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COURT FILE NUMBER	1601-06131
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 CONNACHER OIL AND GAS LIMITED
DOCUMENT	SUPPLEMENT TO THE SEVENTEENTH REPORT OF THE MONITOR SEPTEMBER 28, 2018
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	<u>MONITOR</u> ERNST & YOUNG INC. Calgary City Centre 2200, 215 - 2nd Street SW Calgary, Alberta T2P 1M4 Attention: Neil Narfason / Peter Chisholm Telephone: (403) 206-5067 / (403) 206-5061 Fax: (403) 206-5075 Email: neil.narfason@ca.ey.com/ peter.chisholm@ca.ey.com <u>COUNSEL</u> McCarthy Tétrault LLP Suite 4000, 421 7th Avenue SW Calgary, Alberta T2P 4K9 Attn: Sean Collins Walker MacLeod Telephone: 403-260-3531 403-460-3710 Email: scollins@mccarthy.ca wmacleod@mccarthy.ca

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APPENDICES

PURPOSE

1. The purpose of this supplement (the "Supplement") to the seventeenth report of the Monitor (the "Seventeenth Report") is to provide this Honourable Court with the Monitor's comments on:

   a) An update on the supplemental claims process (the "Supplemental Claims Process") approved by an Order of this Honourable Court dated August 22, 2018 (the "Supplemental Claims Process Order");

   b) An update on the upcoming Creditors' Meetings scheduled for October 3, 2018;

   c) The settlement agreement dated September 25, 2018 (the "Settlement Agreement") between Connacher and the Regional Municipality of Wood Buffalo ("Wood Buffalo") attached as Exhibit 'A' to the affidavit of Jeff Beeston (Wood Buffalo Settlement Agreement Approval) sworn on September 24, 2018;

   d) The Company's forecast to actual cash flow results for the period August 4, 2018 to September 21, 2018 (the "Reporting Period");

   e) The Company's cash flow projection (the "Cash Flow Projection") for the period of September 24, 2018 to January 31, 2019 (the "Forecast Period");

   f) The Company's request for an extension of the stay period to January 31, 2019 (the "Stay Extension"); and

   g) The Monitor's recommendations.

2. Following the Creditors' Meetings currently scheduled for October 3, 2018, and prior to the sanction hearing scheduled for October 4, 2018, the Monitor will serve and file a report on the results of the Creditors' Meetings.

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

4. Capitalized terms not defined herein are as defined in the Initial Order, the Seventeenth Report, the Supplemental Claims Procedure Order, the Plan Sponsorship Agreement, CCAA Plan, Purchase Agreement or the Settlement Agreement.

TERMS OF REFERENCE AND DISCLAIMER

5. In preparing the Supplement to the Seventeenth Report, the Monitor has relied upon unaudited financial information, Connacher's records and discussions with management of Connacher.

SUPPLEMENTAL CLAIMS PROCESS UPDATE

6. On August 22, 2018, Connacher sought and obtained the Supplemental Claims Process Order approving the Supplemental Claims Process. The Supplemental Claims Process is being undertaken to determine and resolve certain claims arising against Connacher and the directors and officers of Connacher ("D&Os"), including certain claims against Connacher from the Filing Date to September 1, 2018 (the "Post-Filing Claims").

7. In order to distribute the Plan Implementation Fund to the creditors of Connacher in accordance with the CCAA Plan, the Monitor must identify Post-Filing D&O Claims and Secured Claims. In addition, the Supplemental Claims Process will assist in determining the Post-Filing Claims as required for the calculation of Existing Cash in accordance with the CCAA Plan. Additional information about the terms of the Supplemental Claims Process Order can be found in the Seventeenth Report.

Notification Process

8. The following activities were undertaken in accordance with the Supplemental Claims Process Order to notify known and potential claimants of the Supplemental Claims Procedure:

    a) The Monitor sent a Supplemental Claims Package by ordinary prepaid mail or e-mail to each potential creditor of Connacher (except creditors with known Post-filing Claims) on August 24, 2018. The Supplemental Claims Packages were sent to parties on the service list, regulatory and tax bodies and Former Employees who resigned or whose employment was terminated during the CCAA proceedings. The Former Employees also received additional information regarding the initial Claims Process Order in accordance with the Supplemental Claims Process Order;

    b) Connacher, in consultation with the Monitor, determined the Monitor notified the seven Non-Continuing Employees of the amount of their claims on August 27, 2018;

c) The Monitor published notice of the Supplemental Claims Process in the *Daily Oil Bulletin, Calgary Herald* and the *Globe and Mail (National Edition)* on August 29, 2018;

d) Connacher identified the Post-Filing Claims against Connacher as at September 1, 2018 (the "Claim Determination"), and on September 11, 2018, the Monitor sent a Claims Package by ordinary prepaid mail to all known holders of a Post-Filing Claim. The Claims Package contained a Notice of Post-Filing Claim advising the Post-Filing Claimant of their Claim Determination; and

e) The Monitor also sent a Supplemental Claims Package to any person requesting such material before the Supplemental Claims Bar Date (as defined below) or the Post-Filing Claims Bar Date (as defined below).

9. The Supplemental Claims Process contains further provisions whereby creditors who do not receive a Notice of Post-Filing Claim with a Claim Determination shall have until October 1, 2018 (the "Post-Filing Claim Bar Date") to file a Post-Filing Claim in the Supplemental Claims Process.

Supplemental Claims Bar Date

10. Any claimant wishing to assert a Secured Claim or Post-Filing D&O Claim was required to file a proof of claim with the Monitor by September 19, 2018 (the "Supplemental Claims Bar Date").

11. The Monitor received two proofs of claim from claimants asserting Secured Claims, as follows:

a) Wood Buffalo submitted a secured claim in respect of unpaid property taxes in the amount of $13,957,811.63 (the "Wood Buffalo Claim"). The Wood Buffalo Claim is described in the Settlement Agreement section below; and

b) Computershare Trust Company, NA, ("Computershare"), as trustee and parity debt representative, submitted a secured claim (as well as a Post-Filing Claim) each in the amount of not less than $178,576.19 (the "Computershare Claim"). The Computershare Claim arises from fees and expenses of Computershare incurred under the Second Lien Indenture, the Security Documents and the Intercreditor

Agreement. Connacher and the Monitor are in the process of reviewing and assessing the Computershare Claim.

12. No Post-Filing D&O Claims were filed in the Supplemental Claims Process as at the Supplemental Claim Bar Date. One Post-Filing D&O Claim was received after the Supplemental Claim Bar Date in an asserted amount of $350,000 (the "Late Claim"). The Late Claim is devoid of any supporting documentation. Based on the Monitor's discussions with Connacher, the Monitor understands that the claimant was an employee of a staffing agency that was contracted to perform services on behalf of that agency for Connacher and has never been an employee of Connacher at any time. Connacher and the Monitor will be disallowing the Late Claim on the basis that the Late Claim is not a valid Post-Filing D&O Claim. Even if the Late Claim were ultimately determined to be a valid Post-Filing D&O Claim, it would be fully secured by the Director' Charge and would be addressed by the Directors' Charge Claims Reserve under the CCAA Plan.

13. The Monitor notes that the D&O Claims filed pursuant to the previous Claims Process Order have either been resolved or withdrawn.

14. Based on the foregoing, no creditors will be prejudiced by the release of Claims against D&Os and related provisions under the CCAA Plan and the proposed Sanction Order (including the proposed channelling of claims to the applicable insurance policies) (the "D&O Release"). The Monitor is of the view that the D&O Release is appropriate in the circumstances.

Non-Continuing Employee Claims

15. Non-Continuing Employees were required to dispute their Claim Determination by no later than 15 calendar days after receipt of the Claims Package sent to the Non-Continuing Employees. The Claims Packages were sent via e-mail on August 27, 2018 by the Monitor to the Non-Continuing Employees and no Notices of Dispute were filed by the Non-Continuing Employees.

CREDITORS' MEETINGS

16. In accordance with the Creditors' Meetings Orders, the Monitor has provided the General Creditors Meeting Materials and First Lien Lenders Meeting Materials to the Affected Creditors, providing each class of Affected Creditors with the required meeting materials, and soliciting proxies and voting instructions, as applicable. The Monitor will

provide additional information regarding the notice to creditors, the conduct of the Creditors' Meetings and the outcome of the Creditors' Meetings in an additional report in advance of the hearing on the Plan Sanction Order.

17. The Monitor is of the view that to date, no unauthorized steps have been taken or have been alleged to have been taken in the CCAA Proceeding and this Court has been kept apprised of all of the key issues facing Connacher throughout the CCAA Proceeding. Connacher has complied with the requirements of the CCAA and the orders of this Honourable Court granted throughout the CCAA Proceeding.

SETTLEMENT AGREEMENT

18. Wood Buffalo filed a Secured Claim of $13,957,811.63 in the Supplemental Claims Procedure. The Wood Buffalo Claim comprises of Connacher's unpaid property taxes outstanding as at the Filing Date and property taxes accruing to December 31, 2018 plus interest and penalties. Wood Buffalo is asserting a Secured Claim pursuant to the *Municipal Government Act.*

19. In both of the Plan Sponsor Transactions, Connacher and the Plan Sponsor have agreed that one-third of Municipal Tax Claims (as defined in the CCAA Plan) for the 2018 calendar year, being the period of September 1, 2018 to December 31, 2018, are deemed to be an Unaffected Claim in the context of the CCAA Plan and an assumed obligation of the Plan Sponsor in the context of the Purchase Agreement.

20. Connacher and Wood Buffalo have entered into settlement discussions and executed the Settlement Agreement, subject to approval of this Honourable Court.

21. Key terms of the Settlement Agreement are as follows:

a) Connacher shall pay Wood Buffalo $8.0 million within five business days following Court approval of the Settlement Agreement (the "Settlement Amount") in full and final satisfaction of all amounts owing by Connacher to Wood Buffalo (the "Settled Municipal Tax Claims"), with the exception of the Unaffected Municipal Tax Claims;

b) Wood Buffalo is entitled to apply the Settlement Amount to taxes derived from the assessments of land, machinery and equipment and not in respect of linear property;

c) Following payment of the Settlement Amount to Wood Buffalo, Wood Buffalo grants Connacher, the Monitor, and their affiliates, directors, officers, advisors and certain other parties a broad full and final release of all Claims arising from or related to the Settled Municipal Tax Claims, Connacher's CCAA proceeding and the CCAA Plan;

d) The portion of the proof of claim filed by Wood Buffalo related to the Settled Municipal Tax Claims is deemed to be withdrawn and released following payment of the Settlement Amount;

e) Wood Buffalo is not prevented from continuing to assert its Unaffected Claim against Connacher, subject to and in accordance with the CCAA Plan, the Sanction Order, the Supplemental Claims Procedure Order and any other orders of this Honourable Court; and

f) Wood Buffalo is not prevented from asserting its Unaffected Municipal Tax Claims against the Plan Sponsor as an assumed obligation under the Purchase Agreement in the event that the proposed transaction is consummated.

22. The Monitor believes the Settlement Agreement reflects a fair and reasonable compromise as:

a) The Settlement Agreement and payment of the Settlement Amount by Connacher to Wood Buffalo avoids the risk of costly and protracted litigation concerning the Wood Buffalo Claim and priority entitlement;

b) Without the Settlement Agreement, the Monitor would be required to establish a reserve for the Wood Buffalo Claim under the Plan Sponsorship Agreement and the proceeds would be held until the Wood Buffalo Claim had been resolved. The Settlement Agreement will permit a more timely distribution of these proceeds to Wood Buffalo and the First Lien Lenders in accordance with the Plan Sponsorship Agreement; and

c) The First Lien Lenders and Wood Buffalo have the primary economic interest in the Settlement Agreement; under the CCAA Plan, the Secured Claims directly reduce the recovery to the First Lien Lenders. The Settlement Agreement has been approved by, and is supported by, the First Lien Agent, the Consenting First Lien Lenders, Wood Buffalo and the Monitor.

FORECAST TO ACTUAL

23. The forecast to actual analysis presented in Appendix "A" contains the actual cash receipts and disbursements for the Reporting Period as compared to the cash flow forecast presented in the Seventeenth Report of the Monitor, dated August 17, 2018.

24. The following is a summary of the forecast to actual results over the Reporting Period:

Connacher Oil and Gas Limited
Forecast to actual results
For the period of Aug. 4, 2018 to Sept. 21, 2018
CAD $000s

Table 1.0

	Forecast	Actual	Variance
Receipts	22,176	24,377	2,201
Disbursements	(21,860)	(25,665)	(3,805)
Cash flow from operations	316	(1,288)	(1,604)
Restructuring costs	(213)	(584)	(372)
Net change in cash	103	(1,872)	(1,975)
Opening unrestricted cash	45,258	45,258	
Ending unrestricted cash	45,361	43,386	
Restricted cash	7,200	7,200	
Total ending cash	52,561	50,586	

25. As set out in the table above, Connacher's total receipts for the Reporting Period were $24.4 million, approximately $2.2 million higher than forecast. Of this variance, $1.0 million relates to GST on crude sales, which was not included in Connacher's forecasted cash receipts given GST is collected and then remitted. The remaining $1.2 million primarily relates to the settlement of Connacher's July 2018 hedges. The realized loss on July 2018 hedges was included in cash receipts as a cash outflow in Connacher's forecast; however, the actual realized loss was recorded as a disbursement, as discussed below.

26. Connacher's total disbursements during the Reporting Period were $25.7 million, which is $3.8 million greater than forecast. Higher than forecasted expenditures are primarily attributable to the realized loss on Connacher's July 2018 hedges and payment for the early termination of Connacher's August and September 2018 hedges.

27. Connacher has funded and continues to hold \$7.2 million in a segregated bank account to be held as restricted cash for shut-in costs, as described in the Proposed Monitor's Report, dated May 16, 2016, and as directed in the Initial Order.

28. The ending net cash balance at September 21, 2018 was \$50.6 million, consisting of unrestricted cash of \$43.4 million and restricted cash of \$7.2 million.

CASH FLOW PROJECTION TO JANUARY 31, 2019

29. Connacher, with the assistance of the Monitor, has prepared a Cash Flow Projection for the Forecast Period. Management has prepared this forecast based on current information available at September 21, 2018.

30. The Cash Flow Projection is presented in Appendix "B" to this Supplement to the Seventeenth Report and contains a weekly summary of the projected receipts and disbursements for the Forecast Period, up to and including January 31, 2019.

31. Table 2.0 below is a summary of the Cash Flow Projection over the Forecast Period:

Connacher Oil and Gas Limited Revised 18-week cash flow For the period of Sept. 24, 2018 to Jan. 31, 2018 *CAD \$000s*		Table 2.0
Opening unrestricted cash	*a*	45,984
Restricted cash		7,200
Total opening cash		53,184
Cash receipts		98,058
Cash disbursements		(99,724)
Cash flow from operations		(1,666)
Restructuring costs		(1,063)
Net change in cash	*b*	(2,729)
Ending unrestricted cash	*a+b*	43,255
Restricted cash		7,200
Total ending cash		50,455

32. As summarized above, and assuming implementation of the CCAA Plan is extended beyond the Outside Date (as discussed in paragraph 36 below), Connacher is projecting

receipts of $98.1 million and cash disbursements of $99.7 million over the Forecast Period.

33. The significant assumptions applied by Connacher's management to prepare the Cash Flow Projections are generally consistent with the Seventeenth Report and have been updated for adjustments relating to timing of receipts and disbursements, forecast oil prices, production volume estimates, pricing based on current contract rates, changes to operating and transportation costs and general and administrative costs.

34. The Monitor has reviewed the assumptions supporting the Cash Flow Projection and believes the assumptions to be reasonable.

CONNACHER'S REQUEST FOR AN EXTENSION OF THE STAY PERIOD

35. Pursuant to an Order of this Honourable Court dated August 22, 2018, the stay period was extended until and including October 31, 2018. Connacher is seeking a Stay Extension to extend the stay period up to and including January 31, 2019, to permit the implementation of the CCAA Plan and plan distributions thereunder, and to provide flexibility in the event the Plan Sponsor extends implementation beyond the Outside Date.

36. Pursuant to the terms of the Extension Agreement, implementation of the CCAA Plan is not to occur prior to November 8, 2018, and the Outside Date for implementation of the CCAA Plan is November 15, 2018. In accordance with the Plan Sponsorship Agreement, the Plan Sponsor may, on notice to Connacher and the Monitor, extend the Outside Date up to two consecutive times for a period of 30 days each (or until, at latest, January 15, 2019) if the required People's Republic of China approvals and approvals under the *Competition Act* (Canada) remain outstanding. An additional $1.5 million deposit is required to be paid by the Plan Sponsor in advance of each requested extension.

37. The Monitor understands that the Plan Sponsor, First Lien Agent and the Consenting First Lien Lenders are supportive of the proposed Stay Extension.

38. Connacher is forecast to have sufficient liquidity to operate during the period covered under the proposed Stay Extension.

39. In the Monitor's view, Connacher is acting in good faith and with due diligence.

RECOMMENDATIONS

40. The Monitor respectfully recommends that this Honourable Court approve:

   a) The Settlement Agreement; and

   b) The Stay Extension.

41. The Monitor will serve and file an additional report with its recommendations on the Plan Sanction Order after the October 3, 2018 Creditors' Meetings.

Dated at Calgary, this 28th day of September, 2018.

ERNST & YOUNG INC.
in its capacity as the Monitor
of Connacher Oil and Gas Limited

Neil Narfason, CA, CPA, CBV, CIRP, LIT
Senior Vice President

Peter Chisholm CA, CPA, CIRP, LIT
Vice President

APPENDIX A

Connacher Oil and Gas Limited APPENDIX A

Comparison of Forecast to Actual Cash Flows for the period of Aug. 4, 2018 to Sept. 21, 2018

CAD $ 000's

	Forecast Aug-4-18 to Sep-21-18	Actual Aug-4-18 to Sep-21-18	Variance $	*Notes*
Receipts				
Crude Sales	23,098	24,146	1,048	Note 1
Other	(922)	231	1,153	Note 2
Total Receipts	22,176	24,377	2,201	
Disbursements				
Royalties	(642)	(740)	(98)	
Oilsands operating expenses	(7,565)	(10,124)	(2,559)	Note 3
Diluent/Transportation expenses	(11,118)	(10,464)	654	Note 4
General and administrative costs	(1,249)	(3,284)	(2,035)	Note 5
Capital Expenditures	(1,287)	(1,053)	234	
Key Employee Retention Plan/LTIP	-	-	-	
Total Disbursements	(21,860)	(25,665)	(3,805)	
CASH FLOW FROM OPERATIONS	316	(1,288)	(1,604)	
Restructuring costs	(213)	(584)	(372)	
NET CHANGE IN CASH	103	(1,872)	(1,975)	
Opening cash	45,258	45,258	-	
Ending Cash	45,361	43,386	(1,975)	
RESTRICTED CASH				
Shut-down Costs	7,100	7,100	-	
BCOGC	100	100	-	
Total Restricted Cash	7,200	7,200	-	

Notes

Note 1 - Actual crude sales were higher than forecast due to GST on crude sales not being included in Connacher's forecast (i.e. as GST is collected and then remitted).

Note 2 - Other receipts were higher than forecast due to Connacher including the realized payment of July 2018 hedges in other cash receipts in the forecast (as a cash outflow), whereas the actual settlement of July 2018 hedges was recognized in operating expenses.

Note 3 - Operating expenses were higher than forecast due to the realized loss on July 2018 hedges, coupled with temporary timing differences

Note 4 - Timing differences associated with diluent and transportation purchases which are temporary in nature.

Note 5 - G&A expenses were higher than forecast due to Connacher terminating it's August and September 2018 hedges, resulting in a payment of $1.7 million

APPENDIX B

Connacher Oil and Gas Limited
Appendix B
Consolidated 18 Week Cash Flow Forecast
CAD $ 000's

	Note	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7
WEEK ENDED		28-Sep-18	05-Oct-18	12-Oct-18	19-Oct-18	26-Oct-18	02-Nov-18	09-Nov-18
Receipts								
Crude Sales		21,400	-	-	-	18,730	-	-
Other		-	-	-	-	-	-	-
Total Receipts		21,400	-	-	-	18,730	-	-
Disbursements								
Royalties		-	719	-	-	-	533	-
Oilsands operating expenses		849	10,315	1,108	1,108	1,108	2,023	764
Diluent/Transportation expenses		1,669	6,037	1,599	-	1,599	5,742	1,801
General and administrative costs		357	56	340	56	340	45	328
Capital Expenditures		208	208	208	208	208	973	973
DIP interest		-	-	-	-	-	-	-
Key Employee Retention Plan/LTIP		-	-	-	-	-	-	-
Total Disbursements		3,082	17,334	3,254	1,372	3,254	9,316	3,866
CASH FLOW FROM OPERATIONS		18,317	(17,334)	(3,254)	(1,372)	15,476	(9,316)	(3,866)
Restructuring costs		213	-	-	-	213	-	-
NET CHANGE IN CASH		18,105	(17,334)	(3,254)	(1,372)	15,264	(9,316)	(3,866)
Opening cash		45,984	64,088	46,754	43,500	42,129	57,392	48,076
Ending Cash (excluding restricted cash)		64,088	46,754	43,500	42,129	57,392	48,076	44,210
RESTRICTED CASH								
Shut-down Costs		7,100	7,100	7,100	7,100	7,100	7,100	7,100
BCOGC		100	100	100	100	100	100	100
Total Restricted Cash		7,200	7,200	7,200	7,200	7,200	7,200	7,200

Notes
Management of Connacher have prepared this forecasted cash flow statement based on probable and hypothetical assumptions detailed in the notes below.

The forecast has been prepared solely for the Company's CCAA filing to determine liquidity requirements. Since the projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Connacher Oil and Gas Limited
Appendix B
Consolidated 18 Week Cash Flow Forecast
CAD $ 000's

		Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Week 14
WEEK ENDED	*Note*	16-Nov-18	23-Nov-18	30-Nov-18	07-Dec-18	14-Dec-18	21-Dec-18	28-Dec-18
Receipts								
Crude Sales		-	-	20,100	-	-	-	18,898
Other		-	-	-	-	-	-	-
Total Receipts		-	-	20,100	-	-	-	18,898
Disbursements								
Royalties		-	-	-	551	-	-	-
Oilsands operating expenses		764	764	764	2,314	960	960	960
Diluent/Transportation expenses		-	1,801	-	5,901	1,529	-	1,529
General and administrative costs		45	45	328	73	357	73	357
Capital Expenditures		973	973	973	725	725	725	725
DIP interest		-	-	-	-	-	-	-
Key Employee Retention Plan/LTIP		-	-	-	-	-	-	-
Total Disbursements		1,782	3,582	2,065	9,564	3,571	1,758	3,571
CASH FLOW FROM OPERATIONS		(1,782)	(3,582)	18,035	(9,564)	(3,571)	(1,758)	15,327
Restructuring costs		-	-	213	-	-	-	213
NET CHANGE IN CASH		(1,782)	(3,582)	17,823	(9,564)	(3,571)	(1,758)	15,115
Opening cash		44,210	42,429	38,846	56,669	47,105	43,534	41,775
Ending Cash (excluding restricted cash)		42,429	38,846	56,669	47,105	43,534	41,775	56,890
RESTRICTED CASH								
Shut-down Costs		7,100	7,100	7,100	7,100	7,100	7,100	7,100
BCOGC		100	100	100	100	100	100	100
Total Restricted Cash		7,200	7,200	7,200	7,200	7,200	7,200	7,200

Connacher Oil and Gas Limited
Appendix B
Consolidated 18 Week Cash Flow Forecast
CAD $ 000's

		Week 15	Week 16	Week 16	Week 17	Week 18	TOTAL
WEEK ENDED	*Note*	04-Jan-19	11-Jan-19	18-Jan-19	25-Jan-19	01-Feb-19	
Receipts							
Crude Sales		-	-	-	18,930	-	98,058
Other		-	-	-	-	-	-
Total Receipts		-	-	-	18,930	-	98,058
Disbursements							
Royalties		524	-	-	-	-	2,327
Oilsands operating expenses		2,384	960	960	960	2,282	32,309
Diluent/Transportation expenses		5,891	1,763	-	1,763	5,373	43,996
General and administrative costs		58	357	58	357	58	3,688
Capital Expenditures		1,990	1,990	1,990	1,990	643	17,404
DIP interest		-	-	-	-	-	-
Key Employee Retention Plan/LTIP		-	-	-	-	-	-
Total Disbursements		10,848	5,070	3,008	5,070	8,356	99,724
CASH FLOW FROM OPERATIONS		(10,848)	(5,070)	(3,008)	13,860	(8,356)	(1,666)
Restructuring costs		-	-	-	213	-	1,063
NET CHANGE IN CASH		(10,848)	(5,070)	(3,008)	13,647	(8,356)	(2,729)
Opening cash		56,890	46,042	40,972	37,964	51,611	45,984
Ending Cash (excluding restricted cash)		46,042	40,972	37,964	51,611	43,255	43,255
RESTRICTED CASH							
Shut-down Costs		7,100	7,100	7,100	7,100	7,100	
BCOGC		100	100	100	100	100	
Total Restricted Cash		7,200	7,200	7,200	7,200	7,200	