Form 27
[Rules 6.3 and 10.52(1)]

Clerk's Stamp

CLERK OF THE COURT
FILED
APR 25 2013
JUDICIAL CENTRE
OF CALGARY

COURT FILE NUMBER	1201-10691
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANTS	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended AND IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, R.S.A. 2000, c.B-9 AND IN THE MATTER OF LIBERTY CROSSING LIMITED PARTNERSHIP, LIBERTY CROSSING GENERAL PARTNER INC. ROCKY VIEW CAPITAL CORP., ROCKY VIEW ESTATES CORP., SPRUCE RIDGE CAPITAL INC., SPRUCE RIDGE ESTATES INC., STONEY VIEW CAPITAL INC. and STONEY VIEW CROSSING INC.
DOCUMENT	**APPLICATION BY ERNST & YOUNG INC. (Re: Cost Allocation for Spruce Ridge Estates Inc. and Spruce Ridge Capital Inc.)**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	McCARTHY TÉTRAULT LLP Barristers & Solicitors Sean F. Collins/Walker W. MacLeod Suite 3300, 421-7th Avenue S.W. Calgary AB T2P 4K9 Phone: 403-260-3531/403-260-3710 Fax: 403-260-3501 Email: scollins@mccarthy.ca wmacleod@mccarthy.ca File: 027052-446701

NOTICE TO RESPONDENT(S)

This application is made against you. You are a respondent.

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

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

Date	April 30, 2013
Time	1:30 pm
Where	Calgary Courts Center (Commercial List)
Before Whom	The Honourable Madam Justice K.M. Horner

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

Remedy claimed or sought: Ernst & Young Inc. (the "**Monitor**"), in its capacity as court appointed monitor of Spruce Ridge Capital Inc. ("**SR Capital**") and Spruce Ridge Estates Inc. ("**SR Estates**", and SR Capital and SR Estates collectively referred to as the "**Debtors**") applies for an Order, substantially in the form attached as Schedule "**A**" hereto:

1. Abridging the time required for service of this application (the "**Application**") and supporting materials to the date service was effected, declaring that this Application is properly returnable on April 30, 2013, and that service of the Application on the service list is good and sufficient.

2. Approving the cost allocation proposal in respect of the Debtors as attached at Appendix "**A**" to the order sought in within proceedings (the "**Cost Allocation**").

3. Authorizing and directing the Monitor to make distributions to the unsecured creditors of SR Estates identified Appendix "**B**" to the order sought in the within proceedings pursuant to and in accordance with the Cost Allocation.

4. Such further and other relief as counsel for the Monitor may advise.

Grounds for making this application: The grounds for the Application are as follows:

5. The Debtors obtained protection from their creditors pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") on August 24, 2012 (the "**Initial Order**").

6. SR Capital has filed a plan of compromise and arrangement pursuant to the CCAA (the "**Plan**"). The Plan has been approved by the requisite majority of creditors of SR Capital in accordance with the CCAA and sanctioned by this Honourable Court.

7. Subsequent to the sanctioning of the Plan, the Monitor and the chief restructuring officer of the Debtor (the "**CRO**") determined that SR Estates was entitled to receive a GST refund (the "**Refund**").

8. SR Estates implemented a claims process to identify creditors but has not filed a plan of compromise and arrangement pursuant to the CCAA. The Refund is properly payable to the unsecured creditor of SR Estates on a *pro rata* basis, subject to allocation of cost in respect of the charges established in the Initial Order.

9. The Monitor and the CRO have agreed to the Cost Allocation. The Cost Allocation is fair, reasonable and in the best interest of the Debtors, their creditors and other stakeholders.

10. Such further and other grounds as counsel for the Monitor may advise.

Material or Evidence to be relied On: The Monitor will rely on the following material:

11. The fifth report of the Monitor.

12. Such further and other material as counsel for the Monitor may advise.

Applicable rules:

13. Rule 6.3(1) of Alberta *Rules of Court.*

14. Such further and other rules as counsel for the Monitor may advise.

Applicable Acts and regulations:

15. The CCAA.

16. Such further and other acts and regulations as counsel for the Monitor may advise.

Any irregularity complained of or objection relied on:

17. There are no irregularities complained of or objections relied on.

How the application is proposed to be heard or considered:

18. The Monitor proposes that the Application be heard in person and with one, some or all of the parties present.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and 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"

Clerk's Stamp

COURT FILE NUMBER	1201-10691
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANTS	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended AND IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, R.S.A. 2000, c.B-9 AND IN THE MATTER OF LIBERTY CROSSING LIMITED PARTNERSHIP, LIBERTY CROSSING GENERAL PARTNER INC. ROCKY VIEW CAPITAL CORP., ROCKY VIEW ESTATES CORP., SPRUCE RIDGE CAPITAL INC., SPRUCE RIDGE ESTATES INC., STONEY VIEW CAPITAL INC. and STONEY VIEW CROSSING INC.
DOCUMENT	**ORDER** **(Re: Cost Allocation for Spruce Ridge Estates Inc. and Spruce Ridge Capital Inc.)**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	McCARTHY TÉTRAULT LLP Barristers & Solicitors Sean F. Collins/Walker W. MacLeod Suite 3300, 421-7th Avenue S.W. Calgary AB T2P 4K9 Phone: 403-260-3531/403-260-3710 Fax: 403-260-3501 Email: scollins@mccarthy.ca wmacleod@mccarthy.ca File: 027052-439407

DATE OF ORDER:	**APRIL 30, 2013**
JUDGE PRONOUNCING THIS ORDER:	**HONOURABLE MADAM JUSTICE K.M HORNER**
LOCATION OF HEARING:	**CALGARY, ALBERTA**

UPON the application of Ernst & Young Inc. (the "**Monitor**"), in its capacity as court appointed monitor of Spruce Ridge Capital Inc. ("**SR Capital**") and Spruce Ridge Estates Inc. ("**SR**

Estates", and SR Capital and SR Estates collectively referred to as the "**Debtors**"); **AND UPON** reading the fifth report of the Monitor, dated April 30, 2013 (the "**Fifth Monitor's Report**") **AND UPON** reading the Affidavit of Service of •, sworn •, 2013 (the "**Affidavit of Service**"); **AND UPON** hearing from counsel for the Monitor and counsel for any other persons present; **IT IS HEREBY ORDERED AND DECLARED THAT**:

1. The time required for service of the application of the Monitor (the "**Application**") filed on April •, 2013 is abridged, the Application is properly returnable today and service of the Application and the Fifth Monitor's Report in the manner described in the Affidavit of Service is good and sufficient.

2. The cost allocation in respect of the Debtor in the form attached as Appendix "**A**" to this Order (the "**Cost Allocation**") be and is hereby approved.

3. The Monitor is authorized and directed to make distributions to the unsecured creditors of SR Estates identified Appendix "**B**" to this Order pursuant to and in accordance with the Cost Allocation.

4. Service of this Order by email, facsimile or personal delivery on the service list shall constitute good and sufficient service of this Order and no persons other than those in the service list are entitled to service of this Order.

J.C.Q.B.A.

027052/446701
MT DOCS 12418371v1

APPENDIX "A"

Spruce Ridge Estates Inc.
Summary of CCAA Expenses
August, 2012 - February, 2013

Property appraisal - Gettel	$ 4,725
Phase I Environmental - PHH	3,360
Property taxes paid	19,371
Insurance	350
Meetings with tenant and tenant counsel re continuing lease arrangements, review of lease documents:	
Winman (Noel Winter) - 5 hours	1,125
BTM (G. Bentham) - 5 hours	1,500
Accounting and SUF preparation:	
Pauline Phillips (50%)	725
BTM (50%)	1,800
Mark McCarthy - T2 tax preparation (three years), GST return preparation (3 years), CRA audit	2,645
Elaine Ogston - land administration, documentation, searches, leases, dealing with tenants	2,500
	$ 38,100
Proposed distribution of GST cash:	
Amount received	$ 80,608
Distribution:	
Spruce Ridge Capital - expense reimbursment	$ 38,100
Ernst & Young, for distribution	42,508
	$ 80,608

APPENDIX "B"

Spruce Ridge Estates Inc.
Proposed Distributions

Cash Available For Distribution **$ 42,508.00**

Creditor	Claim	Distribution
A.J. Pottinger & Associates	9,926.25	750.40
Charles A. Dixion Professional Corporation	6,371.75	481.69
DB Environmental	76,662.52	5,795.53
Epcor Utilites Inc.	501.47	37.91
Epic Land Developments Inc.	89,586.00	6,772.51
Jones Geomatics Ltd.	5,723.00	432.65
Meota Gas Cooperative Association LTC.	123.03	9.30
Urbanics Consultants Ltd.	28,016.39	2,117.98
Weaver Marketing Research	22,813.88	1,724.68
Westhoff Engineering Resources Inc.	72,803.45	5,503.79
Zeidler Partnership Architects	249,762.93	18,881.56
	$ 562,290.67	**$ 42,508.00**