

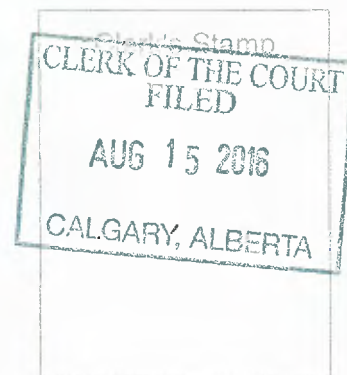
Form 27

[Rules 6.3 and 10.52(1)]

COURT FILE NUMBER 1601-06131

COURT Court of Queen's Bench of Alberta

JUDICIAL CENTRE Calgary



APPLICANT

IN THE MATTER OF THE *COMPANIES'*
CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF
CONNACHER OIL AND GAS LIMITED

DOCUMENT

APPLICATION FOR CLAIMS PROCEDURE ORDER

**ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT**

Cassels Brock & Blackwell LLP
Suite 1250, Millennium Tower
440 - 2nd Avenue SW
Calgary, AB T2P 5E9

Attn: Shayne Kukulowicz/Ryan Jacobs/Jeffrey Oliver
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skukulowicz@casselsbrock.com
rjacobs@casselsbrock.com
joliver@casselsbrock.com

NOTICE TO RESPONDENT(S):

This Application is made against you. You are a Respondent.

You have the right to state your side of this matter before the Judge.

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

Date: August 24, 2016
Time: 2:00 p.m.
Where: Calgary Courts Centre, 601 - 5 Street S.W.
Calgary, AB T2P 5P7
Before Whom: The Honourable Mr. Justice R.A. Graesser

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

Remedy claimed or sought:

1. If necessary, an Order abridging the time for service of this Application and supporting materials and declaring service to be good and sufficient;
2. An Order in substantially the form of the Claims Procedure Order attached hereto as Schedule "A" approving a claims procedure ("**Claims Procedure**") for the identification and determination of claims against the Applicant and its current and former directors and officers and requiring the submission of such claims; and
3. Such further and other relief, advice and directions as counsel may request and this Honourable Court may deem appropriate in the circumstances.

Grounds for making this Application:

4. The Applicant continues to work with the Monitor to implement the sales and investment solicitation process approved pursuant to the Initial Order granted on May 17, 2016 (the "**SISP**"). Phase II Bids (as defined in the SISP), being final binding bids, are due on August 19, 2016- the deadline was previously extended in accordance with the terms of the SISP.
5. Commencing a process to determine the nature, quantum, and validity of each claim against the Applicant and its directors and officers through the Claims Procedure, will allow the Applicant to be in a position to make informed decisions regarding bids received in the SISP and better evaluate, and ultimately implement, available restructuring options without undue delay.
6. The Applicant developed the Claims Procedure in consultation with the Monitor and the Interim Financing Agent.
7. The Monitor and the Interim Financing Agent approve the Claims Procedure and proposed Claims Procedure Order, and support this Application.
8. The Claims Procedure for which approval is sought herein is similar to claims procedures used in other proceedings under the *Companies' Creditors Arrangement Act*. The Claims Procedure is designed to create a process that will allow for a timely review and determination of all potential claims against the Applicant and its directors and officers.

9. The Claims Procedure sets September 26, 2016 at 5:00 p.m. (Calgary time) as the deadline for claimants to file a proof of claim against the Applicant or its director and officers, other than in respect of claims arising from a post-filing termination or disclaimer of a contract by the Applicant which must be filed by the later (i) 5:00 p.m. (Calgary time) on September 26, 2016 or (ii) fifteen calendar days following the termination or disclaimer.

10. The Claims Procedure appropriately balances the Applicant's need to proceed expeditiously with the need to provide creditors with appropriate notice of the requirement to file a claim.

11. The Applicant believes that the Claims Procedure will be effective and is reasonable and appropriate in these proceedings.

12. Such further and other grounds as counsel may advise and this Honourable Court may permit.

Material or evidence to be relied on:

13. The pleadings and proceedings filed in the within Action.

14. The Third Report of the Monitor, to be filed.

15. The Affidavit No. 4 of Merle Johnson, sworn on August 15, 2016, filed.

16. Such further and other material as counsel may advise and this Honourable Court may permit.

Applicable rules:

17. *Alberta Rules of Court*, AR 124/2010.

Applicable Acts and regulations:

18. The *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 as amended (the "CCAA").

19. *Judicature Act*, R.S.A. 2000, c. J-2

20. Such further and other acts and regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

21. None.

How the Application is proposed to be heard or considered:

22. In person.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

SCHEDULE "A"

COURT FILE NO. 1601-06131

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

Clerk's Stamp

APPLICANT **IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF
CONNACHER OIL AND GAS LIMITED**

DOCUMENT **CLAIMS PROCEDURE ORDER**

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

Cassels Brock & Blackwell LLP
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440 - 2nd Avenue SW
Calgary, Alberta T2P 5E9

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Tel: 403-351-2920
Fax: 403-648-1151
skukulowicz@casselsbrock.com
rjacobs@casselsbrock.com
joliver@casselsbrock.com

DATE ON WHICH ORDER WAS PRONOUNCED: August 24, 2016

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Mr. Justice R.A. Graesser

LOCATION OF HEARING: Calgary, Alberta

UPON the application of Connacher Oil and Gas Limited pursuant to the CCAA (as defined below) for an order approving a procedure for the determination and resolution of claims against the Applicant and the Directors and Officers (as defined below) and authorizing the Applicant, with the assistance of the Monitor (as defined below) to administer the said claims procedure in accordance with its terms;

AND UPON having read the Application, the Affidavit of Merle Johnson sworn August 15, 2016, the Third Report of Ernst & Young Inc., the Court-appointed monitor of the Applicant (the “**Monitor**”) to be filed, the Bench Brief of the Applicant dated August 15, 2016, and the pleadings and proceedings herein, including the Initial Order (as defined below) all filed; AND UPON hearing the submissions of counsel for the Applicant, counsel for the Monitor, counsel for the Interim Financing Agent and First Lien Agent (each as defined in the Initial Order), and counsel for the other interested parties appearing;

IT IS HEREBY ORDERED THAT:

SERVICE OF APPLICATION

1. Service of this Application and supporting documents is hereby deemed to be good and sufficient, the time for notice is hereby abridged to the time provided, and no other person is required to have been served with notice of this Application.

DEFINITIONS

2. In this Order:
 - (a) “**Accepted Claim**” means the classification and amount of the Claim of a Claimant as finally determined for voting and distribution purposes in accordance with the provisions of this Order;
 - (b) “**Administration Charge**” means the Administration Charge as defined in the Initial Order;
 - (c) “**Applicant**” means Connacher Oil and Gas Limited;
 - (d) “**BIA**” means the *Bankruptcy and Insolvency Act*, R.S.C, 1985, c. B-3, as amended;
 - (e) “**Business Day**” means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Calgary, in the Province of Alberta, Canada;
 - (f) “**Calendar Day**” means a day, including Saturday, Sunday and any statutory holidays in the Province of Alberta, Canada;
 - (g) “**CCAA**” means the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

- (h) **“CCAA Proceedings”** means the proceedings commenced by the Applicant under the CCAA in the Court, under Action No. 1601-06131;
- (i) **“Claim”** means:
 - (i) any right or claim of any Person that may be asserted or made in whole or in part against the Applicant, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including without limitation, by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, regulatory, equitable or fiduciary duty or obligation) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including, without limitation, any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof (A) is based in whole or in part on facts prior to the Filing Date, (B) relates to a time period prior to the Filing Date, or (C) is a right or claim of any kind that would be a debt provable in bankruptcy within the meaning of the BIA had the Applicant become bankrupt on the Filing Date;
 - (ii) a Restructuring Period Claim;
 - (iii) a D&O Claim;
 - (iv) a D&O Restructuring Period Claim; and
 - (v) a Secured Claim;

provided, however, that "Claim" shall not include an Excluded Claim;

- (j) **"Claimant"** means any Person asserting a Claim and includes without limitation the transferee or assignee of a Claim transfer and recognized as a Claimant in accordance with paragraph 37 hereof or a trustee, executor, liquidator, receiver, receiver and manager, or other Person acting on or behalf of or through such Person;
- (k) **"Claims Bar Date"** means 5:00 p.m. (Calgary time) on September 26, 2016, or any later date ordered by the Court;
- (l) **"Claims Package"** means the materials to be provided by the Monitor to Persons who may have a Claim, which materials shall include a blank Proof of Claim and a Proof of Claim Instruction Letter, and such other materials as the Applicant or the Monitor may consider appropriate or desirable;
- (m) **"Claims Procedure"** means the procedures outlined in this Order, including the Schedules;
- (n) **"Court"** means the Court of Queen's Bench of Alberta in the Judicial Centre of Calgary;
- (o) **"Creditors' Meeting"** means any meeting of creditors called for the purpose of considering and voting in respect of the Plan, if one is filed, to be scheduled pursuant to further order of the Court;
- (p) **"D&O Claim"** means:
 - (i) any right or claim of any Person that may be asserted or made in whole or in part against one or more Directors or Officers that relates to a Claim for which such Directors or Officers are by law liable to pay in their capacity as Directors or Officers; or
 - (ii) any right or claim of any Person that may be asserted or made in whole or in part against one or more Directors or Officers, in that capacity, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty

(including any legal, statutory, regulatory, equitable or fiduciary duty or obligation) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof, is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, including any right or ability of any Person to advance a claim for contribution or indemnity from any such Directors or Officers or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof, (A) is based in whole or in part on facts prior to the Filing Date, or (B) relates to a time period prior to the Filing Date;

- (q) **“D&O Indemnity Claim”** means any existing or future right of any Director or Officer against the Applicant which arose or arises as a result of any Person filing a Proof of Claim in respect of such Director or Officer for which such Director or Officer is entitled to be indemnified by the Applicant;
- (r) **“D&O Restructuring Period Claim”** means any right or claim of any Person against a Director or Officer in connection with any indebtedness, liability or obligation of any kind whatsoever resulting from the restructuring, disclaimer, resiliation, termination or breach by the Applicant on or after the Filing Date of any contract, lease, or other agreement or obligation, whether written or oral and whether such restructuring, disclaimer, resiliation, termination or breach took place or takes place before or after the date of this Order;
- (s) **“Director”** means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or *de facto* director of the Applicant;
- (t) **“Directors’ Charge”** means the Directors’ Charge as defined in the Initial Order;

- (u) **“Distribution Claim”** means the amount of the Claim of a Claimant as finally determined for distribution purposes, in accordance with the provisions of this Order and the CCAA;
- (v) **“Employee Amounts”** means all outstanding wages, salaries and employee benefits (including employee medical, dental, disability, life insurance and similar benefit plans or arrangements, incentive plans, share compensation plans and employee assistance programs and employee or employer contributions in respect of pension or group savings plans, and other benefits), vacation pay, commissions, bonuses and other incentive payments, and employee expenses and reimbursements, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements, and all equivalent amounts related to individuals who perform employment-like services for the Applicant as contractors, and for greater certainty, shall not include any Claims arising from or in respect of any termination or cessation of employment of any employee of the Applicant, except to the extent covered by the KERP/LTIP Charge;
- (w) **“Excluded Claim”** shall mean:
 - (i) any claim secured by the Administration Charge, the Directors’ Charge, Interim Lenders’ Charge or the KERP/LTIP Charge;
 - (ii) any other claim secured by a Court-ordered charge in the CCAA Proceedings arising after the date of this Order;
 - (iii) any claim arising under a contract entered into by the Applicant on or after the Filing Date or with respect to goods or services provided to the Applicant on or after the Filing Date;
 - (iv) any D&O Indemnity Claim; and
 - (v) any claim in respect of Employee Amounts that become payable on or after the Filing Date, other than a Restructuring Period Claim;
- (x) **“Filing Date”** means May 17, 2016;
- (y) **“First Lien Agent”** means Wilmington Trust, National Association, in its capacity as administrative agent for the lenders under the First Lien Credit Agreement, or any successor thereto;

- (z) **"First Lien Credit Agreement"** means the first lien credit agreement dated as of May 23, 2014 among the Applicant, as borrower, the First Lien Lenders and the First Lien Agent, as amended by amendment no. 1 dated as of May 8, 2015;
- (aa) **"First Lien Lenders"** means the lenders under the First Lien Credit Agreement;
- (bb) **"Governmental Authority"** means a federal, provincial, state, territorial, municipal or other government or government department, agency or authority (including a court of law or any regulatory authority or body) having jurisdiction over the Applicant or its business;
- (cc) **"Initial Order"** means the Initial Order in the CCAA Proceedings granted by the Honourable Madam Justice Dario on the Filing Date;
- (dd) **"Interim Financing Agent"** means Wilmington Trust, National Association, in its capacity as administrative agent for the lenders under the interim revolving credit agreement dated as of May 25, 2016 among the Applicant, as borrower, the lenders party thereto and Wilmington Trust, National Association, or any successor thereto;
- (ee) **"Interim Financing Credit Agreement"** means the interim revolving credit facility credit agreement dated as of May 25, 2016 among the Applicant, as borrower, the Interim Financing Lenders and the Interim Financing Agent;
- (ff) **"Interim Financing Lenders"** means the lenders under the Interim Financing Credit Agreement;
- (gg) **"Interim Lenders' Charge"** means the Interim Lenders' Charge as defined in the Initial Order;
- (hh) **"KERP/LTIP Charge"** means the KERP/LTIP Charge as defined in the Initial Order;
- (ii) **"Known Claimant"** means:
 - (i) any Person who, based upon the books and records of the Applicant, was owed monies by the Applicant as of the Filing Date and which monies remain unpaid in whole or in part;
 - (ii) any Person who has commenced a legal proceeding in respect of a Claim or has provided the Applicant written notice of an intention to commence a

legal proceeding or a demand for payment in respect of a Claim, provided that where a lawyer of record has been listed in connection with any such proceedings, the “Known Claimant” for the purposes of any notice required herein or to be given hereunder shall be, in addition to that Person, its lawyer of record;

- (iii) any Person who was at or prior to the Filing Date party to a material lease, contract, or other agreement or obligation of the Applicant with respect to which such Person may assert a Claim; and
- (iv) any Person who is a party to a lease, contract, or other agreement or obligation of the Applicant which was restructured, terminated, repudiated or disclaimed by the Applicant between the Filing Date and the date of this Order;
- (jj) **“Monitor”** means Ernst & Young Inc., in its capacity as Court-appointed monitor of the Applicant;
- (kk) **“Monitor’s Website”** means www.ey.com/ca/connacheroilandgas;
- (ll) **“Newspaper Notice to Claimants”** means the notice for publication pursuant to paragraph 20 of this Order, substantially in the form attached as Schedule “A”;
- (mm) **“Notice of Dispute”** means the notice referred to in paragraph 28 hereof, substantially in the form attached as Schedule “E” hereto, which may be delivered to the Monitor (with a copy to the Applicant) by a Claimant disputing a Notice of Revision or Disallowance, with reasons for its dispute;
- (nn) **“Notice of Revision or Disallowance”** means the notice referred to in paragraph 27 hereof, substantially in the form of Schedule “D” hereto advising a Claimant that the Applicant has revised or rejected all or part of such Claimant’s Claim set out in its Proof of Claim;
- (oo) **“Officer”** means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of the Applicant;
- (pp) **“Person”** is to be broadly interpreted and includes any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, Governmental

Authority or any agency, officer or instrumentality thereof or any other entity, wherever situate or domiciled, and whether or not having legal status;

- (qq) **“Plan”** means any proposed plan(s) of compromise or arrangement that may be filed in respect of the Applicant pursuant to the CCAA as the same may be amended, supplemented or restated from time to time in accordance with the terms thereof;
- (rr) **“Proof of Claim”** means the aggregate of the documentation submitted by the Claimant pursuant to the Claims Procedure to evidence its Claim which shall include the Proof of Claim substantially in the form attached as Schedule “B” hereto;
- (ss) **“Proof of Claim Instruction Letter”** means the instruction letter to Claimants, substantially in the form attached as Schedule “C” hereto, regarding the completion of a Proof of Claim by a Claimant and the Claims Procedure described herein;
- (tt) **“Restructuring Period Claim”** means any right or claim of any Person against the Applicant in connection with any indebtedness, liability or obligation of any kind whatsoever resulting from the restructuring, disclaimer, resiliation, termination or breach by the Applicant on or after the Filing Date of any contract, lease, or other agreement or obligation, whether written or oral and whether such restructuring, disclaimer, resiliation, termination or breach took place or takes place before or after the date of this Order;
- (uu) **“Restructuring Period Claimant”** means any Person asserting a Restructuring Period Claim or D&O Restructuring Period Claim and includes without limitation the transferee or assignee of a Claim transfer and recognized as a Restructuring Period Claimant in accordance with paragraph 37 hereof or a trustee, executor, liquidator, receiver, receiver and manager, or other Person acting on or behalf of or through such Person;
- (vv) **“Restructuring Period Claims Bar Date”** means the later of (i) the Claims Bar Date and (ii) fifteen (15) Calendar Days after termination, repudiation or resiliation of the applicable agreement or other event giving rise to the applicable Restructuring Period Claim or D&O Restructuring Period Claim;

- (ww) **"Second Lien Indenture"** means the indenture dated as of May 8, 2015 in respect of the 12% convertible second lien notes due 2018 between the Applicant, as issuer and the Second Lien Trustee.
- (xx) **"Second Lien Notes"** means the 12% convertible second lien notes due August 31, 2018 issued pursuant to the Second Lien Indenture;
- (yy) **"Second Lien Noteholders"** means holders of the Second Lien Notes;
- (zz) **"Second Lien Trustee"** means Wilmington Trust, National Association in its capacity as trustee under the Second Lien Indenture, or any successor thereto;
- (aaa) **"Secured Claim"** means that portion of a Claim that is (i) secured by security validly charging or encumbering property or assets of the Applicant, (including statutory and possessory liens that create security interests) up to the value of such collateral, and (ii) duly and properly perfected in accordance with the relevant legislation in the appropriate jurisdiction as of the Filing Date;
- (bbb) **"Unknown Claimants"** are Claimants which are not Known Claimants or a holder of an Excluded Claim; and
- (ccc) **"Voting Claim"** means the amount of the Claim of a Claimant as finally determined for voting at the Creditors' Meeting, in accordance with the provisions of this Order and the CCAA.

GENERAL PROVISIONS

- 3. The Applicant shall have primary carriage of the Claims Procedure provided for herein.
- 4. All references as to time herein shall mean local time in Calgary, Alberta, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein.
- 5. All references to the word "including" shall mean "including without limitation".
- 6. All references to the singular herein include the plural, the plural include the singular, and any gender includes the other gender.
- 7. All Claims shall be denominated in Canadian dollars. Any Claims denominated in any Proof Claim in a foreign currency shall be converted to Canadian dollars at the Bank of

Canada's noon exchange rate in effect on the Filing Date, without prejudice to the Applicant's ability to utilize a difference exchange rate in any Plan.

8. Interest and penalties that would otherwise accrue after the Filing Date shall not be included in any Claims.
9. Copies of all forms delivered hereunder, as applicable, and determinations of Claims by the Court shall be maintained by the Monitor and, subject to further order of the Court, the applicable Claimant will be entitled to have access thereto by appointment during normal business hours on written request to the Monitor.
10. Notwithstanding anything to the contrary in this Order, in respect of any Claim that exceeds \$500,000 as submitted in a Proof of Claim, the Applicant shall consult with counsel to the First Lien Agent and the Interim Financing Agent prior to: accepting, admitting, settling, resolving, valuing, revising or rejecting such Claim; referring the determination of such Claim to the Court; appealing any determination of such a Claim by the Court or adjourning any Creditors' Meeting on account of a dispute with respect to such Claim.
11. Any Person with an Excluded Claim shall not be required to file a Proof of Claim in this process in respect of such Excluded Claim, unless required to do so by further order of the Court, nor shall the Monitor be required to send a Claims Package to Persons that only have Excluded Claims.

MONITOR'S ROLE

12. The Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA and under the Initial Order, shall assist the Applicant in connection with the administration of the Claims Procedure, including the sending of applicable notices and such other assistance as requested by the Applicant from time to time, and is hereby directed and empowered to take such other actions and fulfill such other roles as are expressly contemplated by this Order.
13. In carrying out the terms of this Order, the Monitor shall:
 - (a) have all of the protections given to it by the CCAA, the Initial Order, and this Order, or as an officer of the Court, including the stay of proceedings in its favour;
 - (b) incur no liability or obligation as a result of the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part;

- (c) be entitled to rely on the books and records of the Applicant and any information provided by the Applicant, all without independent investigation; and
- (d) not be liable for any claims or damages resulting from any errors or omissions in such books, records or information, save and except for any gross negligence or wilful misconduct on its part.

CLAIMS PROCEDURE FOR KNOWN CLAIMANTS

(i) Disclaimers and Resiliations

- 14. Any notices of disclaimer or resiliation delivered to a Person by the Applicant after the date of this Order shall be accompanied by a Claims Package.
- 15. Any Claimant that wishes to assert a Restructuring Period Claim or D&O Restructuring Period Claim must return a completed Proof of Claim, including all relevant supporting documentation in respect of such Restructuring Period Claim or D&O Restructuring Period Claim, in the manner set out in this Order, to the Monitor such that it is received by the Monitor by no later than 5:00 p.m. on the Restructuring Period Claims Bar Date.

(ii) Notice of Claims to Known Claimants

- 16. The Monitor shall send a Claims Package to each of the Known Claimants by prepaid ordinary mail to the last known address or by electronic mail as soon as practicable after entry of this order and before 11:59 p.m. on August 31, 2016.
- 17. Any Claimant that wishes to assert a Claim (other than a Restructuring Period Claim or D&O Restructuring Period Claim) must return a completed Proof of Claim, including all relevant supporting documentation in respect of such Claim, in the manner set out in this Order, to the Monitor such that it is received by the Monitor by no later than 5:00 p.m. on the Claims Bar Date.

(iii) Proofs of Claim in Respect of the First Lien Credit Agreement and the Second Lien Indenture

- 18. Notwithstanding any other provision of this Order, the Interim Financing Agent, the First Lien Agent, the Second Lien Agent, the Interim Financing Lenders, the First Lien Lenders and the Second Lien Noteholders shall not be required to file proofs of claim in respect of Claims for principal, fees, interest and other charges arising under the Interim Financing Credit Agreement, the First Lien Credit Agreement and the Second Lien Indenture. The Monitor shall not be required to deliver a Claim Package to the Interim Financing Agent,

the First Lien Agent or the Second Lien Trustee, or any individual Interim Financing Lenders, First Lien Lenders or Second Lien Noteholders. The Monitor and the Applicant may disregard any Proofs of Claim filed by any of the Interim Financing Agent, the First Lien Agent, the Second Lien Agent, the Interim Financing Lenders, the First Lien Lenders and the Second Lien Noteholders claiming debt arising under the Interim Financing Credit Agreement, the First Lien Credit Agreement or the Second Lien Indenture and any such Proofs of Claim shall be ineffective for all purposes.

19. Within (fourteen) 14 Business Days of the date of this Order, the Applicant shall send to the First Lien Agent and the Second Lien Trustee (as representatives of their respective lenders), a notice stating the amounts (including any accrued amounts) owing by the Applicant under the First Lien Credit Agreement and the Second Lien Indenture, respectively, up to the Filing Date. The First Lien Agent and the Second Lien Trustee shall each confirm to the Applicant and the Monitor whether such amounts are accurate within fifteen (15) Calendar Days of receipt of the Applicant's notice. If the First Lien Agent or the Second Lien Trustee, as applicable, confirm such amounts or, in the absence of any response by the First Lien Agent or Second Lien Trustee, as applicable, such amounts shall be deemed to be the amounts (including any accrued amounts) owing by the Applicant under the First Lien Credit Agreement or Second Lien Indenture, as applicable, for the purposes of voting and distributions under the Plan, unless the amounts of such Claims are otherwise agreed to in writing by the Applicant, the First Lien Agent or Second Lien Trustee (as applicable) and the Monitor, in which case such agreement shall govern. If the First Lien Agent or the Second Lien Trustee, as applicable, indicates that it disputes the amounts (including any accrued amounts) owing by the Applicant under the First Lien Credit Agreement or Second Lien Indenture, as applicable, such amounts shall be determined by the Court for purposes of voting and distribution under the Plan, unless the amounts of such Claims are otherwise agreed to in writing by the Applicant, the First Lien Agent or Second Lien Trustee (as applicable) and the Monitor, in which case such agreement shall govern. Provided that the First Lien Agent or the Second Lien Trustee, as applicable, provides all of its lenders with a copy of the Applicant's notice and does not receive an objection from the requisite majority of lenders pursuant to the First Lien Credit Agreement or Second Lien Indenture, as applicable, within ten (10) Calendar Days following the date the Applicant's notice is provided to the lenders by the First Lien Agent or Second Lien Trustee, as applicable, the First Lien Agent or the Second Lien Trustee, as applicable, shall incur no liability in connection with confirming to the Applicant and the Monitor that the amounts set out in the Applicant's notice are accurate or failing to respond with fifteen (15) Calendar Days

following receipt of the Applicant's notice, save and except for any gross negligence or wilful misconduct on its part.

CLAIMS PROCEDURE FOR UNKNOWN CLAIMANTS

(i) Notice of Claims

20. The Monitor will cause the Newspaper Notice to Claimants to be published on two separate dates prior to August 31, 2016 in each of the *Daily Oil Bulletin*, *Calgary Herald* and the *Globe and Mail* (National Edition). The Monitor will also post electronic copies of the Newspaper Notice to Claimants, the Claims Package, and this Order on the Monitor's Website as soon as practically possible after the date on which this Order is granted.
21. In addition, the Monitor shall send a Claims Package to any Unknown Claimant who requests these documents from the Monitor or the Applicant, prior to the Claims Bar Date or the Restructuring Period Claims Bar Date as applicable. Any such Unknown Claimant must return a completed Proof of Claim, including all relevant supporting documentation in respect of such Claim, in the manner set out in this Order, to the Monitor by no later than the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable.

PROOFS OF CLAIMS - GENERAL

22. Any Person wishing to assert a Claim against the Applicant shall include any and all Claims asserted against the Applicant in a single Proof of Claim. Any Person wishing to assert a Claim against the Directors or Officers shall include any and all Claims asserted against the Directors or Officers in a single Proof of Claim. In the event that the Claimant wishes to assert a Restructuring Period Claim against the Applicant or a D&O Restructuring Period Claim against the Directors or Officers, such Person may file an additional Proof of Claim, as appropriate.
23. To the extent that any D&O Claim and/or D&O Restructuring Period Claim is filed in accordance with this Claims Procedure, a corresponding D&O Indemnity Claim shall be deemed to have been timely filed in respect of each of the D&O Claim and/or D&O Restructuring Period Claim respectively. For the avoidance of doubt, Directors and Officers shall not be required take any action or to file Proof of Claim in respect of such D&O Indemnity Claim.

CLAIMS BAR DATE, ADJUDICATION AND RESOLUTION OF CLAIMS

(i) Barring of Claims

24. Any Claimant that does not return a Proof of Claim to the Monitor by the Claims Bar Date (or, for a Claimant asserting a Restructuring Period Claim or D&O Restructuring Period Claim, by the Restructuring Period Claims Bar Date), unless otherwise ordered by the Court, shall:
- (a) not be entitled to vote at any Creditors' Meeting in respect of such Claim;
 - (b) not be entitled to receive any distribution or dividend in respect of such Claim, including under any Plan;
 - (c) not be entitled to any further notice in, and shall not be entitled to participate as a Claimant or creditor in, the CCAA Proceedings in respect of such Claim;
 - (d) be forever barred from making or enforcing any such Claim against the Applicant, its Directors and Officers, and all such Claims will be forever extinguished and barred without any further act or notification by the Applicant; and
 - (e) be forever barred from making or enforcing any such Claim as against any other Person who could claim contribution or indemnity from the Applicant, its Directors and its Officers, or any of them and all such Claims will be forever extinguished and barred without any further act or notification by the Applicant.

(ii) **Determination of Claims**

25. The Monitor shall promptly provide to the Applicant copies of all Proofs of Claim received by the Monitor.
26. The Applicant, with the assistance of the Monitor, shall review all Proofs of Claim received by the Claims Bar Date or the Restructuring Period Claims Bar Date and shall accept, revise or disallow the amount of each Claim for voting and/or distribution purposes. In accepting, revising or disallowing any Claim, the Applicant, with the assistance of the Monitor, shall take account of and determine the presence and amount, if any, of any set-off or counterclaim relating to such Claim. With respect to any Proofs of Claim with respect to D&O Claims or D&O Restructuring Period Claims, the Applicant shall consult with the applicable Directors and Officers regarding such Proofs of Claim.
27. The Monitor shall thereafter notify each Claimant who has delivered a Proof of Claim as to whether such Claimant's Claim as set out therein has been revised or rejected for voting purposes (and for distribution purposes if the Applicant elects to do so), and the reasons therefor, by sending a Notice of Revision or Disallowance to such Claimant (with

a copy to the Applicant). Where the Monitor does not send a Notice of Revision or Disallowance to a Claimant, the Applicant shall be deemed to have accepted such Claimant's Claim in the amount set out in that Claimant's Proof of Claim as a Voting Claim for voting purposes only, which shall be deemed to be that Claimant's Voting Claim.

28. Any Claimant who disputes the classification or amount of its Claim as set forth in a Notice of Revision or Disallowance sent pursuant to the immediately preceding paragraph shall deliver a Notice of Dispute to the Monitor (with a copy to the Applicant) by no later than 5:00 p.m. on the date that is fifteen (15) Calendar Days after deemed delivery of the Notice of Revision or Disallowance.

(iii) Resolution of Claims

29. Where a Claimant that receives a Notice of Revision or Disallowance does not return a Notice of Dispute to the Monitor by the time set out in paragraph 28 above, the classification and amount of such Claimant's Voting Claim or Distribution Claim (if the Notice of Revision or Disallowance dealt with the Distribution Claim) shall be deemed to be as set out in the Notice of Revision or Disallowance and the Claimant will be barred from disputing or appealing same.
30. Upon receipt of a Notice of Dispute, the Applicant, with the assistance of the Monitor, may attempt to consensually resolve the classification and/or amount of the Claim in dispute with the Claimant.
31. If the Applicant and the Claimant consensually resolve the classification and amount of the Claim, the Applicant shall advise the Monitor of such resolution and the Monitor shall deliver a revised Notice of Revision or Disallowance reflecting such resolution and, provided that neither of the Applicant or the Claimant advises the Monitor in writing within three (3) Business Days that such revised Notice of Revision or Disallowance is incorrect, the classification and amount of such Claimant's Voting Claim or Distribution Claim shall be deemed to be as set out in such revised Notice of Revision or Disallowance.
32. In the event that the Applicant is unable to resolve a dispute with a Claimant regarding any Voting Claim, the Applicant or the Claimant shall so notify the Monitor, and the Claimant or the Applicant, as the case may be, and any of the Applicant, the Claimant or the Monitor may thereafter make an application to the Court for the resolution of the disputed Claim. The decision as to whether the Claimant's Voting Claim should be adjudicated by the Court shall be in the sole discretion of the Applicant (subject to

consultation with the Monitor); provided, however that to the extent a Claim is referred under this paragraph to the Court, it shall be on the basis that the value of the Claim shall be resolved or adjudicated both for voting and distribution purposes (and that it shall remain open to the parties to agree that the Claimant's Voting Claim may be settled by the Claimant and the Applicant without prejudice to a future hearing by the Court to determine the Claimant's Distribution Claim). Thereafter, the Court shall resolve the dispute between the Applicant and such Claimant.

33. The Applicant, with the assistance of the Monitor, shall review and consider all Proofs of Claim filed in accordance with this Claims Procedure Order, in order to determine the Distribution Claims. The Monitor shall notify each Claimant who filed a Proof of Claim and who did not receive a Notice of Revision or Disallowance for distribution purposes pursuant to paragraph 27 hereof as to whether such Claimant's Claim as set out in such Claimant's Proof of Claim has been revised or rejected for distribution purposes, and the reasons therefor, by delivery of a Notice of Revision or Disallowance. Where the Monitor does not send a Notice of Revision or Disallowance for distribution purposes to a Claimant, the Applicant shall be deemed to have accepted the amount of such Claimant's Claim as set out in such Claimant's Proof of Claim as such Claimant's Distribution Claim.
34. Any Claimant who disputes a Notice of Revision or Disallowance for distribution purposes shall no later than fifteen (15) Calendar Days after receiving the notice referred to in paragraph 33, deliver a Notice of Dispute to the Monitor.
35. Where a Claimant that receives a Notice of Revision or Disallowance pursuant to paragraph 33 above does not return a Notice of Dispute for distribution purposes to the Monitor by the time set out in paragraph 34 above, the value of such Claimant's Distribution Claim shall be deemed to be as set out in the Notice of Revision or Disallowance for distribution purposes and the Claimant will be barred from disputing or appealing same.
36. In the event that the Applicant is unable to resolve a dispute with a Claimant regarding any Distribution Claim, the Applicant or the Claimant shall so notify the Monitor, and the Claimant or the Applicant, as the case may be, any of the Applicant, the Claimant or the Monitor may thereafter make an application to the Court for the resolution of the Distribution Claim. Thereafter, the Court shall resolve the dispute between the Applicant and such Claimant.

NOTICE OF TRANSFEREES

37. If, after the Filing Date, the holder of a Claim transfers or assigns the whole of such Claim to another Person, neither the Applicant nor the Monitor shall be obligated to give notice or otherwise deal with the transferee or assignee of such Claim in respect thereof unless and until actual notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received and acknowledged by the Applicant and the Monitor in writing and thereafter such transferee or assignee shall for the purposes hereof constitute the "Claimant" in respect of such Claim. Any such transferee or assignee of a Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance with this Order prior to receipt and acknowledgement by the Applicant and the Monitor of satisfactory evidence of such transfer or assignment. A transferee or assignee of a Claim takes the Claim subject to any rights of set-off to which the Applicant may be entitled with respect to such Claim. For greater certainty, a transferee or assignee of a Claim is not entitled to set-off, apply, merge, consolidate or combine any Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to the Applicant. Reference to transfer in this Order includes a transfer or assignment whether absolute or intended as security.
38. If a Claimant, or any subsequent holder of a Claim who has been acknowledged by the Applicant and the Monitor as the holder of such, transfers or assigns the whole of such Claim to more than one Person or part of such Claim to another Person, such transfers or assignments shall not create separate Claims and such Claims shall continue to constitute and be dealt with as a single Claim notwithstanding such transfers or assignments. The Monitor and the Applicant shall not, in each case, be required to recognize or acknowledge any such transfers or assignments and shall be entitled to give notices to and otherwise deal with such Claim only as a whole and then only to and with the Person last holding such Claim provided such Claimant may, by notice in writing delivered to the Monitor and the Applicant, direct that subsequent dealings in respect of such Claim, but only as a whole, shall be dealt with by a specified Person and in such event such Person shall be bound by any notices given or steps taken in respect of such Claim with such Claimant in accordance with the provisions of this Order.
39. Neither the Applicant nor the Monitor are under any obligation to give notice to any Person other than a Claimant holding a Claim and shall have no obligation to give notice to any Person holding a security interest, lien or charge in, or a pledge or assignment by way of security in, a Claim as applicable in respect of any Claim.

SERVICE AND NOTICE

40. The Monitor and the Applicant may, unless otherwise specified by this Order, serve and deliver any letters, notices or other documents contemplated by this Order and the Claims Procedure to Claimants, Directors or Officers, and any other interested Persons, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission to such Persons (with copies to their counsel if applicable) at the address as last shown on the records of the Applicant or set out in such Person's Proof of Claim. Any such service or notice by courier, personal delivery or electronic or digital transmission shall be deemed to have been received: (i) if sent by ordinary mail, on the third Business Day after mailing within Alberta, the fifth Business Day after mailing within Canada (other than within Alberta), and the tenth Business Day after mailing internationally; (ii) if sent by courier or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by electronic or digital transmission by 5:00 p.m. on a Business Day, on such Business Day, and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.
41. Any notice or other communication (including Proofs of Claim) to be given under this Order by any Person to the Monitor or the Applicant shall be in writing in substantially the form, if any, provided for in this Order and will be sufficiently given only if delivered by prepaid registered mail, courier, personal delivery or electronic or digital transmission addressed to the following address and any such notice or other communication by a Person shall be deemed received only upon actual receipt thereof during normal business hours on a Business Day, or if delivered outside of a normal business hours, the next Business Day:

If to the Monitor:

Ernst & Young, Inc.

Court-appointed Monitor of Connacher Oil and Gas Limited
Calgary City Centre
2200, 215- 2nd Street S.W.
Calgary, Alberta T2P 1M4

Attention: Connacher Monitor

Tel: 403-206-5650

Fax: 403-206-5076

Email: connacher.monitor@ca.ey.com

If to the Applicant:

Connacher Oil and Gas Limited

Suite 1040, 640- 5th Avenue S.W.
Calgary, Alberta T2P 3G4

Attention: Suzanne Loov
Tel: 403-538-6223
Fax: 403-538-6225
Email: sloov@connacheroil.com

With a Copy to:

Cassels Brock & Blackwell LLP
2100 Scotia Plaza
40 King Street West
Toronto, Ontario M5H 3C2

Attention: Ryan C. Jacobs
Tel: 416-860-6465
Fax: 416-640-3189
Email: rjacobs@casselsbrock.com

42. If during any period during which notices or other communications are being given pursuant to this Order a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary mail and then not received shall not, absent further order of the Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery or electronic or digital transmission in accordance with this Order.
43. In the event that this Order is later amended by further order of the Court, the Monitor shall post such further order on the Monitor's Website and such posting shall constitute adequate notice of such amended claims procedure.

DIRECTIONS

44. Notwithstanding the terms of this Order, the Applicant and the Monitor may apply to this Court from time to time for directions from this Court with respect to this Order, or for such further Order or Orders as any of them may consider necessary or desirable to amend, supplement or clarify the terms of this Order.

SET-OFF

45. The Applicant may set-off (whether by way of legal, equitable or contractual set-off) against payments or other distributions to be made pursuant to the Plan to any Claimant, any claims of any nature whatsoever that the Applicant may have against such Claimant, however, neither the failure to do so nor the allowance of any claim hereunder shall constitute a waiver or release by the Applicant of any such claim that the Applicants may have against such Claimant.

MISCELLANEOUS

46. The Applicant, with the assistance of the Monitor, is hereby authorized to (a) use reasonable discretion as to the adequacy of compliance with respect to the manner in which any forms delivered hereunder are completed and executed, and may waive strict compliance with the requirements of this Order as to the completion and execution of such forms, and (b) request such further documentation from a Claimant that the Applicant may require in order to enable the Applicant to determine the validity of the Claim.
47. Notwithstanding any other provision of this Order, the sending of Notices to Claimants and the solicitation of Proofs of Claim, and the filing by a Person of any Proof of Claim, shall not, for that reason only, grant any Person any standing in the CCAA Proceedings or at any Creditors' Meeting or rights under any Plan.
48. Nothing in this Order shall constitute or be deemed to constitute an allocation or assignment of Claims or Excluded Claims by the Applicant into particular affected or unaffected classes for the purpose of distributions or dividends to creditors or for the purpose of any Plan.
49. Nothing in this Order shall prejudice the rights and remedies of any Directors or Officers under any existing Director and Officer insurance policy or prevent or bar any Person from seeking recourse with respect to a Claim timely filed by the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable, against or payment from any Director's and/or Officer's liability insurance policy or policies that exist to protect or indemnify the Directors and/or Officers, whether such recourse or payment is sought directly by the Person asserting a Claim from the insurer or derivatively through the Director or Officer or the Applicant; provided, however, that nothing in this Order shall create any rights in favour of such Person under any policies of insurance nor shall

anything in this Order limit, remove, modify or alter any defence to such claim available to the insurer pursuant to the provisions of any insurance policy or at law.

50. Nothing in this Order authorizes or requires the Applicant to file a Plan.
51. Notwithstanding any other provision in this Order, should the Applicant or the Monitor conclude that a Plan will not be presented, the Applicant may in its sole discretion suspend its review of Proofs of Claims or such other claims as it determines appropriate.
52. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or the United States, or in any other foreign jurisdiction, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of the Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Applicant in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.
53. This Order shall have full force and effect in all provinces and territories of Canada, outside Canada and against all Persons against whom it may be enforceable.
54. The Applicant or the Monitor may from time to time apply to this Court to amend, vary, supplement or replace this Order or for advice and direction concerning the discharge of their respective powers and duties under this Order or the interpretation or application of this Order.

SCHEDULE "A"

NEWSPAPER NOTICE TO CLAIMANTS AND OTHERS IN RESPECT OF CLAIMS

IN THE MATTER OF THE CCAA PROCEEDINGS OF CONNACHER OIL AND GAS LIMITED (the "APPLICANT")

PLEASE TAKE NOTICE that this Newspaper Notice to Claimants is being published pursuant to an order of the Honourable Mr. Justice Graesser of the Court of Queen's Bench of Alberta, Judicial Centre of Calgary, dated August 24, 2016 (the "**Claims Procedure Order**"). All capitalized terms not otherwise defined in this Newspaper Notice to Claimants shall bear the meaning given to them in the Claims Procedure Order, which is posted on the website of the Monitor at www.ey.com/ca/connacheroilandgas (the "**Monitor's Website**").

Any Person who believes he, she, or it has a Claim against the Applicant or its Directors or Officers shall submit his, her or its Claim in a Proof of Claim form (which can be found on the Monitor's Website), other than for an Excluded Claim (which includes Claims relating to the provision of goods and/or services to the Applicant on or after the Filing Date).

Proof of Claim forms can also be obtained by contacting the Monitor at the address below and providing particulars as to your name, address, facsimile number and e-mail address. Once the Monitor has this information, you will receive, as soon as practicable, a Proof of Claim form.

All Claimants must submit their Proofs of Claim by submitting them to the Monitor by no later than 5:00 p.m. (Calgary Time) on September 26, 2016 (the "Claims Bar Date**") prepaid registered mail, courier, personal delivery or electronic or digital transmission, and all Proofs of Claim must be actually received by the Monitor before the Claims Bar Date, at the following addresses:**

Ernst & Young, Inc.
Monitor of Connacher Oil and Gas Limited
Calgary City Centre
2200, 215- 2nd Street S.W.
Calgary, Alberta T2P 1M4

Attention: Connacher Monitor

Tel: 403-206-5650
Fax: 403-206-5076
Email: connacher.monitor@ca.ey.com

CLAIMS WHICH ARE NOT RECEIVED BY THE MONITOR BY THE CLAIMS BAR DATE WILL BE BARRED AND EXTINGUISHED FOREVER.

The publication of this Newspaper Notice to Claimants, the solicitation of Proofs of Claim, and/or the sending of a Proof of Claim by a Claimant to the Monitor, does not grant any Claimant or any Person standing in the CCAA Proceedings or any rights under any Plan filed in respect of the Applicant, its Directors or Officers.

SCHEDULE "B"

PROOF OF CLAIM

(See attached for instructions)

IN THE MATTER OF THE CCAA PROCEEDINGS OF CONNACHER OIL AND GAS LIMITED (the "APPLICANT")

Regarding the claim of _____ (referred to
in this form as "the Claimant"). *(name of Claimant)*

All notices or correspondence regarding this claim to be forwarded to the Claimant at the
following address:

Telephone Number: _____

Facsimile Number: _____

Attention (Contact Person): _____

Email Address: _____

*(All future correspondence will be delivered to the designated email address unless the Claimant
specifically requests that hardcopies be provided)*

☐ Please provide hardcopies of materials to the address above.

I, _____ (name of the Claimant or representative of the
Claimant), of _____ (City, Province or State) do hereby certify that:

1. I am the Claimant;

OR

I am _____ *(state position/title)* of the Claimant.

2. I have knowledge of all the circumstances connected with the claim referred to in this
form.

3. Check box against whom you make this claim.

☐ Connacher Oil and Gas Limited	☐ Directors and Officers
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The Applicant (or the Director or Officer as applicable) was, at May 17, 2016 (or, for
Restructuring Period Claimants, as at the date on which the subject agreement was disclaimed,
restructured, terminated or resiliated), and still is or are indebted to the Claimant in the sum of
CDN\$ _____ *(insert CDN \$ value of claim)* as shown by the statement of account
attached hereto and marked Schedule "A". Claims should not include the value of goods and/or
services supplied on or after May 17, 2016. **If a Claimant's claim is to be reduced by**

Title:

SCHEDULE "C"

INSTRUCTION LETTER

FOR THE CLAIMS PROCEDURE FOR CLAIMANTS (INCLUDING RESTRUCTURING PERIOD CLAIMANTS)

IN THE MATTER OF THE CCAA PROCEEDINGS OF CONNACHER OIL AND GAS LIMITED (the "APPLICANT")

PLEASE TAKE NOTICE that this Instruction Letter is being sent pursuant to an order of the Honourable Mr. Justice Graesser of the Court of Queen's Bench of Alberta, Judicial Centre of Calgary, dated August 24, 2016 (the "**Claims Procedure Order**"). All capitalized terms not otherwise defined in this Instruction Letter shall bear the meaning given to them in the Claims Procedure Order, which is posted on the website of the Monitor at www.ey.com/ca/connacheroilandgas (the "**Monitor's Website**").

Claims Procedure

This letter provides instructions for completing the Proof of Claim. A blank Proof of Claim form is included with this letter.

The Claims Procedure is intended for any Person asserting a Claim (other than an Excluded Claim) of any kind or nature whatsoever against the Applicant and/or any of its Directors and/or Officers arising before May 17, 2016, or a Restructuring Period Claim or D&O Restructuring Period Claim arising on or after May 17, 2016.

If you wish to file a Claim (including a Restructuring Period Claim or a D&O Restructuring Period Claim), you must file a Proof of Claim by the applicable deadline to avoid the barring and extinguishment of any Claim (or Restructuring Period Claim or a D&O Restructuring Period Claim) which you may have against the Applicant and/or any of its Directors and/or Officers.

If you have any questions regarding the Claims Procedure, please contact the Monitor at the following addresses:

Ernst & Young, Inc.

Monitor of Connacher Oil and Gas Limited
Calgary City Centre
2200, 215- 2nd Street S.W.
Calgary, Alberta T2P 1M4

Attention: Connacher Monitor

Tel: 403-206-5650
Fax: 403-206-5076
Email: connacher.monitor@ca.ey.com

In the case of a Claim other than a Restructuring Period Claim or a D&O Restructuring Period Claim, you are required to file a Proof of Claim, in the form enclosed herewith, and **ensure that it is received by the Monitor by 5:00 p.m. (Calgary Time) on September 26, 2016** (the "**Claims Bar Date**") to avoid the barring and extinguishment of any Claim you may have against the Applicant and/or any of its Directors and/or Officers, if any.

In the case of a Restructuring Period Claim or a D&O Restructuring Period Claim, you are required to file a Proof of Claim, in the form enclosed herewith, and **ensure that it is received by the Monitor by the later of (i) the Claims Bar Date (being 5:00 p.m. (Calgary Time) on September 26, 2016) or (ii) 5:00 p.m. on the day that is fifteen (15) Calendar Days after the termination, repudiation or resiliation of the applicable agreement in connection with the Restructuring Period Claim or the D&O Restructuring Period Claim (the "Restructuring Period Claims Bar Date")**, to avoid the barring and extinguishment of any Restructuring Period Claim you may have against the Applicant and/or any of its Directors and/or Officers, if any.

Additional Proof of Claim forms can be found on the Monitor's Website or obtained by contacting the Monitor at the address indicated above and providing particulars as to your name, address, facsimile number and e-mail address. Once the Monitor has this information, you will receive, as soon as practicable, a Proof of Claim form.

If you are submitting your Proof of Claim electronically, please submit it in PDF format and ensure the name of the file is **[legal name of creditor]poc.pdf**.

IF A PROOF OF CLAIM IN RESPECT OF YOUR CLAIM OR RESTRUCTURING PERIOD CLAIM IS NOT RECEIVED BY THE MONITOR BY THE CLAIMS BAR DATE OR THE RESTRUCTURING PERIOD CLAIMS BAR DATE, AS APPLICABLE:

- (A) YOUR CLAIM SHALL BE FOREVER **BARRED AND EXTINGUISHED** AND YOU WILL BE PROHIBITED FROM MAKING OR ENFORCING A CLAIM AGAINST THE APPLICANT AND/OR ANY OF ITS DIRECTORS AND/OR OFFICERS AND/OR AS AGAINST ANY OTHER PERSON WHO COULD CLAIM CONTRIBUTION OR INDEMNITY FROM THE APPLICANT, ITS DIRECTORS AND ITS OFFICERS;
- (B) YOU SHALL NOT BE PERMITTED TO VOTE ON ANY PLAN OF ARRANGEMENT THAT IS ADVANCED ON BEHALF OF THE APPLICANT, OR ENTITLED TO ANY FURTHER NOTICE OR DISTRIBUTION UNDER SUCH A PLAN, IF ANY;
- (C) YOU SHALL NOT BE ENTITLED TO PARTICIPATE IN ANY DISTRIBUTIONS OR DIVIDENDS TO CREDITORS OF THE APPLICANT; AND
- (D) YOU SHALL NOT BE ENTITLED TO PARTICIPATE AS A CREDITOR IN THE CCAA PROCEEDINGS OF THE APPLICANT, NOTING, HOWEVER, THAT THE SENDING OF A NOTICE TO CLAIMANT, A NOTICE TO RESTRUCTURING PERIOD CLAIMANT, THE SOLICITATION OF PROOFS OF CLAIM BY THE MONITOR OR THE APPLICANT AND/OR THE SENDING OF A PROOF OF CLAIM BY A CLAIMANT TO THE MONITOR DOES NOT GRANT ANY CLAIMANT OR ANY PERSON STANDING IN THE CCAA PROCEEDINGS OR ANY RIGHTS UNDER ANY PLAN FILED IN RESPECT OF THE APPLICANT, ITS DIRECTORS OR OFFICERS.

SCHEDULE "D"

NOTICE OF REVISION OR DISALLOWANCE

IN THE MATTER OF THE CCAA PROCEEDINGS OF CONNACHER OIL AND GAS LIMITED
(the "APPLICANT")

TO: [name and address of Claimant]

PLEASE TAKE NOTICE that this Notice of Revision or Disallowance is being sent pursuant to an order of the Honourable Mr. Justice Graesser of the Court of Queen's Bench of Alberta, Judicial Centre of Calgary, dated August 24, 2016 (the "**Claims Procedure Order**"). All capitalized terms not otherwise defined in this Notice of Revision or Disallowance shall bear the meaning given to them in the Claims Procedure Order, which is posted on the website of the Monitor, at www.ey.com/ca/connacheroilandgas (the "**Monitor's Website**").

The Applicant has reviewed your Proof of Claim dated _____, 2016, and has revised or disallowed your Claim for the following reasons:

Subject to further dispute by you in accordance with the provisions of the Claims Procedure Order, your Claim will be allowed as an Accepted Claim as follows:

Applicable Applicant or Director and/or Officer	Claim per Proof of Claim	Revised Amount Allowed for Voting Purposes	Revised Amount Allowed for Distribution Purposes	Classification of Claims (Secured / Unsecured)
	\$	\$		\$

If you intend to dispute this Notice of Revision or Disallowance, you must, **no later than 5:00 p.m. (Calgary Time) on the day that is fifteen (15) Calendar Days after delivery of this Notice of Revision or Disallowance**, deliver a Notice of Dispute by registered mail, personal delivery, e-mail (in PDF format), courier or facsimile transmission to the following address:

Ernst & Young, Inc.
Monitor of Connacher Oil and Gas Limited
Calgary City Centre
2200, 215- 2nd Street S.W.
Calgary, Alberta T2P 1M4

Attention: Connacher Monitor

Tel: 403-206-5650
Fax: 403-206-5076
Email: connacher.monitor@ca.ey.com

And

Connacher Oil and Gas Limited
Suite 1040, 640- 5th Avenue S.W.
Calgary, Alberta T2P 3G4

Attention: Suzanne Loov
Tel: 403-538-6223
Fax No.: 403-538-6225
Email: sloov@connacheroil.com

With a Copy to:

Cassels Brock & Blackwell LLP
2100 Scotia Plaza
40 King Street West
Toronto, Ontario M5H 3C2

Attention: Ryan C. Jacobs
Tel: 416-860-6465
Fax: 416-640-3189
Email: rjacobs@casselsbrock.com

Any Claimant who fails to deliver a Notice of Dispute by the date and time set out above shall be deemed to accept the classification and the amount of its Claim as set out in this Notice of Revision or Disallowance and such Claim as set out herein shall constitute an Allowed Claim.

If you do not deliver a Notice of Dispute of Revision or Disallowance by the deadline stated above, you:

- (a) shall be forever barred and extinguished from making or enforcing any Claim against the Applicant, its Directors and its Officers (other than with respect to such Claim as has been allowed in this Notice of Revision or Disallowance), and all such Claims will be forever extinguished;
- (b) shall not be entitled to participate in any distributions or dividends to creditors of the Applicant;
- (c) shall not be entitled to vote on (and/or receive any distribution under) any Plan of Arrangement that is advanced by or on behalf of the Applicant, or entitled to any further notice or distribution under such a Plan, if any (other than with respect to such Claim as has been allowed in this Notice of Revision or Disallowance).

Dated at Calgary, Alberta, this _____ day of _____, 2016.

SCHEDULE E

NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE OF THE CLAIMANT (INCLUDING A CLAIMANT WITH A RESTRUCTURING PERIOD CLAIM OR A D&O RESTRUCTURING PERIOD CLAIM) LISTED HEREIN

IN THE MATTER OF THE CCAA PROCEEDINGS OF CONNACHER OIL AND GAS LIMITED (the "APPLICANT")

By order of the Court of Queen's Bench of Alberta (the "**Court**") dated August 24, 2016 (as may be amended, restated or supplemented from time to time (the "**Claims Procedure Order**")), in the proceeding commenced by the Applicant under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), the Applicant has been authorized to conduct a claims procedure (the "**Claims Procedure**"). A copy of the Claims Procedure Order, with all schedules, may be found on the Monitor's website at: www.ey.com/ca/connacheroilandgas (the "**Monitor's Website**"). Capitalized terms used in this Notice of Dispute not otherwise defined in this Notice of Dispute shall have the meaning given to them in the Claims Procedure Order.

Name of Claimant: _____

Address: _____

Telephone Number: _____

Facsimile Number: _____

Email Address: _____

PLEASE TAKE NOTICE THAT, pursuant to the Claims Procedure Order, we hereby give you notice of our intention to dispute the Notice of Revision or Disallowance dated _____, 2016 issued by the Applicant, in respect of our Claim. We accept/dispute the following portion(s) of our Claim as revised and/or disallowed in the said Notice of Revision or Disallowance:

Revised Claim as Accepted (\$CDN)	Revised Claim as Disputed (\$CDN)

Reason for the dispute (attach copies of any supporting documentation):

Address for Service of Notice of Dispute of Revision or Disallowance:

Ernst & Young, Inc.

Monitor of Connacher Oil and Gas Limited
Calgary City Centre
2200, 215- 2nd Street S.W.
Calgary, Alberta T2P 1M4

Attention: Connacher Monitor

Tel: 403-206-5650

Fax: 403-206-5076

Email: connacher.monitor@ca.ey.com

And

Connacher Oil and Gas Limited

Suite 1040, 640- 5th Avenue S.W.
Calgary, Alberta T2P 3G4

Attention: Suzanne Loov

Tel: 403-538-6223

Fax No.: 403-538-6225

Email: sloov@connacheroil.com

With a Copy to:

Cassels Brock & Blackwell LLP

2100 Scotia Plaza
40 King Street West
Toronto, Ontario M5H 3C2

Attention: Ryan C. Jacobs

Tel: 416-860-6465

Fax: 416-640-3189

Email: rjacobs@casselsbrock.com

THIS FORM AND ANY REQUIRED SUPPORTING DOCUMENTATION MUST BE RETURNED TO THE MONITOR AND THE APPLICANT BY REGISTERED MAIL, PERSONAL SERVICE, EMAIL (IN PDF FORMAT), FACSIMILE OR COURIER TO THE ADDRESS INDICATED ABOVE AND MUST BE ACTUALLY RECEIVED BY THE MONITOR AND THE APPLICANT BY 5:00 P.M. (CALGARY TIME) ON THE DAY WHICH IS FIFTEEN CALENDAR DAYS AFTER THE DATE ON WHICH THE NOTICE OF REVISION OR DISALLOWANCE IS DELIVERED TO THE CLAIMANT.

DATED this _____ day of _____, 2016

Witness Per: _____

Name of Claimant:

*If Claimant is other than an individual, print
name and title of authorized signatory*

Name: _____

Title: _____