COURT FILE NUMBER **1501-00681**

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE Calgary

Clerk's Stamp

JUDICIAL CENTRE OF CALGARY
FILED
MAY 21 2015
CLERK OF THE COURT

IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY OF CALMENA ENERGY SERVICES INC., CALMENA ENERGY HOLDINGS LTD., CALMENA ENERGY SERVICES OPERATING LIMITED PARTNERSHIP, 1414995 ALBERTA LTD., CALMENA ENERGY SERVICES USA CORP., CALMENA DRILLING SERVICES LLC, CALMENA DRILLING SERVICES US LP, BW SERVICES LUXEMBOURG S.A.R.L., BWES SERVICES DE MEXICO, S. DE R.L. DE C.V., PAN AMERICAN DRILLING S. DE R.L. DE C.V., CALMENA LUXEMBOURG HOLDING S.A.R.L.

I hereby certify this to be a true copy of the original Order
Dated this 21 day of May 2015
for Clerk of the Court

PLAINTIFF **HSBC BANK CANADA**

DEFENDANTS **CALMENA ENERGY SERVICES INC., CALMENA ENERGY HOLDINGS LTD., CALMENA ENERGY SERVICES OPERATING LIMITED PARTNERSHIP, 1414995 ALBERTA LTD., CALMENA ENERGY SERVICES USA CORP., CALMENA DRILLING SERVICES LLC, CALMENA DRILLING SERVICES US LP, BW SERVICES LUXEMBOURG S.A.R.L., BWES SERVICES DE MEXICO, S. DE R.L. DE C.V., PAN AMERICAN DRILLING S. DE R.L. DE C.V., CALMENA LUXEMBOURG HOLDING S.A.R.L.**

(collectively, the "Calmena Group")

DOCUMENT **SALE APPROVAL ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Patrick T. McCarthy, Q.C. / Jessica L. Duhn
Borden Ladner Gervais LLP
1900, 520 3rd Ave. S.W.
Calgary, AB T2P 0R3
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Email: pmccarthy@blg.com / jduhn@blg.com
File No. 413255/000043

DATE ON WHICH ORDER WAS PRONOUNCED: May 20, 2015

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: C.M. Jones

UPON the Application of Ernst & Young Inc., in its capacity as the court-appointed receiver and manager, and not in its personal or corporate capacity (the "**Receiver**"), of all of the current and future property and undertakings of Calmena Energy Services Inc., Calmena Energy Holdings Ltd., Calmena Energy Services Operating Limited Partnership, 1414995 Alberta Ltd., Calmena Energy Services USA Corp., Calmena Drilling Services LLC, Calmena Drilling Services US LP (the "**Debtors**"), for an order authorizing, approving and ratifying the sale of certain of the Calmena Group's assets; **AND UPON** having read the Application, the Receiver's First Report, dated May 14, 2015 (the "**First Report**"), the Supplement to the Receiver's First Report, dated May 20, 2015 (the "**Supplemental Report**"), the Affidavit of Service of Debbie Gordon, sworn on May 19, 2015, filed (the "**Service Affidavit**"), and the pleadings and proceedings filed herein, including the receivership order granted on January 22, 2015, as amended on February 9, 2015 and May 20, 2015 (the "**Receivership Order**"); **AND UPON** noting that the Receiver is effecting an orderly disposition of the business, assets and operations of Calmena Luxembourg Holding S.A.R.L. by virtue of its control of the parent company Calmena Energy Services Inc.; **AND UPON** hearing from counsel for the Receiver and any other interested party appearing at the Application;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of notice of this Application is abridged to the time actually given and service of the Application and supporting material as described in the Service Affidavit is good and sufficient, and this hearing is properly returnable before this Honourable Court today and further service thereof is hereby dispensed with.

2. Unless otherwise defined in this Order, all capitalized terms used in this Order shall have the meaning ascribed to them in the Asset Purchase and Sale Agreement between Calmena Energy Services Inc., Calmena Luxembourg Holding S.A.R.L., Calmena Drilling Services LLC, and Calmena Drilling Services US LP (collectively the "**Vendors**") and Turbo Drill Industries, Inc. (the "**Purchaser**"), dated May 14, 2015, as amended on May 19, 2015 (the "**Agreement**"), attached to the First Report as Appendix "E" and the Supplemental Report as Appendix "E".

Approval of the Sale

3. The Agreement, including the transaction for the purchase, sale, assignment, transfer and conveyance of the Purchased Assets from the Vendors to the Purchaser and related assignments, transfers, conveyances, assumptions, and other arrangements contemplated by or set forth in the Agreement (the "**Transaction**"), is found to be in the best interests of the Debtors, their creditors, and their other stakeholders, and therefore the Agreement and the Transaction contemplated thereby is hereby authorized, ratified, deemed commercially reasonable and approved.

4. The sale, assignment, transfer and conveyance of the Purchased Assets by the Vendors to the Purchaser on the terms and conditions contained in the Agreement is hereby approved, and the Receiver is hereby authorized and directed to complete the Closing of the Transaction pursuant to the terms of the Agreement.

5. The Receiver is authorized and directed to take all such steps, perform, consummate, implement and execute and deliver all such conveyance documents, bills of sale, assignments, conveyances, transfers, deeds, representations, indicia of title, tax elections, documents and instruments of whatsoever nature of kind as may reasonably be necessary or desirable to consummate the Transaction in accordance with the terms of the Agreement including, without limitation, settlement with the Purchaser in respect of all adjustments contemplated by the Interim Statement of Adjustments and the Final Statement of Adjustments and making such amendments as the Receiver, or the Vendors as the case may be, and the Purchaser may approve in writing and which do not materially alter the Agreement, and upon such trust conditions as may be agreed upon among legal counsel for the Receiver and the Purchaser.

Receiver's Certificate

6. Upon Closing, the Receiver is hereby authorized and directed to promptly file with the Court in these proceedings and serve upon the Vendors, the Purchaser and those Persons listed on the Service list (attached as **Schedule "A"** to this Order) a certificate (substantially in the form set out as **Schedule "B"** to this Order) certifying that the Transaction has closed substantially in accordance with the terms of this Agreement, subject to the Final Statement of Adjustments and distributions (the "**Receiver's Certificate**").

Passing of the Assets

7. Upon Closing and filing of the Receiver's Certificate, all of the Vendors' right, title, estate and interest in and to the Purchased Assets are purchased by the Purchaser free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual or otherwise), liens, encumbrances, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfect, registered or filed and whether secured, unsecured or otherwise, and whether by payment, set off or otherwise (collectively, the "**Claims**"), including, without limiting the generality of the foregoing:

   (a) any encumbrances or charges created by the Receivership Order or subsequent Orders granted in the within Action; and

(b) all charges, security interests or claims against the personalty comprising the Purchased Assets, whether evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta), any other personal property registry system or otherwise.

For greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets and all charges, security interests or Claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta), any other personal property registry system or otherwise where any Claim of any kind may be registered or recorded are hereby expunged, ordered removed and otherwise unconditionally discharged and terminated as against the Purchased Assets. The Receiver is hereby authorized and directed to take all necessary steps and execute any and all documents to effect any and all discharges, and the registrars and all other persons in control or otherwise supervising such offices of registration or recording shall forthwith remove and discharge all such registrations.

8. The Purchaser is authorized and directed to file, register or otherwise record a certified copy of this Order and the Receiver's Certificate with the appropriate filing office, agency, clerk(s) and/or recorder(s), which, once filed, registered or otherwise recorded, shall constitute conclusive evidence of the sale of the Purchased Assets free and clear from any and all Claims, including the release of all liens, claims, encumbrances and interests in the Purchased Assets as of the Closing Date of any kind or nature whatsoever.

9. The Purchaser (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Vendors.

10. Under no circumstances shall the Purchaser be deemed a successor of or to the Vendors for any Claims of any kind or nature whatsoever against or in the Vendors or the Purchased Assets. Following the Closing, no person with a Claim shall interfere with the Purchaser's title to or use and enjoyment of the Purchased Assets based on or related to such Claims or any actions that the Vendors may take in the within Action.

11. The Vendors and all persons who claim by, through or under the Vendors in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from, pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption, or Claim in respect of or to the Purchased Assets and, to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title

representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

12. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit absolutely without any interference of or by the Vendors, or any person claiming by or through or against the Vendors.

Handling of the Net Proceeds

13. The Receiver shall hold the proceeds received from the Purchaser pursuant to the Agreement, less completion costs (including, but without limitation goods and services taxes, transfer taxes, legal and other costs, expenses and disbursements, of the Vendors and the Receiver) and other usual completion costs incurred (the "**Net Proceeds**") pursuant to and in accordance with the terms of this Order.

14. The Net Proceeds shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver's Certificate all Claims shall attach to the Net Proceeds with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

15. Unless otherwise authorized by this Order, the Receiver shall make no distributions from the Net Proceeds except by further Order of this Court.

Transaction Not a Preference or Transfer at Undervalue

16. Notwithstanding:

(a) the pendency of this proceeding and the declaration of insolvency made herein;

(b) the pendency of any petition for bankruptcy orders heretofore or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "**BIA**"), in respect of any or all of the Calmena Group, any assignments in bankruptcy which may hereafter be made by or with respect to any or all of the Calmena Group;

(c) any assignment in bankruptcy made by any or all of the Calmena Group;

(d) the provisions of any federal or provincial statute:

the assignment, transfer, conveyance and vesting of the Vendors' right, title, estate and interest in and to the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of any or all of the Calmena Group and shall not be void or voidable by creditors of the Calmena Group, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

Applications for Further Advice

17. The Receiver, the Purchaser (or its nominee), the Vendors or any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

18. The Receiver is hereby authorized and directed to apply to the U.S. Bankruptcy Court for an Order recognizing this Order and vesting the Purchased Assets in the Purchaser to the extent the Purchased Assets are within the jurisdiction of the U.S. Bankruptcy Court (the "**U.S. Approval Order**"), and any such actions taken by the Receiver in furtherance of obtaining the U.S. Approval Order are hereby ratified nunc pro tunc.

Miscellaneous Matters

19. This Court hereby requests the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province or any court or any judicial, regulatory or administrative body of any other nation or state, to act in aid of and to be complementary to this Court in carrying out the terms of this Order.

20. The Receiver, the Purchaser, or any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in the Closing.

21. Service of this Order shall be deemed good and sufficient by serving the same on:

(a) The persons listed on the Service List (as found at Schedule "A" to this Order);

(b) The Purchaser on the Purchaser's solicitors; and

(c) By posting a copy of this Order on the Receiver's website at: www.ey.com/ca/calmena.

22. No other Persons are entitled to be served with a copy of this Order.

23. Service of this Order shall be deemed good and sufficient regardless of whether service is effected by PDF copy attached to an email, facsimile, courier, personal delivery or ordinary mail.

"Jones C.M."

Justice of the Court of Queen's Bench of Alberta

for

SCHEDULE "A"

COURT FILE NUMBER	**1501-00681**
COURT	**COURT OF QUEEN'S BENCH OF ALBERTA**
JUDICIAL CENTRE	**CALGARY**
	IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY OF CALMENA ENERGY SERVICES INC., ***et al.***
PLANTIFF	**HSBC BANK CANADA**
DEFENDANTS	**CALMENA ENERGY SERVICES INC.,** ***et al.***

SERVICE LIST

Firm/Company	Email	Phone	Counsel For
Borden Ladner Gervais LLP 1900, 520 – 3rd Ave. SW Calgary, AB T2P 0R3 **Patrick T. McCarthy, Q.C.** **Jessica L. Duhn**	pmccarthy@blg.com jduhn@blg.com	(403) 232-9441 (403) 232-9715	**Receiver,** **Ernst & Young Inc.**
Ernst & Young Inc. 1000, 440 - 2nd Ave. SW Calgary, Alberta T2P 5E9 **Peter Chisholm** **Neil Narfason for EY**	peter.chisholm@ca.ey.com neil.narfason@ca.ey.com	(403) 206-5061	**Receiver**
Fasken Martineau DuMoulin LLP 3400, 350 - 7th Ave. SW Calgary, AB T2P 3N9 **Travis Lysak**	tlysak@fasken.com	(403) 261-5501	**HSBC Bank Canada**
McCarthy Tétrault LLP 4000, 421 – 7th Ave. SW Calgary, AB T2P 4K9 **Sean F. Collins**	scollins@mccarthy.ca	(403) 260-3531	**Alpine Capital**
Field Law LLP 400 – 604 1st Street SW Calgary, AB T2P 1M7 **Craig A. McMahon**	cmcmahon@fieldlaw.com	(403) 260-8595	**Calgary Foreign Exchange**

McCuaig Desrochers LLP 2401, 10088 – 102 Avenue NW Edmonton, AB T5J 2Z1 **Robert M. Curtis, Q.C.** **Terrence N. Lysak**	rcurtis@mccuaig.com tlysak@mccuaig.com	(780) 426-4660	**Turbo Drill Industries, Inc.**
McLennan Ross LLP 600 McLennan Ross Building 12220 Stony Plain Road Edmonton, AB T5N 3Y4 **Dani Fialkov**	dfialkov@mross.com	(780) 482-9286	**1616057 Alberta Ltd.**
Scott W. Caine Barrister & Solicitor 101, 11112 – 54 Ave. NW Edmonton, AB T6H 0V4 With a Copy to: PO Box 76009 Southgate Edmonton, AB T6H 5Y7 **Scott Caine**	scaine@accessweb.com	(780) 438-4111	**Hi-Quality Machine & Oilfield Repair Ltd. (Writ Registered)**

SCHEDULE "B"

COURT FILE NUMBER	**1501-00681**	Clerk's Stamp
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	Calgary	
	IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY OF CALMENA ENERGY SERVICES INC., CALMENA ENERGY HOLDINGS LTD., CALMENA ENERGY SERVICES OPERATING LIMITED PARTNERSHIP, 1414995 ALBERTA LTD., CALMENA ENERGY SERVICES USA CORP., CALMENA DRILLING SERVICES LLC, CALMENA DRILLING SERVICES US LP, BW SERVICES LUXEMBOURG S.A.R.L., BWES SERVICES DE MEXICO, S. DE R.L. DE C.V., PAN AMERICAN DRILLING S. DE R.L. DE C.V., CALMENA LUXEMBOURG HOLDING S.A.R.L.	
PLAINTIFF	**HSBC BANK CANADA**	
DEFENDANTS	**CALMENA ENERGY SERVICES INC., CALMENA ENERGY HOLDINGS LTD., CALMENA ENERGY SERVICES OPERATING LIMITED PARTNERSHIP, 1414995 ALBERTA LTD., CALMENA ENERGY SERVICES USA CORP., CALMENA DRILLING SERVICES LLC, CALMENA DRILLING SERVICES US LP, BW SERVICES LUXEMBOURG S.A.R.L., BWES SERVICES DE MEXICO, S. DE R.L. DE C.V., PAN AMERICAN DRILLING S. DE R.L. DE C.V., CALMENA LUXEMBOURG HOLDING S.A.R.L.** **(collectively, the "Calmena Group")**	
DOCUMENT	**RECEIVER'S CERTIFICATE**	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Patrick T. McCarthy, Q.C. / Jessica L. Duhn Borden Ladner Gervais LLP 1900, 520 3rd Ave. S.W. Calgary, AB T2P 0R3 Telephone: (403) 232-9715 Facsimile: (403) 266-1395 Email: pmccarthy@blg.com / jduhn@blg.com File No. 413255/000043	

1. All defined terms used by not otherwise defined herein shall have the meanings ascribed thereto in the Sale Approval and Vesting Order granted in these proceedings on May 20, 2015 (the "**Order**").

SCHEDULE "B"

2. Pursuant to paragraph 6 of the Order, Ernst & Young Inc., in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of Calmena Energy Services Inc., Calmena Energy Holdings Ltd., Calmena Energy Services Operating Limited Partnership, 1414995 Alberta Ltd., Calmena Energy Services USA Corp., Calmena Drilling Services LLC, Calmena Drilling Services US LP, delivers this certificate and hereby confirms that Closing of the sale of the Purchased Assets pursuant to the Agreement has occurred and all purchase monies due and owing in respect of such sale have been paid by the Purchaser to the Receiver for the Vendor, subject to the Final Statement of Adjustments and distributions.

DATED at the City of Calgary, in the Province of Alberta, this ___ day of _______________, 2015.

ERNST & YOUNG INC. in its capacity as Court-appointed Receiver of Calmena Energy Services Inc., Calmena Energy Holdings Ltd., Calmena Energy Services Operating Limited Partnership, 1414995 Alberta Ltd., Calmena Energy Services USA Corp., Calmena Drilling Services LLC, Calmena Drilling Services US LP

Per: ________________________________

Name: [ ]
Title: [ ]