the Fourth Report of the Receiver dated July 15, 2016 (the "**Fourth Report**"), other materials filed in the within proceedings, and the Affidavit of Service of Ornela Malo; **AND UPON** hearing the submissions of counsel for the Receiver and any other interested parties appearing at the hearing of the within application;

IT IS HEREBY ORDERED AND DECLARED AS FOLLOWS:

1. Unless otherwise defined herein, all capitalized terms shall have the meaning given to them in the Purchase Agreement.
2. The manner of service of the within Application and the materials in support thereof is hereby approved and validated, the time for service thereof is abridged (if necessary) to the time actually given.

APPROVAL OF PURCHASE AGREEMENT

3. The Transaction as contemplated by the Purchase Agreement which is attached as Confidential Appendix "C" to the Report is hereby approved and the Purchase Agreement is determined to be commercially reasonable and the Purchase Price contained therein represents the best possible and realizable value for the Assets in the present circumstances.
4. The Purchase Agreement and the execution and acceptance thereof by the Receiver, (including any amendments that may be agreed upon by the parties), is hereby authorized and approved (*nunc pro tunc* if necessary) and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as the Receiver considers to be necessary or desirable for the completion of the Purchase Agreement, for the assignment and conveyance of the Assets to the Purchaser and to otherwise complete the Transaction.
5. The Receiver is hereby further authorized and directed, subject to the terms and conditions of this Order and the Purchase Agreement, to take such additional steps as the Receiver considers to be necessary or desirable for the completion of the Transaction, and for the assignment and conveyance of the Debtor's right, title and interest in the Assets to the Purchaser substantially as contemplated by the terms and conditions of this Order and the Purchase Agreement, and for greater certainty, the sale of the Assets is also approved pursuant to the Receivership Order granted on February 16, 2016 (the "**Receivership Order**").
6. The actions, conduct and activities of the Receiver to date, as outlined in the Fourth Report are hereby authorized and approved.

VESTING PROVISIONS

7. Effective immediately upon the delivery by the Receiver to the Purchaser of a Receiver's Certificate in substantially in the form attached hereto as Schedule "A" confirming the Closing of the Transaction contemplated by the Purchase Agreement, all legal and beneficial ownership of and title to the Assets, shall vest and is hereby vested in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens whether contractual, statutory or otherwise (including without limitation any statutory or builders' liens), executions, levies, charges, or other financial or monetary claims, taxes and arrears of taxes, executions, levies and other rights, limitations, restrictions, interests and encumbrances, whatsoever, howsoever and wheresoever created or arising whether absolute or contingent, fixed or floating, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing:

- a. any encumbrances or charges created by the Receivership Order or any further orders granted in this action;
- b. all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and
- c. those Claims listed in **Schedule "B"** hereto;

(all of which are collectively referred to as the "**Encumbrances**"), but subject to the permitted encumbrances listed in **Schedule "C"** hereto.

For greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets, other than Permitted Encumbrances, are hereby expunged and discharged as against the Purchased Assets.

8. Upon the delivery of the Receiver's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees:

a. the Registrar of Land Titles of Alberta (the “**Registrar**”) is hereby authorized, requested, and directed to:

- (i) notwithstanding Section 191 of the *Land Titles Act* (Alberta), transfer those interests listed in **Schedule “D”**, subject only to the Permitted Encumbrances listed in **Schedule “C”**, to Emerald Lake Energy LP, having an address of PMB 135-100, 111 - 5th Avenue SW, Calgary, Alberta, T2P 3Y6;
- (ii) discharge and expunge from the specified Certificates of Title for the Lands all of the registrations listed in **Schedule “B”** hereto; and
- (iii) register such transfers, discharges, discharge statements or conveyances, as may be required to convey clear title to the Lands to the Purchaser (or its nominee), which Certificates of Title shall be subject only to the Permitted Encumbrances;

b. the Department of Energy and the Minister of Energy is hereby authorized, requested, and directed to:

- (i) enter the Purchaser as a current participant in place of the Debtor, as applicable, of the mines and minerals interests listed in **Schedule “E”** subject only to the Permitted Encumbrances listed in **Schedule “C”**; and
- (ii) delete and expunge from title to the Real or Mineral Property all of the Claims listed in **Schedule “B”** hereto.

9. This Order shall be registered by the Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.

10. For greater certainty, subject only to the Permitted Encumbrances, the Purchaser shall, by virtue of the completion of the Transactions, have no liability of any kind whatsoever to any Claimants.

CLOSING OF THE SALE TRANSACTION

11. The closing of the Transaction shall be effected in accordance with the terms of the Purchase Agreement and such amendments to the Purchase Agreement as may be agreed to in writing between the Purchaser and the Receiver.

12. For the purposes of determining the nature and priority of Claims, the net proceeds arising out of the Purchase Agreement shall stand in the place and stead of the Assets and all Claims shall attach solely to such net proceeds with the same validity, priority and in the same amounts and subject to the same defences that were or may have been available immediately prior to the closing of the Transaction as if the Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the closing of the Transaction.

13. Upon the closing of the Transaction, the Debtor and all persons who claim in respect of the Assets, save and except the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Assets and, to the extent that any such person other than the Receiver remains in possession or control of any of the Assets, they shall forthwith deliver possession of same to the Purchaser or its nominee.

14. If the Transaction is for any reason not completed the Receiver and the Purchaser are hereby given leave to re-apply to this Honourable Court for such variations and modifications to the within Order as may be necessary and prudent in the circumstances, including without limitation reinstatement of affected Claims.

INTERIM DISTRIBUTION

15. The Receiver shall, immediately upon the filing of the Receiver's Certificate, distribute to BMO as a partial repayment of the indebtedness owing by the Debtor to BMO, the net sale proceeds derived from the Closing of the Transaction, less an amount, to be determined at the Receiver's sole discretion, to be retained to assist with the administration of the estate of the Debtor.

GENERAL

16. Notwithstanding:

- a. the pendency of these proceedings;
- b. any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- c. any assignment in bankruptcy made in respect of the Debtor;

the vesting of the lands included in the Assets and the assignment and conveyance of the Assets to the Purchaser pursuant to the Purchase Agreement as approved by this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable, shall not constitute or be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, and shall not constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

17. No authorization or approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Assets is required for the due execution, delivery and performance by the Receiver of the Purchase Agreement, other than authorizations, approvals or exemptions from requirements therefor previously obtained and currently in force, if any.

18. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

SERVICE OF THIS ORDER

19. This Order shall be sufficiently served by serving the same on the service list, in the same manner as the Application was served and by posting a copy of the same on the Receiver's website at: <http://www.alvarezandmarsal.com/bumper>

20. Service of this Order on any other interested person in any other manner than set out above is hereby dispensed with.

J.C.Q.B.A.

Schedule "A"

COURT FILE NUMBER	1601-02201
COURT	COURT OF QUEEN'S BENCH OF ALBERTA IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE	CALGARY
PLAINTIFF(S)	BANK OF MONTREAL
DEFENDANT(S)	BUMPER DEVELOPMENT CORPORATION LTD., and BUMPER DEVELOPMENT CORPORATION
DOCUMENT	Receiver's Certificate
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Fasken Martineau DuMoulin LLP Barristers & Solicitors 3400 First Canadian Centre 350 - 7 Avenue S.W. Calgary, AB T2P 3N9 Attention: Travis Lysak Telephone: (403) 261-5350 Facsimile: (403) 261-5351 Email: tlysak@fasken.com File No.: 303718.00002

RECITALS

A. Pursuant to an Order of the Honourable Justice D. B. Nixon of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated February 16, 2016, Alvarez & Marsal Canada Inc. was appointed as the receiver and manager (the "**Receiver**") of the undertaking, property and assets of Bumper Development Corporation Ltd. and Bumper Development Corporation (collectively the "**Debtor**").

B. Pursuant to an Order of the Court dated July 22, 2016, the Court approved the Offer to Purchase made as of July 5, 2016 (the "**Purchase Agreement**") between the Receiver and Emerald Lake Energy LP (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Purchase Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Assets payable on the Closing Date pursuant to the Purchase Agreement;
2. The conditions to Closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ on _____, 2016.

Alvarez & Marsal Canada Inc., in its capacity as Receiver of the undertaking, property and assets of Bumper Development Corporation Ltd. and Bumper Development Corporation, and not in its personal capacity.

Per; _____

Name:

Title:

Schedule "B"

Claims

Certificates of Title

NIL

Alberta Department of Energy Mineral Information

NIL

Schedule "C"

Permitted Encumbrances

- i. easements, rights of way, servitudes, permits, licenses and other similar rights in land, including right of ways and servitudes for highways and other roads, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone, telegraph and cable television conduits, poles, wires and cable;
- ii. the right reserved to or vested in any government authority by the terms of any Title and Operating Document, lease, license, franchise, grant or permit or by any Applicable Law, to terminate any such Title and Operating Document, lease, license, franchise, grant or permit or to require annual or other periodic payments as a condition of the continuance thereof;
- iii. the right reserved to or vested in any government authority to levy taxes on Petroleum Substances or the income or revenue attributable thereto and governmental requirements and limitations of general application;
- iv. rights reserved to or vested in any government authority to control or regulate any of the Assets in any manner;
- v. liens granted in the ordinary course of business to a public utility or government authority in connection with operations on or in respect of the Lands;
- vi. the express or implied reservations, limitations, provisos and conditions in any original grants from the Crown of any of the Lands or interests therein and statutory exceptions to title;
- vii. all royalty burdens or conversions and other encumbrances as more specifically identified in the Land Schedule;
- viii. the terms and condition of the Leases and the Title and Operating Documents;
- ix. any other circumstance, matter or thing disclosed in the Schedules attached to the Offer to Purchase; and
- x. the instruments and registrations as set out below:

Certificates of Title

Title Number	Particulars
041 101 511 +2	Registration Number: 6931JM Registration Date: March 11, 1966 Interest Type: Caveat Caveator: Apache Oil Corporation

	<p>Registration Number: 841 206 131 Registration Date: December 20, 1984 Interest Type: Caveat re: See Caveat Caveator: Deloitte Haskins & Sells Limited</p> <p>Registration Number: 891 017 585 Registration Date: January 30, 1989 Interest Type: Caveat re: Debenture Caveator: Canadian Imperial Bank of Commerce</p> <p>Registration Number: 021 045 362 Registration Date: February 6, 2002 Interest Type: Caveat Re: Participation and Farmout Agreement Caveator: Ramier Resources Ltd.</p> <p>Registration Number: 131 171 713 Registration Date: July 19, 2013 Interest Type: Caveat re: Profit A Prendre Caveator: Penn West Petroleum Ltd.</p>
111 276 385	<p>Registration Number: 811 143 877 Registration Date: July 29, 1981 Interest Type: Caveat Caveator: Manson Oil & Gas Ltd.</p> <p>Registration Number: 831 026 431 Registration Date: February 14, 1983 Interest Type: Caveat re: See Caveat Caveator: Penn West Petroleum Ltd.</p> <p>Registration Number: 861 064 652 Registration Date: April 21, 1986 Interest Type: Caveat re: See Caveat Caveator: Husky Oil Operations Ltd.</p>
111 298 151	<p>Registration Number: 811 143 877 Registration Date: July 29, 1981 Interest Type: Caveat Caveator: Manson Oil & Gas Ltd.</p> <p>Registration Number: 831 026 431 Registration Date: February 14, 1983 Interest Type: Caveat re: See Caveat Caveator: Penn West Petroleum Ltd.</p>

	<p>Registration Number: 861 064 652 Registration Date: April 21, 1986 Interest Type: Caveat re: See Caveat Caveator: Husky Oil Operations Ltd.</p> <p>Registration Number: 971 211 043 Registration Date: July 22, 1997 Interest Type: Caveat re: Lease Caveator: Heritage Freehold Specialists & Co. Ltd.</p>
141 181 338 +18	<p>Registration Number: 081 341 797 Registration Date: September 11, 2008 Interest Type: Caveat re: Lease Interest Caveator: Penn West Petroleum Ltd.</p>

Alberta Department of Energy Mineral Information

NIL

Schedule "D"

Real or Mineral Property Caveat Interests

Title Number	Registration Number
041 101 511 +2	891 070 851
111 276 385	851 104 546
111 298 151	851 104 547
141 181 338 +18	851 104 548

Schedule "E"

Nil.

SCHEDULE "C"
SEALING ORDER

COURT FILE NUMBER **1601-02201**

COURT COURT OF QUEEN'S BENCH OF ALBERTA

 IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE CALGARY

PLAINTIFF(S) **BANK OF MONTREAL**

DEFENDANT(S) **BUMPER DEVELOPMENT CORPORATION LTD.,**
and BUMPER DEVELOPMENT CORPORATION

DOCUMENT **SEALING ORDER**

ADDRESS FOR SERVICE **Fasken Martineau DuMoulin LLP**
AND CONTACT Barristers & Solicitors
 3400 First Canadian Centre
INFORMATION OF PARTY 350 - 7 Avenue S.W.
 Calgary, AB T2P 3N9

FILING THIS DOCUMENT

Attention: Travis Lysak
Telephone: (403) 261-5350
Facsimile: (403) 261-5351
Email: tlysak@fasken.com
File No.: 303718.00002

SEALING ORDER

DATE ON WHICH ORDER WAS PRONOUNCED: July 22, 2016

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

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

UPON the application of Alvarez & Marsal Canada Inc. (the "**Receiver**"), in its capacity as the court-appointed receiver of all of the assets, properties and undertakings of Bumper Development Corporation Ltd. and Bumper Development Corporation (collectively the "**Debtor**") for an Order sealing Confidential Appendices "A", "B" and "C" to the Fourth Report of the Receiver dated July 15, 2016 (the "**Fourth Report**"), **AND UPON** having read the application, the Fourth Report, the other materials filed in the within proceedings, and the Affidavit of Service of Ornela Malo; **AND UPON** hearing the submissions of counsel for the Receiver and any other interested parties appearing at the hearing of the within application;

IT IS HEREBY ORDERED AND DECLARED AS FOLLOWS:

1. Unless otherwise defined herein, all capitalized terms shall have the meaning given to them in the Purchase Agreement or the Fourth Report.
2. The manner of service of the within Application and the materials in support thereof is hereby approved and validated, the time for service thereof is abridged (if necessary) to the time actually given.

SEALING

3. Confidential Appendices "A", "B", and "C" to the Fourth Report shall immediately be sealed by the Clerk of the Court, kept confidential and not form part of the public record, and not be available for public inspection unless and until otherwise ordered by this Court, upon seven days' notice to all interested parties.
4. The Clerk of the Court is hereby directed to place the sealed Confidential Appendices "A", "B", and "C" separate and apart from all other contents of the Court file in a sealed envelope attached to a notice that sets out the title to these proceedings, the aforementioned description of the documents contained therein, and a statement that the contents of the envelope are sealed pursuant to this Order.

SERVICE OF THIS ORDER

5. This Order shall be sufficiently served by serving the same on the service list, in the same manner as the Application was served and by posting a copy of the same on the Receiver's website at: <http://www.alvarezandmarsal.com/bumper>
6. Service of this Order on any other interested person in any other manner than set out above is hereby dispensed with.

J.C.Q.B.A.