

**IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF CALGARY**

BETWEEN:

NATIONAL BANK OF CANADA

Plaintiff

- and -

**ACTION ENERGY INC., NORTHERN GAS MARKETING INC. and
GRIFFON PETROLEUM INC.**

Defendants

NOTICE OF MOTION

TAKE NOTICE that an application will be made on behalf of Ernst & Young Inc. in its capacity as Receiver and Receiver and Manager (the **"Receiver"**) before Mr. Justice S. J. LoVecchio, in Chambers, at the Calgary Courts Centre, 601 - 5th Street S.W., in the City of Calgary, Province of Alberta on Wednesday, the 28th day of April, 2010 at the hour of 9:00 o'clock in the forenoon or so soon thereafter as Counsel may be heard for:

1. An Order declaring service of notice of this application and the supporting materials to be good and sufficient, and abridging the time therefore, if necessary;
2. Relief as outlined in the proposed Order attached as Schedule "A" and in particular:
 - (a) authorizing and approving the Asset Purchase and Sale Agreement in substantially the form attached as Appendix "A" to the Fourth Report of the Receiver between the Receiver and Sandbox Energy Corp. (the **"ASA"**), and authorizing and directing the Receiver to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the terms of the ASA;
 - (b) authorizing and directing the Receiver to perform or cause to be performed the covenants of the ASA substantially in accordance with its terms, subject to such

amendments as the Receiver and Purchaser may approve which do not materially and adversely affect the terms herein; and

3. Granting such further and other relief as counsel may advise and this Honourable Court deems just.

AND FURTHER TAKE NOTICE that the grounds for this application are as follows:

4. On October 28, 2009, the Receiver was appointed receiver of the assets, undertakings and properties ("**Property**") of Action Energy Inc. ("**Action**") by order of Mr. Justice LoVecchio in these proceedings.
5. Pursuant to the Receivership Order, the Receiver is empowered and authorized to sell, convey or transfer the Property or any part or parts thereof out of the ordinary course of business with the approval of this Court.
6. The Receiver has negotiated the ASA which is subject to Court approval.

AND FURTHER TAKE NOTICE that the Receiver will rely on:

1. the Pleadings and other materials filed herein;
2. the Fourth Report of the Receiver dated April 23, 2010, to be filed;
3. the inherent jurisdiction of the Court; and
4. such further and other material as Counsel may advise and this Honourable Court may allow.

DATED at the City of Calgary, in the Province of Alberta, this 23rd day of April, 2010.

DAVIS LLP

Per: 

Larry B. Robinson Q.C.
Solicitors for the Receiver

TO: The Clerk of the Court

AND TO: The Attached Service List

SCHEDULE "A"

Action No. 0901-16005

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Before The Honourable Mr. Justice S. J.) At the Courts Centre, in the City of Calgary, in
LoVecchio In Chambers) the Province of Alberta, on Wednesday, the
) 28th day of April, 2010.
)

APPROVAL ORDER

UPON the application of Ernst & Young Inc. in its capacity as Receiver and Receiver and Manager (the "**Receiver**") of Action Energy Inc. ("**Action**"); **AND UPON** reading the Fourth Report of the Receiver dated April 23, 2010, filed, and the Asset Purchase and Sale Agreement dated April ♦, 2010 between the Receiver and Sandbox Energy Corp. (the "**ASA**") attached thereto; **AND UPON** hearing counsel for the Receiver and counsel for other interested parties; **AND UPON** it appearing that the ASA is in the best interests of Action and its creditors;

IT IS HEREBY ORDERED AND DECLARED THAT:

Service

1. Service of notice of this application and the supporting materials is deemed to be good and sufficient, and the time for service is abridged to the time actually given;

Defined Terms

2. All capitalised terms not defined herein shall have the meanings defined in the Fourth Report of the Receiver and the ASA (as applicable);

Approval of the Transaction

3. The ASA is commercially reasonable and is hereby authorised and approved. The Receiver is hereby authorised and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the terms of the ASA;
4. The Receiver is hereby authorised and directed to perform or cause to be performed the covenants of the ASA substantially in accordance with its terms, subject to such amendments as the Receiver and the Purchaser may approve which do not materially and adversely affect the terms therein;

Miscellaneous

5. The transaction contemplated in the ASA shall not be void or voidable and shall not constitute nor shall be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other challengeable or reviewable transaction under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended or any other applicable federal or provincial legislation, and the transaction, or any actions taken in connection therewith, shall not constitute conduct meriting an oppression remedy;
6. This Honourable Court hereby requests the aid and recognition of any court or administrative body in any province of Canada, and in particular the Court of Queen's Bench for Saskatchewan, the Federal Court of Canada, any administrative tribunal or other court constituted pursuant to the Parliament of Canada or any of its provinces or territories and any federal or state court or administrative body in the United States of

America or any other foreign courts or any administrative body or other tribunal to act in aid of and to be complimentary to this Court in carrying out the terms of this Order;

7. The Receiver is at liberty to reapply for further advice, assistance and direction as may be necessary to give full force and effect to the terms of this Order.

J.C.C.Q.B.A.

ENTERED this _____ day of April, 2010.

Clerk of the Court of Queen's Bench

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APPROVAL ORDER

DAVIS LLP
Barristers & Solicitors
1000 - 250 2nd St. SW
Calgary, Alberta
T2P 0C1

Larry B. Robinson, Q.C.
Phone: 403.698.8715
Fax: 403.697.6609
File No. 38689-00001

Date: April 23, 2010

***National Bank of Canada v. Action Energy Ltd., Northern Gas Marketing Inc.
and Griffon Petroleum Inc. - Service List***

Name and Company	Contact Information	Notes
Larry Robinson, Q.C. Davis LLP	Address: 1000, 250 - 2 nd Street S.W. Calgary, Alberta T2P 0C1 Phone: (403) 698-8715 Fax: (403) 697-6609 Email: larry.robinson@davis.ca	Solicitors for Receiver and Manager
Lance Williams Davis LLP	Address: 1000, 250 - 2 nd Street S.W. Calgary, Alberta T2P 0C1 Phone: (403) 698-8729 Fax: (403) 697-6621 Email: lwilliams@davis.ca	Notes: Solicitors for Receiver and Manager
Sean Collins McCarthy Tétrault LLP	Address: 3300-421 7 Ave SW Calgary, AB T2P 4K9 Phone: (403) 260-3531 Fax: (403) 260-3501 Email: scollins@mccarthy.ca	Solicitors for Action Energy Inc., Northern Gas Marketing Inc. and Griffon Petroleum Inc.
Howard Gorman Macleod Dixon LLP	Address: 3700 Canterra Tower 400 - 3 rd Avenue S.W. Calgary, AB, T2P 4H2 Phone: (403) 267-8222 Fax: (403) 264-5973 Email: howard.gorman@macleoddixon.com	Solicitors for National Bank of Canada
Jim Shea Shea Nerland Calnan LLP	Address: Suite 2800, 715 - 5th Avenue SW Calgary, AB T2P 2X6 Phone: (403) 299-9600 Fax: (403) 299-9601 Email: jgs@snclaw.com	Solicitors for Ripper Oil and Gas Ltd.
Grant N. Stapon, Q.C. Bennett Jones LLP	Address: 4500 Bankers Hall East 855 - 2 nd Street S.W. Calgary, AB T2P 4K7 Phone: (403) 298-3204 Fax: (403) 265-7219 Email: stapong@bennettjones.com	Solicitors for Warren Doentz
Bearspaw Petroleum Ltd.	Address: Suite 80, 6712 Fishers Street, S.E. Calgary, AB T2H 2A7 Attn: Shelly M. Ginther Phone: (403) 258-3767 ext 233 Fax: (403) 258-3197 Email: sginther@bearspawpet.com	Creditor of Action Energy Inc. (Operators lien)

Name and Company	Contact Information	Notes
Ross & Evenson	Address: 506, 933 - 17 th Avenue S.W. Calgary, AB T2T 5R6 Phone: (403) 541-1600 Fax: (403) 541-1604 Email: crobb@robbevenson.com	Solicitors for E-Can Oilfield Services L.P. (Lienor of Action Energy Inc.)
Todd Kirkpatrick Politeski Strilchuk Milen LLP	Address: 5009 - 47 Street Lloydminster, AB T9V 0E8 Phone: (780) 875-2288 Fax: (780) 875-3479 Email: tkirkpatrick@bordercitylaw.com	Solicitors for Boomer Transport Ltd. (Lienor of Action Energy Inc.)
Charles P. Russell, Q.C. McLennan Ross LLP	Address: 600 West Chambers 12220 Stony Plain Road Edmonton, AB T5N 3Y4 Phone: 780.482.9115 Fax: 780.482.9100 Email: crussell@mross.com	Solicitors for Husky Oil Operations Limited (Creditor)
Larina Taylor ConocoPhillips Canada	Address: 403 - 9 th Avenue S.W. Calgary, AB T2P 2H7 PO Box 130, Station "M" Phone: (403) 233-3563 Fax: (403) 233-5505 Email: larina.j.taylor@conocophillips.com	
Chris Tesarski Sandbox Energy Corp.	Address: 2 nd Floor, 604 - 1 st Street S.W. Calgary, AB T2P 1M7 Phone: (403) 532-1107 Email: chris.tesarski@sandboxenergy.com	
Brad Wagner Saskatchewan Ministry of Energy and Resources	Email: Brad.Wagner@gov.sk.ca	
Tom Coleridge Saskatchewan Ministry of Energy and Resources	Email: Tom.Coleridge@gov.sk.ca	

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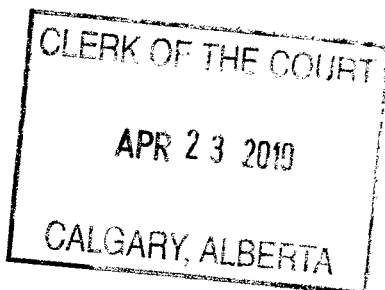
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