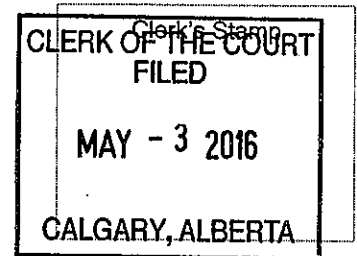


COURT FILE NUMBER 1601-02201
COURT Court of Queen's Bench of Alberta
(In Bankruptcy and Insolvency)
JUDICIAL CENTRE Calgary
PLAINTIFF(S) **BANK OF MONTREAL**
DEFENDANT(S) **BUMPER DEVELOPMENT CORPORATION LTD., and
BUMPER DEVELOPMENT CORPORATION**
DOCUMENT **APPLICATION RE: SALE APPROVAL
AND VESTING ORDER**

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: May 11, 2016

Time: 3:00 p.m.

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

Before Whom: Justice A. D. Macleod

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 "**APA**") between the Receiver and Forent Energy Inc. ("**Forent**");
 - (b) sealing of Confidential Appendices "C" and "D" to the First Report of the Receiver dated May 3, 2016 (the "**First Report**"); and
 - (c) approving a distribution to Bank of Montreal ("**BMO**") from the sale proceeds realized pursuant to the APA.

Grounds for making this application:

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

(A) **Background**

2. Any capitalized term not defined in the Application shall take the meaning ascribed to it in the First Report.
3. Effective February 16, 2016 (the "**Receivership Date**"), pursuant to an order of the Honourable Justice 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 situate 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**").

4. 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 First Report

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

(C) Sales Process

6. The Receiver believes that the Pekisko Assets have been adequately exposed to the marketplace through the efforts completed by Petro Buyer's in the Pre-Receivership Marketing Process and by the Receiver in achieving the best and highest offers in the Post-Receivership Marketing Process;
7. The Receiver believes that the transaction contemplated in the APA is the best and highest offer available in the circumstances, and will garner the greatest recovery to the creditors in the Receivership Proceedings.

(D) Vesting of Assets

8. The Receiver seeks the Court's approval, in accordance with the Receivership Order, to vest the Pekisko Assets which are subject to the APA to Forent, free and clear of all claims, liens and encumbrances.

(E) Interim Distribution

9. 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 Forent APA is approved by this Court and the transaction closes, 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 Forent 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.

(E) Sealing Order

10. The Receiver is concerned that if the confidential information contained in the offers received on the Pekisko Assets during both the Pre-Receivership and Post-Receivership Marketing Process is disclosed to third parties prior to the closing of the sale of the Pekisko 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 Pekisko 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 First Report:

- (a) the Receiver's analysis on the Forent APA, which includes a summary of the offers received for the Properties in the Pre-Receivership Marketing Process and the various offers (and revised offers) received from Forent and Eagle in the Post-Receivership Marketing Process (Confidential Appendix C); and
- (b) the Forent APA (Confidential Appendix D).

Material or evidence to be relied on:

- 11. The First Report of the Receiver dated May 3, 2016;
- 12. Affidavit of Service Ornela Malo dated May 3, 2016;
- 13. Such further and other material as counsel may advise and this Honourable Court may permit.

Applicable rules:

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

Applicable Acts and Regulations:

16. *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3;
17. *Judicature Act*, R.S.A. c. J-2; and
18. 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:

19. Not applicable.

How the application is proposed to be heard or considered:

20. Before the presiding Justice A. D. Macleod 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"

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.
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

APPROVAL AND VESTING ORDER

DATE ON WHICH ORDER WAS PRONOUNCED: May 11, 2016

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF THE JUDGE WHO MADE THIS ORDER: Justice A.D. Macleod

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 transactions of purchase and sale and assignment and assumption (the "**Transaction**") contemplated by the Offer to Purchase dated as of April 27, 2016 (the "**Purchase Agreement**") and entered into between the Receiver and Forent Energy Ltd. (the "**Purchaser**"); **AND UPON** having read the Application, the First Report of the Receiver dated May 3, 2016 (the "**First Report**"), all other prior materials filed in the within proceedings, and the affidavit of service of Ornela Malo of notice of the within application; **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 Appendix "A" 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 paragraphs 4(1) and 4(m) of 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 First Report are hereby authorized and approved.

VESTING PROVISIONS

7. Subject only to approval of the transfer of applicable licenses and approvals by the Alberta Energy Regulator (“AER”) under section 24 of the *Oil and Gas Conservation Act* (Alberta) (the “OGCA”) and section 18 of the *Pipeline Act* (Alberta) (the “PA”), 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, and subject to approval by the AER pursuant to section 24 of the OGCA and section 18 of the PA, and noting that nothing in this order requires the AER to grant such approval:

- a. the Registrar of Land Titles of Alberta (the “**Registrar**”) is hereby authorized, requested, and directed to:
 - (i) enter the Purchaser as the caveator in place of the Debtor, as applicable, of those registrations listed in **Schedule “D”** subject only to the Permitted Encumbrances listed in **Schedule “C”**;
 - (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,

RIGHTS OF FIRST REFUSAL

11. The sale of the Assets to the Purchaser will be subject to any rights of rights of first refusal related to the Assets and, upon the granting of the Order, the process respecting rights of first refusal set out in the Purchase Agreement shall be implemented by the Receiver and the Purchaser. The Purchaser shall have no recourse against the Debtor, any creditor of the Debtor or the Receiver in relation to any rights of rights of first refusal related to the Assets.

CLOSING OF THE SALE TRANSACTION

12. 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.

13. 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.

14. 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.

15. 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.

OPERATING INTEREST AND ASSOCIATED LICENSES

16. To that extent that Eagle Energy Inc. may claim an entitlement to become the operator of any of the Assets in relation to which it presently holds a working interest (the “**Eagle Related Assets**”), and/or to hold the associated licenses related thereto, such claim shall be adjudicated in accordance with the following procedure:

- a. concurrent with delivery of the Receiver’s Certificate to the Purchaser, the Receiver shall serve a copy of the Receiver’s Certificate on Eagle Energy Inc. (“**Eagle**”);
- b. Eagle shall have 15 days from the receipt of the Receiver’s Certificate to bring an application in this Action, on notice to the Purchaser, for an Order seeking an entitlement to be appointed operator of, and/or to hold the associated licenses related to, the Eagle Related Assets (the “**Eagle Application**”);
- c. the Receiver takes and will take no position with respect to the Eagle Application; and
- d. the Purchaser shall have no recourse against the Debtor, any creditor of the Debtor or the Receiver in relation to the Eagle Application.

INTERIM DISTRIBUTION

17. The security interest granted by the Debtor to Bank of Montreal (“**BMO**”) over the Assets is valid and enforceable and, subject to the charges created in the Receivership Order, holds priority over any and all claims, estates, rights, title, interests, hypothecs, mortgages, charges, liens (whether contractual, statutory or otherwise), security interests, assignments, actions, levies, taxes, writs of execution, trusts or deemed trusts (whether contractual, statutory or otherwise), options, agreements, disputes, debts, encumbrances, or other rights, limitations or restrictions of any nature whatsoever, or any other contractual, financial or monetary claims of any nature whatsoever, whether or not any of the foregoing have attached or been perfected, registered or filed, and whether secured, unsecured or otherwise.

18. 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.

SEALING OF APPENDICES "C" AND "D"

19. Appendices "C" and "D" to the First 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.

20. The Clerk of the court is hereby directed to place the sealed Appendices "C" and "D" 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.

AMENDMENT TO RECEIVERSHIP ORDER

21. Paragraph 16 of the Receivership Order is hereby deleted in its entirety and replaced with the following:

"16. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property in the Receiver's possession or control at the time a claim is made. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA."

GENERAL

22. 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.

23. 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.

24. 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

25. 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/the Debtor](http://www.alvarezandmarsal.com/the%20Debtor)

26. 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**
INFORMATION OF PARTY **3400 First Canadian Centre**
FILING THIS DOCUMENT **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 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 May 11, 2016, the Court approved the Offer to Purchase made as of April 27, 2016 (the "**Purchase Agreement**") between the Receiver and Forent Energy Ltd. (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

Title Number	Registration Number	Secured Party
128D99	931 028 254	Bank of Montreal
141 181 413 +18	891 040 062	Bank of Montreal
143B225	891 040 062	Bank of Montreal
141 181 413 +16	891 040 062	Bank of Montreal
141 181 413 +16	831 158 811	Bumper Development Corporation Ltd. (Caveator) Note: Lease expired
141 179 571 +2	891 040 062	Bank of Montreal
141 179 571 +2	1201LH	Toronto-Dominion Bank
141 179 571 +2	1202LH	Toronto-Dominion Bank
141 179 571 +2	931 028 254	Bank of Montreal
141 179 571 +6	891 040 062	Bank of Montreal
141 179 571 +6	931 028 254	Bank of Montreal
141 180 928 +20	891 040 062	Bank of Montreal
141 179 571 +6	931 028 254	Bank of Montreal

Alberta Department of Energy Mineral Information

Agreement Number	Registration Number	Secured Party
0481070134	SN 9304530	Bank of Montreal
124089	RB 007070RB	Toronto-Dominion Bank
40782	SN 9304183	Bank of Montreal

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
141 181 413 +18	Registration Number: 731 062 405 Registration Date: October 16, 1973 Particulars: Caveat (Caveator - Royal Bank of Canada) Registration Number: 971 329 853

	<p>Registration Date: April 11, 1997 Particulars: Caveat Re: Lease (Caveator - Pengrowth Corporation)</p> <p>Registration Number: 081 235 909 Registration Date: July 5, 2008 Particulars: Caveat Re: Mines and Minerals Lease Interest (Caveator - Pengrowth Corporation)</p> <p>Registration Number: 111 060 840 Registration Date: March 15, 2011 Particulars: Caveat Re: Mines and Minerals Lease Interest (Caveator - Canadian Natural Resources Limited)</p> <p>Registration Number: 141 070 654 Registration Date: March 20, 2014 Particulars: Caveat Re: Purchasers Interest (Caveator - Coda Petroleum Inc.)</p> <p>Registration Number: 141 070 655 Registration Date: March 20, 2014 Particulars: Caveat Re: Purchasers Interest (Caveator - Coda Petroleum Inc.)</p> <p>Registration Number: 141 070 656 Registration Date: March 20, 2014 Particulars: Caveat Re: Purchasers Interest (Caveator - Coda Petroleum Inc.)</p> <p>Registration Number: 141 070 657 Registration Date: March 20, 2014 Particulars: Caveat Re: Purchasers Interest (Caveator - Coda Petroleum Inc.)</p> <p>Registration Number: 161 013 533 Registration Date: January 15, 2016 Particulars: Caveat Re: Mines and Minerals Lease Interest (Caveator - Canadian Natural Resources Limited)</p> <p>Registration Number: 161 013 534 Registration Date: January 15, 2016 Particulars: Caveat Re: Mines and Minerals Lease Interest (Caveator - Canadian Natural Resources Limited)</p>
141 181 413 +17	<p>Registration Number: 731 062 405 Registration Date: October 16, 1973 Particulars: Caveat (Caveator - Royal Bank of Canada)</p>

	<p>Registration Number: 131 283 139 Registration Date: November 4, 2013 Particulars: Caveat Re: Mines and Minerals Lease Interest (Caveator - Coda Petroleum Inc.)</p> <p>Registration Number: 131 283 140 Registration Date: November 4, 2013 Particulars: Caveat Re: Mines and Minerals Lease Interest (Caveator - Coda Petroleum Inc.)</p> <p>Registration Number: 131 283 141 Registration Date: November 4, 2013 Particulars: Caveat Re: Mines and Minerals Lease Interest (Caveator - Coda Petroleum Inc.)</p> <p>Registration Number: 131 283 142 Registration Date: November 4, 2013 Particulars: Caveat Re: Mines and Minerals Lease Interest (Caveator - Coda Petroleum Inc.)</p>
143B225	<p>Registration Number: 081 332 965 Registration Date: September 5, 2008 Particulars: Caveat Re: Mines and Minerals Lease Interest (Caveator - Encana Corporation)</p> <p>Registration Number: 121 013 846 Registration Date: January 17, 2012 Particulars: Caveat Re: Mines and Minerals Lease Interest (Caveator - Canadian Natural Resources Limited)</p> <p>Registration Number: 121 013 847 Registration Date: January 17, 2012 Particulars: Caveat Re: Mines and Minerals Lease Interest (Caveator - Canadian Natural Resources Limited)</p>
141 181 413 +16	<p>Registration Number: 731 062 045 Registration Date: October 16, 1973 Particulars: Caveat (Caveator - Royal Bank of Canada)</p> <p>Registration Number: 971 222 333 Registration Date: July 31, 1997 Particulars: Caveat Re: Petroleum and Natural Gas Lease (Caveator - Pengrowth Corporation)</p> <p>Registration Number: 971 222 335 Registration Date: July 31, 1997 Particulars: Caveat Re: Lease (Caveator - Pengrowth Corporation)</p>

	<p>Registration Number: 141 070 289 Registration Date: March 20, 2014 Particulars: Caveat Re: Purchasers Interest (Caveator - Coda Petroleum Inc.)</p> <p>Registration Number: 141 070 290 Registration Date: March 20, 2014 Particulars: Caveat Re: Purchasers Interest (Caveator - Coda Petroleum Inc.)</p>
141 180 928 +20	<p>Registration Number: 2168IM Registration Date: April 10, 1962 Particulars: Caveat (Caveator - Pine Cliff Energy Ltd.)</p> <p>Registration Number: 34IO Registration Date: May 11, 1962 Particulars: Caveat (Caveator - Pine Cliff Energy Ltd.)</p> <p>Registration Number: 1882IS Registration Date: February 12, 1963 Particulars: Caveat (Caveator - Pine Cliff Energy Ltd.)</p> <p>Registration Number: 3730IQ Registration Date: March 14, 1963 Particulars: Caveat (Caveator - Pine Cliff Energy Ltd.)</p> <p>Registration Number: 4867JG Registration Date: September 10, 1965 Particulars: Unitization Agreement</p> <p>Registration Number: 741 112 113 Registration Date: December 9, 1974 Particulars: Caveat (Caveator - Hudson's Bay Oil and Gas Company)</p> <p>Registration Number: 741 112 114 Registration Date: December 9, 1974 Particulars: Caveat (Caveator - Hudson's Bay Oil and Gas Company)</p> <p>Registration Number: 741 112 115 Registration Date: December 9, 1974 Particulars: Caveat (Caveator - Hudson's Bay Oil and Gas Company)</p> <p>Registration Number: 741 112 116 Registration Date: December 9, 1974 Particulars: Caveat (Caveator - Hudson's Bay Oil and Gas Company)</p>

	<p style="text-align: center;">Company)</p> <p style="text-align: center;">Registration Number: 141 070 717 Registration Date: March 20, 2014 Particulars: Caveat re: Purchasers Interest (Caveator - Coda Petroleum Inc.)</p> <p style="text-align: center;">Registration Number: 141 070 718 Registration Date: March 20, 2014 Particulars: Caveat re: Purchasers Interest (Caveator - Coda Petroleum Inc.)</p> <p style="text-align: center;">Registration Number: 141 070 719 Registration Date: March 20, 2014 Particulars: Caveat re: Purchasers Interest (Caveator - Coda Petroleum Inc.)</p> <p style="text-align: center;">Registration Number: 141 070 720 Registration Date: March 20, 2014 Particulars: Caveat re: Purchasers Interest (Caveator - Coda Petroleum Inc.)</p> <p style="text-align: center;">Registration Number: 151 117 190 Registration Date: May 7, 2015 Particulars: Caveat Re: Farmout Agreement (Caveator - Quicksilver Resources Canada Inc.)</p> <p style="text-align: center;">Registration Number: 151 299 434 Registration Date: November 19, 2015 Particulars: Caveat Re: Agreement Charging Land (Caveator - JPMorgan Chase Bank, National Association)</p>
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Alberta Department of Energy Mineral Information

Agreement Number	Particulars
21291	SN 1501312 (April 20, 2015) Interest of: Quicksilver Resources Canada Inc. Secured Party: JPMorgan Chase Bank N.A. Toronto Branch
17221	SN 1501312 (April 20, 2015) Interest of: Quicksilver Resources Canada Inc. Secured Party: JPMorgan Chase Bank N.A. Toronto Branch
42685	RB 018711RB (October 25, 1979) Interest of: Czar Developments Limited Secured Party: Toronto-Dominion Bank, C/O Macleod Dixon SN 8306583 (June 29, 1983)

	<p>Interest of: Aubry Consultants Ltd. (In Trust) Secured Party: Bank of Montreal</p>
12401	<p>RB 018705RB (October 25, 1979) Interest of: Czar Resources Limited Secured Party: Toronto-Dominion Bank, C/O Macleod Dixon</p> <p>RB 018709RB (October 25, 1979) Interest of: Czar Resources Limited Secured Party: Toronto-Dominion Bank, C/O Macleod Dixon</p> <p>SN 8202295 (July 21, 1982) Interest of: Clarence Delwyn Borggard Secured Party: Canadian Commercial Bank</p> <p>SN 1501823 (June 11, 2015) Interest of: Canadian Oil & Gas International Inc. Secured Party: Alberta Treasury Branches</p>
0592060303	<p>SN 0902335 Interest of: BNP Resources Inc. Secured Party: National Bank of Canada</p>

Schedule "D"

Real or Mineral Property Caveat Interests

Title Number	Registration Number
141 181 413 +18	831 158 771
141 181 413 +18	831 158 772
141 181 413 +18	831 158 773
141 181 413 +18	831 158 774
141 181 413 +18	111 187 215
141 181 413 +17	141 075 720
141 181 413 +17	141 075 721
141 181 413 +17	141 075 722
141 181 413 +17	141 075 723
143B225	831 162 708
141 181 413 +16	831 145 487
141 181 413 +16	831 158 810
141 181 413 +16	831 158 812
141 180 928 +20	271JM
141 180 928 +20	272JM
141 180 928 +20	273JM
141 180 928 +20	274JM
141 180 928 +20	831 164 002
141 180 928 +20	831 164 003

Schedule "E"

Mines and Minerals Interests

Agreement Number	Participation Interest (%)
21291	50
17220	50
17221	50
0415020029	50
42685	48
0413070217	50
12401	48
0592060303	66.66