COURT FILE NUMBER	1501-13786
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
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**
RESPONDENTS	**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	FIFTH REPORT OF THE RECEIVER June 27, 2016
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	RECEIVER ERNST & YOUNG INC. 2200, 215 - 2nd Street SW Calgary, AB, T2P 1M4 Neil Narfason / Cassie Riglin Telephone: (403) 206-5067 / (403) 206-5106 Email: neil.narfason@ca.ey.com cassie.riglin@ca.ey.com COUNSEL Borden Ladner Gervais LLP Josef G.A. Krüger, Q.C. / Jessica L. Cameron 1900, 520 - 3rd Avenue SW Calgary, AB, T2P 0R3 Phone: (403) 232-9563 / (403) 232-9715 Fax: (403) 266-1395 Email: jkruger@blg.com jcameron@blg.com

CLERK OF THE COURT
Filer's Stamp
JUN 27 2016
JUDICIAL CENTRE
OF CALGARY

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APPENDICIES

INTRODUCTION

1. Ernst & Young Inc. was appointed as Receiver (the "**Receiver**") of the property, assets and undertakings (the "**Property**") of 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 (collectively, "**Spyglass**", the "**Company**" or the "**Debtor**") pursuant to an Order of this Honourable Court (the "**Receivership Order**") dated November 26, 2015 (the "**Appointment Date**").

2. The Receivership Order authorized the Receiver, among other things, to carry on the business of Spyglass, to sell, convey, transfer, lease or assign the Property out of the normal course of business, subject to approval of this Honourable Court for any transactions exceeding $1.0 million, or the aggregate of multiple transactions exceeding $5.0 million, and to make such arrangements or agreements as deemed necessary by the Receiver.

3. The purpose of this fifth report (the "**Fifth Report**") of the Receiver is to provide this Honourable Court with the Receiver's comments on:

   a) The activities of the Receiver since the fourth report of the Receiver dated May 3, 2016 (the "**Fourth Report**") and to provide a statement of receipts and disbursements for the period from the Appointment Date to June 17, 2016 (the "**Reporting Period**");

   b) The proposed interim distribution from the Receiver to the National Bank of Canada as agent for a syndicate of lenders (the "**Syndicate**");

   c) The proposed lien claims process and lien claims bar date;

   d) The remaining efforts to be undertaken by the Receiver to complete the administration of the Receivership; and

   e) The Receiver's recommendations.

TERMS OF REFERENCE

4. Capitalized terms not defined in this Fifth Report are as defined in the Receivership Order.

5. All references to dollars are in Canadian currency unless otherwise noted.

BACKGROUND

6. Prior to the Receivership Order, Spyglass was engaged in the acquisition, enhancement and exploration of conventional oil and gas projects in Alberta and British Columbia. As of the granting of the Receivership Order, Spyglass had a licensed interest in approximately 2,500 producing oil wells in Alberta and participating interest in over 4,500 wells. Spyglass was the operator of its core facilities. The Debtors' operations produced approximately 9,300 barrels of oil equivalent per day in Q3 2015. The particulars of Spyglass' operations are set out at paragraphs 11 to 22 of the Receiver's First Report, dated January 20, 2016.

7. Prior to the granting of the Receivership Order, Spyglass was experiencing financial difficulties due primarily to the extended depressed market prices for oil and gas. Spyglass attempted to alleviate its financial difficulties by engaging in a broad disposition process for core and non-core assets. Due to insufficient liquidity, Spyglass was unable to continue this disposition process and unable to close a transaction, prompting its primary secured lender, the Syndicate, to successfully petition Spyglass into receivership.

8. Since its appointment, the Receiver has continued to operate Spyglass' business.

ACTIVITIES OF THE RECEIVER

Closing sale of Spyglass' assets

9. As described in the Fourth Report, the Receiver entered into a purchase and sale agreement for the sale of all of Spyglass' assets (excluding certain assets as discussed more fully below) to Sinopeak Energy Ltd. ("**Sinopeak**"), or its nominee, on May 2, 2016 (the "**Sinopeak PSA**").

10. The excluded assets related to a spill that occurred in the Rainbow Lake area in Northern Alberta on April 28, 2016. The Sinopeak PSA specifically excluded these assets but gave Sinopeak the option to purchase the assets for consideration prior to closing the transaction (the "**Option Assets**"). Details on the spill and the Option Assets are included in the Fourth Report.

11. The Sinopeak PSA is attached to the Fourth Report and was approved pursuant to an Order of this Honourable Court dated May 16, 2016.

12. Effective May 2, 2016, Sinopeak assigned the Sinopeak PSA (the "**Assignment**") to SanLing Energy Ltd. ("**SanLing**"). The Assignment provided, *inter alia*, for the following:

   a) The closing date was amended from June 30, 2016 to June 15, 2016, provided the conditions set forth in the Sinopeak PSA were satisfied;

   b) SanLing confirmed its consent to the relinquishment of operatorship in the Dixonville area by Spyglass in favour of Eagle Energy Inc. ("**Eagle**") and its consent to the entering into of an Acknowledgment and Waiver Agreement between Spyglass and Eagle with respect to operatorship by Eagle of certain properties in the Dixonville area (the "**Acknowledgement**"); and

   c) SanLing exercised the option to acquire the Option Assets.

13. On June 15, 2016 the Receiver and SanLing agreed that all seismic data was to be removed from Spyglass' servers prior to the delivery of the servers to SanLing upon closing. The agreement also provided that the Receiver will only deliver third party seismic data to SanLing upon receipt of written confirmation of a license or transfer agreement having been entered into between the third party owner of the seismic data and SanLing. In the absence of any such agreement, the agreement provided that the Receiver will not transfer third party seismic data.

14. The sale of Spyglass' assets to SanLing closed on June 15, 2016 (the "**Closing Date**") in accordance with the Assignment (the "**SanLing Transaction**"). The Receiver received aggregate proceeds of $59.7 million upon the closing of the SanLing Transaction.

15. Upon closing, Spyglass initiated the transfer of all AER licenses to SanLing and Eagle (pursuant to the Acknowledgement).

Dixonville - Eagle Energy Inc. Operatorship

16. On May 25, 2016, the Receiver and Eagle signed the Acknowledgement whereby Eagle replaced Spyglass as the Operator of the Dixonville oil assets in Northern Alberta, pursuant to the Joint Operating Agreement dated December 18, 2014, effective June 1, 2016.

Alberta Energy Regulator Bulletin 2016-16

17. On June 20, 2016 the Alberta Energy Regulator ("**AER**") issued a bulletin, whereby as a condition of transferring existing AER licences, approvals, and permits, the AER will require all transferees to demonstrate that they have a liability management ratio of 2.0 or higher immediately following the transfer. The Receiver received confirmation from the AER on June 21, 2016 that the bulletin was not applicable to the SanLing Transaction.

Employment terminations

18. In conjunction with the Acknowledgement with Eagle, Spyglass terminated five field services contractors. All field service contractors were offered contracts by Eagle. In addition, five employees resigned from Spyglass after accepting positions at Eagle, relieving the Receiver of additional termination notice requirements.

19. In conjunction with the closing of the SanLing Transaction, Spyglass terminated 51 field services contractors. 45 field service contractors were offered contracts by SanLing. In addition, Spyglass terminated the employment of all remaining employees and consultants. SanLing submitted offers to 61 former employees and consultants of Spyglass.

20. In addition, the Receiver executed a Transition Services Agreement (the "**TSA**") with SanLing to assist with the winding down of Spyglass, the transition of the Spyglass operations to SanLing and the preparation of the final statements of adjustments for the SanLing Transaction. The length of the TSA is 90 days or any period of time mutually agreed upon by the Receiver and SanLing.

21. In connection with the closing of the SanLing Transaction, the Receiver has disclaimed Spyglass' remaining offices and storage locations.

STATEMENT OF RECEIPTS & DISBURSEMENTS

22. The following is a statement of the Receiver's receipts and disbursements during the Reporting Period:

Spyglass Resources Corp. Statement of receipts and disbursements CAD$, unaudited November 26, 2015 to June 17, 2016		Exhibit 1
	Notes	
Opening cash balance		1,455,304
Receivers' certificates		7,000,000
Receipts		
Sale of assets	*a*	61,416,806
Oil and gas sales	*b*	33,882,266
Joint interest billings and rental income	*b*	4,823,017
Royalty income	*b*	244,629
Sale of surplus equipment		125,424
GST refunded		26,037
Other		8,243
		100,526,421
Disbursements		
Oil and gas operating costs	*c*	25,580,437
Salaries and benefits	*d*	7,773,109
Joint interest billings and rental payments	*c*	7,060,813
Professional fees	*e*	2,332,214
Office rent paid	*c*	1,537,471
Utilities	*c*	952,464
Royalty payments	*c*	766,275
General and administration disbursements	*c*	580,950
Insurance	*c*	492,412
Interest and bank charges paid	*f*	180,937
GST remitted		77,955
Municipal taxes		35,681
Receivership disbursements	*e*	26,115
		47,396,832
Cash on hand		61,584,892

23. Approximately $1.5 million was received from Spyglass' operating account on the Appointment Date. The Receiver did not freeze Spyglass' account upon appointment, because of the negotiations between Spyglass and the Syndicate pursuant to which Spyglass agreed not to oppose the enforcement of the Syndicate's debt, in exchange for the Syndicate and the

Receiver agreeing to not return or cancel certain outstanding payments. This arrangement was disclosed to, and approved by the Court when the Receivership Order was granted.

24. The Receiver borrowed $7.0 million (of the $10.0 million authorized in the Receivership Order) in Receivers' certificates from the Syndicate to fund the Receivership.

25. The Receiver has collected approximately $100.5 million, as follows:

a) Approximately $59.7 million from the SanLing Transaction and approximately $1.7 million from the sale of other assets pursuant to multiple Orders of this Honourable Court dated February 1, 2016 and March 7, 2016; and

b) Approximately $38.9 million from the Receiver continuing to operate Spyglass' business (including oil and gas sales, joint interest billings, rental income and royalty income).

26. The Receiver has disbursed approximately $47.4 million, as follows:

c) Approximately $37.0 million from the Receiver continuing to operate Spyglass' business. Of this amount approximately:

i. $33.4 million relates specifically to oil and gas operating costs (net of insurance recovery proceeds received), joint interest billings, rental payments and royalty payments;

ii. $1.5 million relates to office rent paid (net of subleased rental income received);

iii. $1.0 million relates to utility expenses;

iv. $0.6 million relates to general administration expenses (including internet, telephone, telecommunications, computer services, accounting services, levies and courier expenses); and

v. $0.5 million relates to insurance expenses;

d) Salaries and benefits of approximately $7.8 million (including Worker's Compensation Board disbursements);

e) Professional fees of approximately $2.3 million, of which:

i. Approximately $1.3 million relates to Receivers' fees and costs, in addition to registers on title and registration for the Receivership; and

ii. Approximately $1.0 million relates to the Receiver's counsels' fees and costs and other legal fees and costs; and

f) Interest and bank charges paid of approximately $0.2 million (net of interest income).

27. Therefore, total cash on hand held by the Receiver as at June 17, 2016 is approximately $61.6 million.

ESTIMATED COSTS TO COMPLETE RECEIVERSHIP

28. The Receiver estimates that the following estimated costs are required to complete the administration of the Receivership:

Spyglass Resources Corp.		Exhibit 2
Proposed interim distribution		
CAD$, unaudited		
	Notes	
Cash on hand		61,584,892
Anticipated receipts		
Repayment of trade vendor deposits	*a*	1,290,000
Accounts receivable collections	*b*	unknown
		1,290,000
Holdback (anticipated disbursements)		
Property taxes	*c*	3,298,363
Oil and gas operating costs to complete	*d*	3,000,000
Contingency	*e*	3,005,463
AER administrative levy	*f*	911,160
Professional fees	*g*	750,000
Liens and other priorities	*h*	1,209,906
Joint interest third party payables	*i*	700,000
		12,874,892
Proposed interim distribution		50,000,000

25. The Receiver estimates that the following estimated costs are required to complete the administration of the Receivership:

a) The Receiver issued prepayments of approximately \$1.2 million to select trade vendors who required prepayment to continue providing goods and services necessary to continue the operations of Spyglass. The Receiver requested these trade vendors to return their prepayments, as the Receiver no longer requires their services;

b) The Receiver continues to pursue the collection of accounts receivable balances owing to Spyglass. The Receiver's counsel has issued various demand letters and statements of claim to collect and settle these outstanding balances. The collectible amounts are unknown at this time;

c) Included in the interim statement of adjustments ("**ISOA**") for the SanLing Transaction was approximately \$3.3 million in relation to property taxes due in June and July 2016 (which was collected along with the proceeds upon closing). As such, the Receiver has already collected these amounts and will remit payment to the appropriate municipalities when due;

d) Operating costs to complete the Receivership of \$3.0 million. The SanLing Transaction has closed; however, the final statement of adjustments ("**FSOA**") for the sale is not due until approximately 90 days after the Closing Date. As a result, the Receiver will collect revenue during this period and pay for certain operating costs on behalf of SanLing. The net effect of these transactions will be settled by way of the FSOA. It is currently estimated that the Receiver will be in a payable position to SanLing when the FSOA is settled. The costs to complete include the following items:

i. Oil and gas operating costs, joint interest payments, rental payments and royalties (net of receipts from oil and gas sales, joint interest billings, rental income and royalty income);

ii. General and administration expenses; and

iii. Expenses pertaining to the TSA executed by the Receiver and SanLing, whereby services provided to SanLing by the Receiver, services provided to the Receiver by SanLing employees, intellectual property matters and rent are resolved at an agreed upon rate.

e) The Receiver will hold back a contingent reserve (the "**Reserve**") of approximately $3.0 million which will be sufficient to fully settle any additional priority claims and unforeseen costs to complete the administration of the Receivership. Excess funds held by the Receiver at the completion of the Receivership and after the settlement of claims in priority to the Syndicate will be distributed to the Syndicate;

f) Also included in the ISOA for the SanLing Transaction was approximately $1 million in relation to the AER administrative levy. As such, the Receiver has already collected this amount and will remit payment to the AER when due;

g) Professional fees of $0.7 million, include outstanding professional fees incurred to date and estimated costs of the Receiver and Receiver's counsel to complete the administration of the estate;

h) Liens claims payable and other priorities. There are currently approximately $0.6 million of lien claims filed which are known by the Receiver. The Receiver and the Receiver's counsel anticipate additional liens claimed which are estimated to be a further $0.5 million. The Receiver is applying for approval of a lien claims process more fully detailed below. Additionally, there is $145,000 of pre-receivership GST owing to the Canada Revenue Agency; and

i) In its capacity as operator of certain properties and facilities, Spyglass was responsible for payment of third party vendors' invoices ("**Third Party Payable(s)**") on behalf of itself and its joint venture partners. Spyglass would historically remit 100% payment to the third party vendors and collect its' joint venture partner's share through joint interest billings. As at the Appointment date, some Third Party Payables were stayed as a result of the stay of proceedings in the Receivership Order and therefore not paid. Subsequently, payments were received by Spyglass from its' joint venture partners for their portion of the Third Party Payables. These amounts have been held by the Receiver and will be remitted to the third party vendors.

INTERIM DISTRIBUTION

26. The Receiver has obtained an independent security review from BLG, (the "**Security Review**"), indicating that the security granted by Spyglass to the Syndicate constitutes a valid and enforceable first charge security over all present and after acquired assets and undertakings of Spyglass, subject to certain priority registrations which include liens, and which the Receiver will review and deal with by way of the proposed Reserve. As of the Appointment Date, Spyglass owed the Syndicate approximately $171.9 million excluding interest and professional fees accrued during the Reporting Period. In addition the Receiver borrowed $7.0 million in Receiver's Certificates to fund the Receivership.

27. The Security Review also indicates that there are no subordinated secured creditors, other than two parties whose registrations appear to be limited in nature to specific assets. The Receiver is investigating these registrations but does not believe them to impact on the priority of the Syndicate's security or the proposed Interim Distribution contemplated.

28. The Receiver is proposing to make an interim distribution (the "**Interim Distribution**"), as shown above in Exhibit 2, to the Syndicate of $50.0 million, to be applied first to the Receivers' certificates and second to the secured debt. The Interim Distribution contemplates the Reserve, which will provide sufficient funds to cover other priority claims and the remaining administration of the Receivership. Excess funds held by the Receiver at the completion of the Receivership and after the settlement of claims in priority to the Syndicate will be distributed to the Syndicate.

PROPOSED LIEN CLAIMS PROCESS

29. The Syndicate's security includes certain registrations against the Debtors' real property interests at the Land Titles Registrar and the Debtors' mineral interests at the Department of Energy.

30. Several lien claims have been registered against the Debtors' lands and mineral interests, which now attach to the sale proceeds arising from the SanLing Transaction. The lien claims the Receiver has received to date total $566,500.17. BLG is in the process of reviewing the lien claims received to determine whether they are valid, enforceable and payable in the circumstances.

31. Prior to completing the SanLing Transaction, the Debtors' mineral interests were extensive, comprising over 4,200 mineral interests on 6,000 pages of registrations. It is uneconomic for the Receiver to conduct a search of each of the Debtors' prior mineral interest. As a result, the Receiver is proposing the following lien claims process.

Claims process

32. In order to ensure that the Receiver has received all lien claims that have been registered against the Debtors' mineral interests, the Receiver is proposing to establish a liens claim bar date of August 22, 2016 (the "**Claims Bar Date**").

33. The Claims Bar Date was arrived at as being the date which is 90 days from November 25, 2015 (limitation for registering a lien against oil and gas properties), plus an additional 180 days (limitation for commencing statement of claim and filing certificate of lis pendens ("CLP")). As such, the Claims Bar Date incorporates the substantive lien rights pursuant to the *Builders' Lien Act* (Alberta) and only abrogates the procedural service provisions of the *Alberta Rules of Court* and the British Columbia *Supreme Court Civil Rules*.

34. The Receiver proposes to notify potential lien claimants of the Claims Bar Date by:

  a) Placing advertisements in the *Globe and Mail*, the *Calgary Herald* and the *Daily Oil Bulletin* (as per Appendix A);

  b) Sending a notice to all of the Debtors' known creditors (as per Appendix B); and

  c) Placing a copy of the notice on the Receiver's website established in respect of these proceedings.

35. Establishing the Claims Bar Date is the most efficient and cost-effective mechanism to ensure that all lien claims have been accounted for and proper distributions made.

Claims resolution

36. All lien claimants, whether known or unknown, shall be required to deliver to the Receiver, in accordance with the timelines set-out herein, a Proof of Claim Form and an Affidavit of Truth of Proof of Claim Form, which shall operate as the lien claimants' Affidavit to Prove Lien in accordance with section 48 of the *Alberta Builder's Lien Act* and similar to the information contained in the action to enforce claim of lien pursuant to section 33 of the *BC Builder's Lien Act*.

37. Any person who claims to have a lien claim shall prepare a Proof of Claim (as per Appendix C) and an Affidavit of Truth of Proof of Claim Form (as per Appendix D) and serve it on the Receiver on or before 5:00 p.m. Calgary time, on the Claims Bar Date.

38. Any lien claim not submitted in accordance with this procedure by the Claims Bar Date or otherwise allowed by the claims process, shall be forever barred, released and extinguished.

39. The Receiver may question lien claimants who submit a Proof of Claim Form to it by way of oral examinations or written interrogatories, as arranged between the Receiver and the subject lien claimant. Any lien claimant who receives a list of written interrogatories from the Receiver shall have five business days to reply to the Receiver and furnish the Receiver with any requested documentation.

40. The Receiver shall have until October 19, 2016, or such later date as may be reasonably required by the Receiver, to review the Proofs of Claim and the Receiver may allow or disallow all or any portion of a lien claim, and communicate any disallowance of a lien claim to the lien claimant (a "**Notice of Revision or Disallowance**") (as per Appendix E). The Notice of Revision or Disallowance shall be final, binding and conclusive.

41. Any lien claimant will have ten business days from the date of receipt of a Notice of Revision or Disallowance to file and serve on the Receiver's counsel, Borden Ladner Gervais LLP, 1900, 520 - 3rd Avenue SW, Calgary, AB, T2P 0R3, (email: jkruger@blg.com/jcameron@blg.com), Attention: Josef G.A. Krüger, Q.C. and Jessica L. Cameron, a Notice of Dispute of the Notice of Revision or Disallowance (a "**Notice of Dispute**") (as per Appendix F).

42. To the extent necessary to determine any unresolved disputed lien claims, the Receiver shall file and serve an application on those lien claimants where disputes remain, within fifteen days of receipt of any Notice of Dispute, or after giving notice to the lien claimant, such later date as may be reasonably required by the Receiver to prepare its application materials. Any such application may be adjourned by consent to a convenient time.

43. Where a lien claim has been allowed by the Receiver in accordance with this Order, such lien claim shall constitute such lien claimant's proven claim for the purposes of these proceedings, provided that the allowance of any claim or other determination of same in accordance with this Order, in full or in part, shall not constitute any admission of any fact, thing, liability, or quantum or status of any claim by any person for any purpose other than the within proceedings.

Comments on the proposed claims process

44. The Receiver is of the view that the Lien Claims Process is necessary to:

  a) Determine the validity of lien claims against the Debtor; and

  b) Allow for the timely distribution of the undistributed proceeds held by the Receiver to those lien claimants with valid and enforceable lien claims.

COMPLETION OF RECEIVERSHIP

45. The Receiver has to complete the following tasks to complete the administration of the Receivership:

  a) Finalize outstanding litigation;

  b) Complete the FSOA;

  c) Complete administration of the Lien Claim Process; and

  d) Complete final administration and wind down.

RECOMMENDATIONS

46. The Receiver recommends that this Honourable Court approve the:

a) Interim Distribution to the Syndicate; and

b) Lien Claims Process.

All of which is respectfully submitted this 27th day of June, 2016.

ERNST & YOUNG INC.
in its capacity as Court Appointed
Receiver of Spyglass

Cassie Riglin

Neil Narfason, CA, CIRP, CBV	Cassie Riglin, CA
Senior Vice-President	Senior Manager

APPENDIX “A”

Appendix "A":
Form of Advertisement
Lien Claims Process

On November 26, 2015, the Alberta Court of Queen's Bench (the "**Court**") granted a receivership order (the "**Receivership Order**") respecting 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 (collectively the "**Debtors**"). Pursuant to the Receivership Order, Ernst & Young Inc. was appointed as receiver (the "**Receiver**") of the Debtors.

On July 6, 2016, the Court granted a further order prescribing a process by which the identity and status of all creditors with a lien claim against the Debtors, and the amounts of such lien claims, will be established for purposes of the Receivership Proceedings (the "**Lien Claims Process Order**"). A copy of the Lien Claims Process Order may be viewed at www.ey.com/ca/spyglassresources.

Subject to paragraphs 2(d) and 2(e) of the Lien Claims Process Order, any person having a lien claim against the Debtors must send a Proof of Claim and an Affidavit of Truth of Proof of Claim to the Receiver to be received no later than 5:00 p.m. (Mountain Time) on August 22, 2016 (the "**Claims Bar Date**").

All Proofs of Claim and Affidavits of Truth of Proof of Claim should be delivered by registered mail, personal delivery, courier, email (in PDF format) or facsimile transmission to:

Ernst & Young Inc.
Attention: Jessica Caden
Calgary City Centre
2200-215 2nd Street SW
Calgary AB, T2P 1M4
Email: Jessica.Caden@ca.ey.com
Fax: (403) 206-5075

Copies of the Proof of Claim form and Affidavit of Truth of Proof of Claim form may be downloaded at www.ey.com/ca/spyglassresources.

WARNING: CLAIMS NOT SUBMITTED IN ACCORDANCE WITH THIS PROCEDURE BY THE CLAIMS BAR DATE WILL BE FOREVER BARRED, RELEASED AND EXTINGUISHED.

For further information regarding the Liens Claims Process, please visit the Receiver's website at: www.ey.com/ca/spyglassresources.

APPENDIX "B"

Appendix "B"

NOTICE TO POSSIBLE LIEN CLAIMANTS OF SPYGLASS RESOURCES CORP. ET AL

On November 26, 2015, the Alberta Court of Queen's Bench (the "**Court**") granted a receivership order (the "**Receivership Order**") respecting 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 (collectively the "**Debtors**"). Pursuant to the Receivership Order, Ernst & Young Inc. was appointed as receiver (the "**Receiver**") of the Debtors.

On July 6, 2016, the Court granted a further order prescribing a process by which the identity and status of all creditors with a lien claim against the Debtors, and the amounts of such lien claims, will be established for purposes of the Receivership Proceedings (the "**Lien Claims Process Order**"). A copy of the Lien Claims Process Order may be viewed at www.ey.com/ca/spyglassresources.

Subject to paragraphs 2(d) and 2(e) of the Lien Claims Process Order, any person having a lien claim against the Debtors must send a Proof of Claim and an Affidavit of Truth of Proof of Claim to the Receiver to be received no later than 5:00 p.m. (Mountain Time) on August 22, 2016 (the "**Claims Bar Date**").

All Proofs of Claim and Affidavits of Truth of Proof of Claim should be delivered by registered mail, personal delivery, courier, email (in PDF format) or facsimile transmission to:

Ernst & Young Inc.
Attention: Jessica Caden
Calgary City Centre
2200-215 2nd Street SW
Calgary AB, T2P 1M4
Email: Jessica.Caden@ca.ey.com
Fax: (403) 206-5075

A copy of the Proof of Claim form and Affidavit of Truth of Proof of Claim form are enclosed; however, further copies of the Proof of Claim form and Affidavit of Truth of Proof of Claim form may be downloaded at www.ey.com/ca/spyglassresources.

Questioning on Proof of Claim Form

The Receiver may question parties who submit a Proof of Claim form to it by way of oral examinations or written interrogatories, as arranged between the Receiver and the lien claimant. Any lien claimant who receives a list of written interrogatories from the Receiver shall have five (5) business days to reply to the Receiver and furnish the Receiver with any requested documentation.

Notice of Revision or Disallowance

Where a Proof of Claim is sent, the Receiver will review the Proof of Claim for validity and priority to determine whether such lien claim is payable, and the Receiver shall provide to the claimant a notice in writing by registered mail, by courier service, email or facsimile, as to whether the lien set out in the Proof of Claim is accepted, disputed in whole, or disputed in part. Where the lien is disputed in whole or in part, the Receiver will issue a Notice of Revision or Disallowance indicating the reasons for the revision or disallowance of the lien claimant's lien.

Notice of Dispute by Claimant

Where a claimant disputes a Notice of Revision or Disallowance, the claimant must notify the Receiver of the dispute within ten (10) business days, by completing and delivering a Notice of Dispute to the Receiver's counsel by registered mail, courier service, email or facsimile as follows:

Borden Ladner Gervais LLP
Attention: Josef G.A. Krüger, Q.C. & Jessica L. Cameron
Centennial Place, East Tower
1900, 520-3rd Ave SW
Calgary AB, T2P 0R3
Email: jkruger@blg.com/jcameron@blg.com
Fascimile: (403) 266-1395

If necessary to determine any unresolved disputed lien claims, the Receiver shall file and serve an application within fifteen (15) days of receipt of a Notice of Dispute, or on notice to the claimant, such later date as may be reasonably required by the Receiver to prepare its application materials.

A copy of the Notice of Dispute form will be enclosed with the Notice of Revision or Disallowance; however, further copies of the Notice of Dispute form may be downloaded at www.ey.com/ca/spyglassresources.

WARNING: CLAIMS NOT SUBMITTED IN ACCORDANCE WITH THIS PROCEDURE BY THE CLAIMS BAR DATE WILL BE FOREVER BARRED, RELEASED AND EXTINGUISHED.

If you have any questions regarding the lien claims process or the attached materials, please contact Jessica Caden of Ernst & Young Inc. at (403) 206-5153.

Dated the ___ day of July, 2016 in Calgary, Alberta

Ernst & Young Inc., in its capacity as the court
appointed Receiver of Spyglass Resources Corp.,
et al, and not in its personal or corporate capacity

____
Neil Narfason, CA, CIRP, CBV
Senior Vice-President

APPENDIX “C”

Appendix "C"

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

IN THE MATTER OF SPYGLASS RESOURCES CORP. ("SPYGLASS"), 1196823 ALBERTA LTD., 1288916 ALBERTA LTD., 1398850 ALBERTA LTD., 15836621 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")

Proof of Claim For Lien Claims Against the Debtors

Note: This form must be submitted with an accompanying Affidavit of Truth. This form must be signed by the individual who completes the form.

1. PARTICULARS OF CLAIMANT

1.1. Full Legal Name of Claimant:

____

1.2. Full Mailing Address of Claimant:

____

1.3. Contact Information:

1.3.1. Contact Person: ______________________________

1.3.2. Telephone: ______________________________

1.3.3. Fax: ______________________________

1.3.4. Email: ______________________________

2. PROOF OF CLAIM

2.1. I am the ______________________ of the Claimant;

2.2. I have knowledge of all the circumstances connected with the lien claim referred to below;

2.3. I am authorized by the Claimant to provide such information;

2.4. The Claimant asserts a lien against the following lands (referred to herein as the "**Lands**") formerly owned by Spyglass for $______________________:

____

____

____

____

2.5. The dollar amount claimed above is for materials and/or services rendered from ___________________ up to November 25, 2015.

3. PARTICULARS OF CLAIM

3.1. Please provide, in as much detail as possible, each service and/or material that was furnished:

____

____

____

____

____

3.2. Please provide, in as much details as possible, the purpose of the service and/or material that was furnished, if known:

____

____

____

____

____

3.3. Were the services and/or materials provided under a contract:

YES ☐ NO ☐

If "Yes", please provide a copy of such contract(s).

3.4. Were the services and/or materials provided evidenced by purchase orders, field tickets or change orders:

YES ☐ NO ☐

If "Yes", please provide a copy of such documentation.

3.5. Were invoices rendered for the services and/or materials provided:

YES ☐ NO ☐

If "Yes", please provide a copy of such documentation.

3.6. Has the claimant received any payment from Spyglass in relation to the services and/or materials provided:

3.6.1. Yes, the claimant has received $______________in payment from Spyglass on ________________, which i) has been incorporated in the calculation of the claimant's lien claim, or ii) reduces the lien claim to $________________. (Circle which applies, if any)

3.7. Has the claimant registered a builders' lien as a result of its claim against Spyglass:

3.7.1. Yes, the claimant registered a builders' lien on _________________, as instrument No. _________________.

Please provide a copy of such lien.

3.8. Has the claimant commenced a statement of claim as a result of its lien claim against Spyglass:

3.8.1. Yes, the claimant commenced Court of Queen's Bench Action No. _________________, on _______________________.

Please provide a copy of such statement of claim.

3.9. Has the claimant filed a certificate of lis pendens as a result of its lien claim against Spyglass:

3.9.1. Yes, the claimant filed its certificate of lis pendens on _________________, as instrument No. _________________.

Please provide a copy of such certificate of lis pendens.

3.10. Has the claimant registered its lien claim against Spyglass against any of Spyglass' mineral interests:

3.10.1. Yes, the claimant registered its lien interests with the Department of Energy on _________________.

Please provide a copy of such mineral registration.

3.11. Is the claimant aware of any subcontractor it engaged who may have a lien claim, which would be included as part of the claimant's lien claim?

YES ☐ NO ☐

If "Yes", please provide full particulars of such possible claim by a subcontractor, including contact particulars for that subcontractor.

4. FILING OF CLAIM

4.1. This Proof of Claim form, along with the accompanying Affidavit of Truth, must be received by the Receiver no later than 5:00 p.m. (Mountain Time) on August 22, 2016 (the "**Lien Claims Bar Date**"), by email, registered mail, personal delivery or fax transmission, as follows:

Ernst & Young Inc.

Attention: Jessica Caden
Calgary City Centre
2200-215 2nd Street SW
Calgary AB, T2P 1M4

Email: Jessica.Caden@ca.ey.com
Fax: (403) 206-5075

FAILURE TO DELIVER A COMPLETED PROOF OF CLAIM FORM AND AFFIDAVIT OF TRUTH TO THE RECEIVER BY THE LIEN CLAIMS BAR DATE MAY DISQUALIFY THE CLAIMANT AND EXTINGUISH THEIR LIEN RIGHTS.

Dated at ____ this ______ day of ______________, 2016.
Insert city and date of signature

____
Per:

Title

APPENDIX “D”

Form 49
[Rule 13.19]

COURT FILE NUMBER	**1501-13786**	Clerk's Stamp
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 B-3, 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**	
RESPONDENTS	**SPYGLASS RESOURCES CORP., 1196823 ALBERTA LTD., 1288916 ALBERTA LTD., 1398850 ALBERTA LTD., 15836621 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	**AFFIDAVIT OF TRUTH OF PROOF OF CLAIM FORM**	

AFFIDAVIT OF ____________________________

Sworn on ____________________, 2016

I, ________________________, of _________________________, the Claimant in the attached Proof of Claim form, MAKE OATH AND SAY THAT:

1. That Spyglass Resources Corp. ("**Spyglass**") is justly and truly indebted to the Claimant for services and/or materials that were furnished to Spyglass in the sum of $________________, as stated in the said Proof of Claim form, and that the Claimant is claiming a lien in respect of this indebtedness against certain lands as more particularly set forth in the Proof of Claim form.

2. The facts and details alleged in the said Proof of Claim form are within my own knowledge and are true.

SWORN BEFORE ME at ________________, this ___ day of _____________, 2016.	)	
____ Commissioner for Oaths in and for Alberta	)	____________________________________ Signature

APPENDIX “E”

Appendix "E"

NOTICE OF REVISION OR DISALLOWANCE

SPYGLASS RESOURCES CORP. ("Spyglass")

Defined terms not defined in this Notice of Revision or Disallowance have the meaning ascribed to them in the Order of the Court of Queen's Bench of Alberta dated July 6, 2016 (the "Lien Claims Process Order").

Pursuant to the Lien Claims Process Order the Receiver hereby gives you notice that it has reviewed your Proof of Claim in conjunction with the Lien Claims Process and has revised or disallowed your Claim. Subject to further dispute by you in accordance with the Lien Claims Process Order, your Claim will be allowed as follows:

Claim as Submitted	Revised Claim as Accepted by Receiver

REASONS FOR THE REVISION OR DISALLOWANCE:

____

____

____

____

SERVICE OF DISPUTE NOTICES

If you intend to dispute this Notice of Revision or Disallowance, you must **within ten (10) business days after receipt of this Notice of Revision or Disallowance** deliver to the Receiver a Dispute Notice (in the form enclosed) either by prepaid registered mail, personal delivery, courier or facsimile to the address below.

Borden Ladner Gervais LLP
Attention: Josef G.A. Kruger, Q.C. / Jessica L. Cameron
Centennial Place, East Tower
1900, 520-3rd Avenue S.W.

Calgary, AB T2P 0R3
Facsimile: (403) 266-1395
Email: jkruger@blg.com/jcameron@blg.com

IF YOU FAIL TO FILE YOUR NOTICE OF DISPUTE WITHIN 10 BUSINESS DAYS AFTER RECEIPT OF THIS NOTICE OF REVISION OR DISALLOWANCE, THE VALUE OF YOUR CLAIM WILL BE DEEMED TO BE ACCEPTED AS FINAL AND BINDING AS SET OUT IN THIS NOTICE OF REVISION OR DISALLOWANCE.

Dated the ___ day of __________________, 2016 in Calgary, Alberta

Ernst & Young Inc., in its capacity as the court
appointed Receiver of Spyglass Resources Corp.,
et al, and not in its personal or corporate capacity

____
Neil Narfason, CA, CIRP, CBV
Senior Vice-President

APPENDIX “F”

Appendix "F"

NOTICE OF DISPUTE

SPYGLASS RESOURCES CORP. ("Spyglass")

Pursuant to the Lien Claims Process Order dated July 6, 2016, we hereby give you notice of our intention to dispute the Notice of Revision or Disallowance bearing Reference # ____________________ and dated ____________________, 2016, issued by Ernst & Young Inc. in its capacity as the court-appointed receiver of Spyglass in respect of your lien claim.

NAME OF CLAIMANT: ____

Reviewed Claim as Accepted	Reviewed Claim as Disputed

REASONS FOR THE DISPUTE:

____

____

____

____

Signature of Individual: ____

Date: ____

Telephone Number: ____

Facsimile: ____

Email Address: ____

Full Mailing Address: ____

THIS FORM AND ANY SUPPORTING DOCUMENTATION TO BE RETURNED BY REGISTERED MAIL, PERSONAL SERVICE, EMAIL (IN PDF FORMAT), FACSIMILE OR COURIER TO THE ADDRESS FOR SERVICE INDICATED HEREIN AND TO BE RECEIVED

BY 5:00 P.M. (MOUNTAIN TIME) ON THE DAY WHICH IS TEN (10) BUSINESS DAYS AFTER THE DATE OF THE NOTICE OF REVISION OR DISALLOWANCE

Address for Service of Notices of Dispute:

Borden Ladner Gervais LLP
Attention: Josef G.A. Kruger, Q.C. / Jessica L. Cameron
Centennial Place, East Tower
1900, 520-3rd Avenue S.W.
Calgary, AB T2P 0R3
Facsimile: (403) 266-1395
Email: jkruger@blg.com/jcameron@blg.com

IF YOU FAIL TO FILE YOUR NOTICE OF DISPUTE WITHIN TEN (10) BUSINESS DAYS AFTER RECEIPT OF THE NOTICE OF REVISION OR DISALLOWANCE, THE VALUE OF YOUR CLAIM WILL BE DEEMED TO BE ACCEPTED AS FINAL AND BINDING AS SET OUT IN THIS NOTICE OF REVISION OR DISALLOWANCE.