



COURT FILE NUMBER

1501-13786

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF AN APPLICATION UNDER  
SUBSECTION 243(1) OF THE *BANKRUPTCY AND*  
*INSOLVENCY ACT*, RSC 1985, C B3 AS AMENDED

APPLICANT

**NATIONAL BANK OF CANADA, IN ITS  
CAPACITY AS ADMINISTRATIVE AGENT  
UNDER THAT CERTAIN AMENDED AND  
RESTATED CREDIT AGREEMENT DATED JUNE  
30, 2015, AS AMENDED**

RESPONDENT(S)

**SPYGLASS RESOURCES CORP., 1196823  
ALBERTA LTD., 1288916 ALBERTA LTD., 1398850  
ALBERTA LTD., 1583662 ALBERTA LTD., 1636527  
ALBERTA LTD., AVENEX ENERGY  
PARTNERSHIP, AVENEX REAL ESTATE  
ACQUISITION CORP., WESTBROOK  
MARKETING LIMITED PARTNERSHIP (formerly  
ELBOW RIVER MARKETING LIMITED  
PARTNERSHIP) 1159002 ALBERTA LTD.,  
(formerly ELBOW RIVER MARKETING CORP.),  
MEOTA 2000 PARTNERSHIP, PACE OIL & GAS  
PARTNERSHIP, PACE OIL RESOURCES LTD.  
AND SEAVIEW ENERGY PARTNERSHIP**

DOCUMENT

**FINAL DISTRIBUTION AND DISCHARGE ORDER**

ADDRESS FOR SERVICE  
AND

Josef G.A. Krüger, Q.C./Jessica L. Cameron  
Borden Ladner Gervais LLP  
1900, 520 3<sup>rd</sup> Ave. S.W.

CONTACT INFORMATION  
OF

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DOCUMENT

File No. 413255-000044

**DATE ON WHICH ORDER WAS PRONOUNCED:** November 14, 2017

**NAME OF JUSTICE WHO MADE THE ORDER:** The Honourable Justice C.M. Jones

**LOCATION OF HEARING:** Calgary, Alberta

for Clerk of the Court

I hereby certify this to be a true copy of  
the original Josef G.A. Krüger  
Dated this 14 day of November 2017

**UPON** the application of Ernst & Young Inc., in its capacity as the court-appointed receiver and manager (the “**Receiver**”) of Spyglass Resources Corp. (“**Spyglass**”), 1196823 Alberta Ltd., 1288916 Alberta Ltd., 1398850 Alberta Ltd., 1583662 Alberta Ltd., 1636527 Alberta Ltd., AvenEx Energy Partnership, AvenEx Real Estate Acquisition Corp., Westbrook Marketing Limited Partnership (formerly Elbow River Marketing Limited Partnership), 1159002 Alberta Ltd. (formerly Elbow River Marketing Corp.), Meota 2000 Partnership, Pace Oil & Gas Partnership, Pace Oil Resources Ltd., and Seaview Energy Partnership (collectively the “**Debtors**”), and not in its personal capacity; **AND UPON** having read the Final Report of the Receiver dated November 3, 2017, filed (the “**Final Report**”), the Affidavit of Service of Rhonda Lastockin, filed, and the pleadings and proceedings filed herein, including the receivership order granted on November 26, 2015 (the “**Appointment Date**”); **AND UPON** hearing from counsel for the Receiver and counsel for any other interested parties appearing at the hearing of this application:

**IT IS HEREBY ORDERED AND DECLARED THAT:**

1. The time for service of this application together with all supporting materials is hereby declared to be good and sufficient and no other person is required to have been served with such documents, and this hearing is properly returnable before this Honourable Court today and further service thereof is hereby dispensed with.
2. The Receiver’s accounts for fees and disbursements, as set out in the Receiver’s Final Report are hereby approved without the necessity of a formal passing of its accounts.
3. The accounts of the Receiver’s legal counsel, <sup>Borden C.M. Jones</sup>~~Borden~~-Ladner Gervais LLP and Norton Rose Fulbright LLP, for their respective fees and disbursements, as set out in the Receiver’s Final Report are hereby approved without the necessity of a formal passing of its accounts.
4. The Receiver’s activities as set out in the Receiver’s Final Report and in all of its other reports filed herein, and the Statement of Receipts and Disbursements for the period November 26, 2015 to November 1, 2017 as set out in the Receiver’s Final Report, are hereby ratified and approved.
5. The Receiver is hereby authorized and directed to make a distribution to the National Bank of Canada, in its capacity as administrative agent under that certain amended and restated credit agreement dated June 30, 2015, as amended, for a syndicate of lenders (the “**Syndicate**”), in the amount of \$275,000.

6. The Receiver is hereby authorized to maintain a holdback fund of \$133,441 to be paid to the account of the Receiver, to the extent actually incurred for the completion of the administration of the estate of the Debtors, including, but not limited to, additional Receiver's and legal counsel's fees in the amount of \$57,000 where such expenses are necessary for the completion of the administration of the estate of the Debtors.
7. The Receiver is hereby directed to distribute all held back amounts not actually incurred for the completion of the administration of the estate of the Debtors to the Syndicate.
8. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of any fraud, gross negligence or willful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing, any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred.
9. No action or other proceedings shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on Notice to the Receiver, and upon such terms as this Court may direct.
10. Upon the Receiver filing with the Clerk of the Court a sworn Affidavit of a licensed Trustee employed by the Receiver confirming that all matters set out in paragraph 5 of this Order have been completed, then the Receiver shall be discharged as Receiver of the Debtors, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of the Receiver in its capacity as Receiver.
11. Following the Receiver's discharge pursuant to paragraph 10 of this Order, the Receiver is authorized and directed to distribute a 30 day notice to the former directors and/or officers of Spyglass who acted up until the Appointment Date, to retrieve the Debtors' books and records, failing which the Receiver is authorized to dispose of such records at its discretion.
12. Service of this Order shall be deemed good and sufficient by serving the same on:

- a. the persons listed on the service list (attached as Schedule "A" to the Application); and
  - b. by posting a copy of this Order on the Receiver's website at:  
<http://www.ey.com/ca/spyglassresources>.
13. No other Persons are entitle to be served with a copy of this Order.
14. Service of this Order shall be deemed good and sufficient regardless of whether service is effected by PDF copy attached to email, facsimile, courier, personal deliver or ordinary mail.

"C.M. Jones"

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Justice of the Court of Queen's Bench of Alberta