# Notice to Creditors of Quintera Drilling Limited Partnership and Quintera Drilling 2010 Inc.

October 27, 2016

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October 27, 2016

**To the Creditors of Quintera Drilling Limited Partnership and Quintera Drilling 2010 Inc.**

# ***IMPORTANT NOTICE – PLEASE REVIEW THIS LETTER BEFORE PROCEDING TO REVIEW THE INFORMATION ATTACHED IN THIS INFORMATION PACKAGE***

**RE: Quintera Drilling Limited Partnership ("LP") and Quintera Drilling 2010 Inc. ("Inc.") (or hereinafter collectively referred to as the "Companies") both in bankruptcy and pending Division 1 Proposal**

To Whom it May Concern,

Please be advised that effective October 24, 2016 both LP and Inc. filed assignments into bankruptcy, and Ernst & Young Inc. ("EY" or the "Trustee") was appointed as trustee of both estates. On this same date, counsel representing both LP and Inc. applied to Court to consolidate the bankruptcy proceedings and obtain authorization to file a joint proposal to settle the debts of the Companies. The Court granted the Order requested, and as such, the Companies will be looking to the creditors to consider a proposal to settle the debts. If approved by both the creditors and the Court, the proposal will have the effect of annulling the bankruptcies and enabling the Companies to emerge from the bankruptcies.

In the interests of time and in accordance with the Court Order granted today, we are including both the proposal and the bankruptcy documents for your review and consideration. Given the nature of the proposal, and our understanding of the secured creditor's willingness to accept the proposal if completed by the middle of November, we feel that the proposal documents will likely be most relevant to the creditors in these circumstances. The first set of documents (schedules A through H) pertain specifically to the proposal and are required to be reviewed, completed, returned to the Trustee as indicated. The balance of the documents (schedules I through P) relate to the bankruptcy filings of the Companies.

We outline the contents of this information package on the attached index, and include all related documents in the respective schedules. If you have any questions about this letter or its contents, please contact Trina Sorbara at (780) 412-2393. Copies of all these documents can also be located at http://documentcentre.eycan.com.

Yours truly,

**ERNST & YOUNG INC.**
in its capacity as Trustee of Quintera Drilling Limited Partnership and Quintera Drilling 2010 Inc.
and not in its personal or corporate capacity

Matt McCulloch, CA, CPA, CIRP, LIT
Senior Vice President

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Building a better
working world

# INDEX OF SCHEDULES

## Proposal Documents:

Schedule A: LP and Inc. Notice of Proposal to Creditors and Notice of Stay of Proceedings
Schedule B: LP and Inc. Proposal to Creditors
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Schedule E: Certificate of Filing of Proposal
Schedule F: Report of Trustee on Proposal
Schedule G: Proof of Claim/Proxy Form
Schedule H: Voting Letter

## Documents Pertaining to the LP Bankruptcy:

Schedule I: Certificate of Appointment and Statement of Affairs
Schedule J: Notice of First Meeting of Creditors
Schedule K: Assignment for the General Benefit of Creditors
Schedule L: Notice of Stay of Proceedings

**** NOTE: the Proof of claim/Proxy Form for the LP bankruptcy is included in the Proposal documents as Schedule G ****

## Documents Pertaining to the Inc. Bankruptcy:

Schedule M: Certificate of Appointment and Statement of Affairs
Schedule N: Notice of First Meeting of Creditors
Schedule O: Assignment for the General Benefit of Creditors
Schedule P: Notice of Stay of Proceedings

**** NOTE: the Proof of claim/Proxy Form for the Inc bankruptcy is included in the Proposal documents as Schedule G ****

# Schedule A

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 92
Notice of Proposal to Creditors
(Section 51 of the Act)

In the matter of the Proposal of
Quintera Drilling Limited Partnership and Quintera Drilling 2010 Inc.
of the township of Nisku in the Province of Alberta

Take notice that Quintera Drilling Limited Partnership and Quintera Drilling 2010 Inc. of the township of Nisku in the Province of Alberta have lodged with us a proposal under the Bankruptcy and Insolvency Act.

A copy of the proposal, a condensed statement of the debtor's assets, and liabilities, and a list of the creditors affected by the proposal and whose claims amount to $250 or more are enclosed herewith.

A general meeting of the creditors will be held at 1400 EPCOR Tower, 10423 - 101 Street, Edmonton, AB on the 10th day of November 2016 at 10:30 AM.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Proofs of claim, proxies and voting letters intended to be used at the meeting must be lodged with us prior to the commencement of the meeting.

Dated at the City of Edmonton in the Province of Alberta, this 26th day of October 2016.

Ernst & Young Inc.
Per:

Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977

(A form of proof of claim, a form of proxy and a voting letter should be enclosed with each notice.)

| List of Creditors with claims of $250 or more. | | | |
|---|---|---|---|
| Creditor | Address | Account# | Claim Amount |
| Alberta Treasury Branches | 600, 444 - 7th Avenue SW<br>Calgary AB T2P 0X8 | | 20,000,000.00 |
| Boyds xxxcavating | PO Box 5528<br>Leduc AB T9E 2A1 | | 493.50 |
| Canadian Freightways | PO Box 1108 Station T<br>Calgary AB T2H 2J1 | | 804.02 |
| Commercial Solutions Inc. c/o Motion Industries | PO Box 9165, Station "M"<br>Calgary AB T2P 5E1 | | 1,222.46 |
| Creative Business Solutions Inc. | 607 - 18 Street<br>Nisku AB T9E 7T7 | | 52,108.00 |
| DaPaJo Construction Ltd. | P.O. Box 1930<br>Brooks AB T1R 1C6 | | 514.50 |
| David Starling | Site 437 Box 2 Comp 4 RR 1<br>Drayton Valley AB T7A 2A1 | | 5,040.00 |
| Diversified Chain & Rigging | Box 278<br>Brooks AB T1R 1B3 | | 950.59 |
| DNOW Canada ULC | PO Box 664 STN. M<br>Calgary AB T2P 2J3 | | 1,126.97 |
| Eastend Iron Industries Ltd | 6215 - 54th Ave<br>Taber AB T1G 1X4 | | 315.00 |
| Epcor | P.O. Box 500<br>Edmonton AB T5J 3Y3 | | 3,762.18 |
| Ernst & Young LLP | PO Box 57104, Station A<br>Toronto ON M5W 5M5 | | 700.00 |
| Force Inspection Services Inc. | PO Box 1261<br>Nisku AB T9E 8A8 | | 37,303.55 |
| Greenline Tire Sales | 61 Bridgeport Wynd<br>Leduc AB T9E 8B2 | | 1,127.37 |
| Gregg Distributors Ltd | 5755 - 11 Street SE<br>Calgary AB T2H 1M7 | | 769.82 |
| KPMG LLP | P.O.Box 4348, Station A<br>Toronto ON M5W 7A6 | | 16,008.30 |
| Leduc Co-op Ltd. | 5403 50 Street<br>Leduc AB T9E 6Z7 | | 1,012.43 |
| Lloyd Innes | 4 - 135 Galbraith Dr. SW<br>Calgary AB T3E 4Z5 | | 378.24 |

| List of Creditors with claims of $250 or more. | | | |
|---|---|---|---|
| Creditor | Address | Account# | Claim Amount |
| M & M Valve Services Inc | 2-1301 4 St,<br>Nisku AB T9E 7M9 | | 416.62 |
| Motion Industries (Canada) Inc | PO Box 9165, Station M<br>Calgary AB T2P 5E1 | | 6,286.73 |
| Norton Rose Fulbright Canada LP | 3700, 400 - 3 Avenue SW<br>Calgary AB T2P 4H2 | | 2,916.90 |
| Pason Systems Corp. | 6130 3rd St. S.E.<br>Calgary AB T2H 1K4 | | 3,360.00 |
| Progressive Waste Solutions | 3410 - 74 Avenue NW<br>Edmonton AB T6B 2P7 | | 579.65 |
| Quintera Drilling (2010) Inc. | 607 - 18 Avenue<br>Nisku AB T9E 7T7 | | 45,419.00 |
| Regulator's Oilfield Hauling Ltd. | PO Box 416<br>Grande Prairie AB T8V 3A5 | | 10,462.20 |
| Richard Kuzyk | 128 Eagle Terrace Road<br>Canmore AB T1W 2Y5 | | 1,060,000.00 |
| Ricoh Canada Inc | 300, 5520 Explorer Drive<br>Mississauga ON L4W 5L1 | | 254.31 |
| Straight Line BOP & Valve Inc. | Box 597<br>Brooks AB T1R 1B5 | | 1,056.96 |
| Superior Industrial Frictions Ltd | 11570-154 Street<br>Edmonton AB T5M 3N8 | | 2,231.19 |
| Taylor Oil Tools Inc. | Bay 111, 12159 - 44th St S.E.<br>Calgary AB T2Z 4H3 | | 1,365.00 |
| Telus Communications Inc. | P.O. Box 7575<br>Vancouver BC V6B 8N9 | | 1,029.70 |
| TeraGo Networks Inc. | Unit 800, 55 Commerce Valley Drive West<br>Thorhill ON L3T 7V9 | | 1,099.35 |
| U.F.A. Co-op Ltd. | PO BOX 2790 Station M<br>Calgary AB T2P 2M7 | | 1,675.74 |
| Urban Impact | 15360 Knox Way<br>Richmond BC V6V 3A6 | | 401.46 |
| Warrior Manufacturing Services Ltd. | 1515 28 St. N.E.<br>Calgary AB T2A 3T1 | | 7,422.00 |
| **Total** | | | 21,269,613.74 |

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

Notice of stay of proceeding

In the matter of the Proposal of
Quintera Drilling Limited Partnership and Quintera Drilling 2010 Inc.
of the township of Nisku in the Province of Alberta

Date of Proposal: October 26, 2016.

Notice is hereby given that the above debtor filed a proposal on the date noted above.

Every proposal made in pursuance of this Act takes precedence over all judicial or other attachments, garnishments, certificates of judgment, judgments operation as hypothecs, executions or other process against the property of the debtor, except such as have been completely executed by payment to the creditor or his agent, and except also the rights of a secured creditor.

Upon the filing of a proposal made by an insolvent person or upon the bankruptcy of any debtor, no creditor with a claim provable in the proposal shall have any remedy against the debtor or his/her property or shall commence a claim provable in proposal until the Trustee has been discharged or until the proposal has been refused, unless with the leave of the Court and on such terms as the Court may impose.

Where a proposal has been made, the Sheriff or other officer of any Court or any person having seized property of the debtor under execution of attachment or any other process shall, upon receiving a copy of the proposal certified by the Trustee as a true copy thereof, forthwith deliver to the debtor all the property of the debtor in his hands.

Where the Sheriff has sold the property of the debtor or any part thereof, he/she shall deliver to the debtor the money so realized by him/her less fees and the costs referred to in subsection 70 (2).

Any property of the debtor under seizure for rent or taxes shall on production of a copy of the proposal certified by the Trustee as a true copy thereof be delivered forthwith to the debtor, but the costs of distress are a first charge thereon, and if such property or any part thereof has been sold, the money realized therefrom, less the costs of distress and sale shall be paid to the debtor.

Dated at the city of Edmonton in the Province of Alberta, this 27th day of October 2016.

Ernst & Young Inc.
Per:

Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977

# Schedule B

Court File No. 1601-14057

**ALBERTA**
**COURT OF QUEEN'S BENCH**
**IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE PROPOSAL OF**
**QUINTERA DRILLING LIMITED PARTNERSHIP and**
**QUINTERA DRILLING 2010 INC.**

# PROPOSAL

Quintera Drilling Limited Partnership ("**Quintera LP**"), and Quintera Drilling 2010 Inc. ("**Quintera Inc.**", collectively with Quintera LP referred to as "**Quintera**") the above-named debtors, hereby submits the following Proposal (the "**Proposal**") to its creditors pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "**Act**").

## PART 1
## BACKGROUND

1. Quintera LP is a limited partnership registered pursuant to the laws of the Province of Manitoba. The General Partner of Quintera LP is Quintera Inc., which is a corporation registered pursuant to the laws of Alberta.

2. Quintera LP is an oil and gas drilling contractor that operates in Western Canada in the Western Canadian Sedimentary Basin. Quintera LP owns and operates a fleet of 10 drilling rigs and operates its business out of a leased facility in Nisku, Alberta.

3. Quintera LP is presently insolvent and unable to pay its debts as they become due and the value of its assets is significantly less than the amounts of its debts. On October 24, 2016, Quintera LP and Quintera Inc. voluntarily assigned itself into Bankruptcy under the Act.

## PART 2
## INTERPRETATION

4. In this Proposal, capitalized terms shall have the following meanings:

   (a) "**Act**" means the *Bankruptcy and Insolvency Act*, as it may be amended from time to time;

   (b) "**Annulment Date**" means one Business Day after the Distribution Date;

   (c) "**Approval Order**" means an Order of the Court approving this Proposal to be granted pursuant to the provisions of the Act;

   (d) "**Assets**" means the assets, undertakings and property of Quintera;

   (e) "**ATB**" means Alberta Treasury Branches;

(f) "**Business Day**" means a day, other than Saturday or Sunday or a day observed as a holiday pursuant to the laws of the Province of Alberta or the federal laws of Canada, on which banks are generally open for business;

(g) "**Claim**" means any indebtedness, liability, action, cause of action, suit, debt, due, account, bond, covenant, contract, counterclaim, demand, claim, right and obligation of any nature whatsoever of Quintera to any Person whether liquidated, unliquidated, fixed, contingent, matured, legal, equitable, secured, unsecured, present, future, known or unknown, and whether by guarantee, surety or otherwise, incurred or arising or relating to the period prior to the Filing Date, or based in whole or in part on facts, contracts or arrangements which occurred or existed prior to the Filing Date, together with any other claims provable in bankruptcy on the Filing Date, including without limitation, claims arising from the repudiation, disclaimer or termination of any lease, license, contract, arrangement or contract of employment prior to the Filing Date, providing that all such claims shall be allowed without allowance for interest after the Filing Date and without allowance for penalties and net of any normal discounts. All Claims must be converted to Canadian Dollars at the Bank of Canada Daily Foreign Exchange Rate at the Filing Date;

(h) "**Compromise Amount**" means $3,750,000 as described and defined at section 24 of the Proposal.

(i) "**Court**" means the Alberta Court of Queen's Bench, In Bankruptcy and Insolvency;

(j) "**Credit Facilities**" means the amended and restated credit facilities dated July 30, 2015 provided by ATB to Quintera LP, and guaranteed by Quintera Inc.

(k) "**Creditor**" means any person having a Claim and may, if the context requires, mean a trustee, receiver, receiver-manager or other person acting on behalf or in the name of such person;

(l) "**Creditors' Meeting**" means the meeting of Creditors called for the purpose of considering and voting upon the Proposal;

(m) "**Distribution Date**" means the date the Trustee effects the distribution to Creditors contemplated herein, which shall be within 2 days of the Effective Date;

(n) "**Effective Date**" means the date on which this Proposal is approved by the Court, after being approved by the requisite majority of Quintera's Creditors;

(o) "**Filing Date**" means the date on which Quintera LP and Quintera Inc. voluntarily assigned itself into Bankruptcy, namely October 21, 2016;

(p) "**Ford Finance Agreements**" means the Agreements attached at Schedule C.

(q) "**General Partner**" means Quintera Drilling 2010 Inc.

(r) "**Maturity Date**" means the date on which all payments to Unsecured Creditors and the Secured Creditor have been made, provided that no default has occurred that has not been cured or waived;

(s) **"Landlord"** means 392826 Alberta Ltd.

(t) "**Official Receiver**" shall have the meaning ascribed thereto by the Act;

(u) "**Person**" means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government or any agency or any other entity however designated or constituted;

(v) "**Proposal Sponsor**" means Kuzyk Finance Corp. in its capacity as Proposal funder and sponsor as set out herein;

(w) "**Proposal**" means this Proposal made pursuant to the Act, as further amended or supplemented from time to time;

(x) "**Proposal Period**" means the period between the Effective Date and the Maturity Date;

(y) "**Proven Claim**" means the amount claimed by a Creditor and approved by the Trustee and Quintera;

(z) "**Related Creditor**" means any Claims against Quintera LP or Quintera Inc. by the following individuals or entities: Richard Kuzyk, Creative Business Solution Inc. ("**CBS**"), or Polytubes LP;

(aa) "**Secured Creditor**" means the Creditor who has security against various assets of Quintera LP and Quintera Inc. with respect to their Claims, namely, Alberta Treasury Branches;

(bb) "**Trustee**" means Ernst & Young Inc. or its duly appointed successor or successors;

(cc) "**Unaffected Claims**" means claims that are not affected by this Proposal being the fees and disbursements of the Trustee, its counsel and counsel for Quintera in relation to this Proposal;

(dd) "**Unaffected Creditor**" means: 392826 Alberta Ltd., Ford Credit Canada Limited, 1664861 Alberta Ltd.,

(ee) "**Unsecured Creditor**" means any Creditor who has no security against any assets of Quintera with respect to its Claim, excluding Related Creditors and Unaffected Creditors.

**Headings**

5. The divisions of this Proposal into parts, paragraphs and subparagraphs, and the insertion of headings herein is for convenience of reference only and is not to affect the construction or interpretation of this Proposal.

**Numbers, etc.**

6. In this Proposal, where the context requires, a word importing the singular number will include the plural and vice versa and a word or words importing gender will include all genders.

**Date for Action**

7. In the event that any date on which any action is required to be taken hereunder is not a Business Day, such action will be required to be taken on the next succeeding day that is a Business Day.

**Time**

8. All times expressed herein are in local time in Calgary, Alberta, Canada unless otherwise stipulated. Where the time for anything pursuant to the Proposal on a particular date is

unspecified herein, the time shall be deemed to be 5:00 p.m. local time in Calgary, Alberta, Canada.

**Successors and Assigns**

9. This Proposal will be binding upon and will enure to the benefit of the heirs, administrators, executors, personal representatives, successors and assigns of all persons named or referred to herein.

**Accounting Principles**

10. Accounting terms not otherwise defined have the meanings assigned to them in accordance with Canadian generally-accepted accounting principles.

**Schedules**

11. The following are the Schedules attached hereto and incorporated by reference and deemed to be part hereof:

**Schedule A** – Lease dated December 1, 2015 between 392826 Alberta Ltd. and Quintera LP for a portion of lands located in Leduc County, Alberta legally described as Plan 0227516 Block 5, Lot 9A.

**Schedule B** – Listing of Claims of Unsecured Creditors.

**Schedule C** – Lease and Finance Agreements between Quintera LP and Ford Credit Canada Limited and 1664861 Alberta Ltd. for the finance and/or lease of various vehicles.

**Repudiation of Contracts**

12. Quintera may repudiate or give notice of repudiation of any contract, arrangement, agreement, lease, or indenture to which it is a party and provided such notice of repudiation is given, at least 10 days prior to the Creditors' Meeting, and the proven Claim of each person resulting or arising from the repudiation of such contracts, arrangements, agreements, leases and indentures shall be an unsecured Claim in this Proposal.

**Director Claims**

13. Any Claims that arose before the Filing Date regardless of the date of crystallization of such Claim and that relate to the obligations of Quintera LP, where the directors of the General Partner are by law liable in their capacity as directors for payments of such obligations, shall be deemed to be fully satisfied and discharged by the terms of this Proposal and shall not be enforceable against any of such current or former directors of the General Partner at law or in equity.

**Statutory References**

14. Except as otherwise provided herein, any reference in the Proposal to a statute including all regulations and amendments made under that statute or regulation(s) in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation(s).

## PART 3
## OVERVIEW OF THE PROPOSAL

**Purpose of the Proposal**

15. The purpose of this Proposal is to effect a compromise and arrangement of the Claims of the Unsecured Creditors and Secured Creditor as against Quintera with a view to increasing the recovery for all stakeholders (excluding claims owing to the Related Creditors) while reducing the uncertainties, risks, costs, delays and possible losses for all Creditors that will otherwise occur. Quintera has concluded, and the Trustee agrees, that Unsecured Creditors will obtain a greater return on their Claims if this Proposal is approved than would result from a forced liquidation of its assets.

16. Creditors should review this Proposal to creditors before voting to accept or reject this Proposal. The transactions contemplated by this Proposal are to be implemented under the Act.

**Effect of the Proposal**

17. This Proposal restructures the affairs of Quintera and amends the terms of any and all agreements between Quintera and the Creditors existing as at the Effective Date and provides the essential terms on which all Claims will be fully and finally resolved and settled. During the Proposal Period, all Creditors will be stayed from commencing or continuing any proceeding or remedy against the Corporation or any of its property or assets in respect of a Claim including, without limitation, any proceeding or remedy to recover payment of any monies owing to Creditors, to recover to enforce any judgment against Quintera in respect of a Claim or to commence any formal proceedings against it other than as provided for under this Proposal.

18. For greater certainty, any and all Claims by Related Creditors, 392826 Alberta Ltd, Ford Credit Canada Limited, 1664861 Alberta Ltd., remain valid and outstanding and shall not be compromised as part of the Proposal or affected in any way.

19. This Proposal will, as of the Effective Date, be binding on Quintera and all Unsecured Creditors and the Secured Creditor included in classes that approve the Proposal in the manner provided for in the Act.

## PART 4
## PROPOSAL – CLASSIFICATION AND TREATMENT OF CLAIMS

**Classes of Creditors**

20. There will be two separate classes of creditors voting on the Proposal being Class 1 – the Secured Creditor and Class 2 - the Unsecured Creditors. Each of the two classes of creditors must approve the Proposal in accordance with the voting majority requirements set out in the Act.

**Amendments to Agreements**

21. Notwithstanding the terms and conditions of all agreements or other arrangements with Creditors entered into before the Filing Date, all such agreements or other arrangements will be deemed to be amended to the extent necessary as of the Effective Date to give effect to all the terms and conditions of this Proposal. In the event of any conflict or inconsistency between the terms of such agreements or arrangements and the terms of this Proposal, the terms of this Proposal will govern. All Creditors will provide such acknowledgements, agreements, discharges or other documentation as may be necessary to give effect to the intent of this Proposal. After the Maturity Date, the terms and conditions of this Proposal shall continue to apply to the obligations of Quintera to the Secured Creditor unless such agreements or other arrangements are amended in writing.

**Treatment of Claims**

22. For the purposes of this Proposal, a holder of a Claim in a Class of Claims listed in section 20 will receive the treatment provided for in this Proposal on account of such Claim. The Secured Creditor will not be entitled to participate in the amounts payable to Unsecured Creditors under this Proposal. During the Proposal Period, and provided Quintera is not in default hereunder, each creditor will be stayed from commencing or continuing any proceeding or remedy against Quintera or its property or the General Partner or its property based upon a Claim existing on or before the Filing Date, including, without limitation, any proceeding or remedy to recover payment of such Claim, to realize against any security granted in respect of such Claim, to recover or enforce a judgment against Quintera in respect of such Claim or to initiate any proceedings against it in respect of such Claim, other than an application or proceeding in connection with this Proposal.

**Valuation of Claims**

23. Quintera and the Trustee reserve the right to seek the assistance of the Court in valuing the Claim of any Creditor, if required, to ascertain the result of any vote on the Proposal or the amount payable or to be distributed to such Creditor under the Proposal, as the case may be.

**Compromise and Payment of Claims of Secured Creditor**

24. Upon the Approval Order being made, all amounts outstanding and owing by Quintera LP (and guaranteed by the General Partner) to the Secured Creditor under the Credit Facilities greater than $3,750,000 shall be settled and extinguished, with the remaining total outstanding sum owing by Quintera LP to the Secured Creditor under the Credit Facilities totalling $3,750,000 (Three million, seven hundred fifty thousand dollars) ("**Compromise Amount**").

25. Any agreement regarding the payments between Quintera LP and the Secured Creditor for the payment of the Compromise Amount shall not form part of this Proposal.

**Payment of Claims of Unsecured Creditors**

26. Immediately following the Effective Date, the Proposal Sponsor shall forward the Trustee sufficient funds to pay out 100% of the Proven Claims of Unsecured Creditors plus the Superintendant's Levy of 5% on all of the Proven Claims as more particularly set out on Schedule B, in full, who shall accept the same in full and complete satisfaction of their Claims.

27. The Trustee shall consider any Claims made by a Creditor up to the date and time of the first meeting of creditors ("**Claims Bar Date**") after which no further Claims shall be forever barred and shall not be considered for acceptance as a Proven Claim forming part of this Proposal, or at all.

28. The Lease between Quintera LP and the Landlord dated December 1, 2015, attached as Schedule A to this Proposal shall not be disclaimed or repudiated as part of this Proposal or by the Trustee unless this Proposal is not approved by the Creditors or the Court and the Trustee determines it is in the interests of Quintera and the Creditors to do so.

29. The Ford Finance Agreements attached as Schedule C to this Proposal shall not be disclaimed or repudiated as part of this Proposal or by the Trustee unless this Proposal is not approved by the Creditors or the Court and the Trustee determines it is in the interests of Quintera and the Creditors to do so.

**Emergence from Bankruptcy**

30. The bankruptcy of Quintera LP and Quintera Inc. shall be annulled as of the Annulment Date.

**Effect of Payment**

31. The Unsecured Creditors will accept payment provided for in Part 5 of this Proposal in complete satisfaction of all their claims and all liens, certificates of pending litigation, execution or any similar charges or actions or proceedings in respect of such Claims will have no effect in law or equity against the property, assets and undertakings of Quintera. Upon the making of all payments provided for in Part 5 of the Proposal, any and all such liens, certificates of pending litigation, executions or other similar charges or actions will be discharged, dismissed or vacated without costs to Quintera.

**Superintendent's Levy**

32. As per paragraph 26 above, the Superintendent's levy of 5% will be paid as required pursuant to s. 147 and 60(4) of the Act on all distributions to Unsecured Creditors under this Proposal.

**Payment of Fees**

33. All proper fees and expenses of the Trustee and reasonable legal and other professional fees on and incidental to the proceedings arising out of this Proposal and in connection with the preparation of this Proposal and in the administration of this Proposal, including advice to Quintera in connection therewith, will be paid in priority to all claims of Unsecured Creditors or the Secured Creditor.

## PART 5
## PROPOSAL SPONSOR AND DISTRIBUTIONS

**Proposal Sponsor**

34. If this Proposal is approved by the Secured Creditor, the Unsecured Creditors and the Court, the Proposal Sponsor will forward funds to pay out all of the Proven Claims of Unsecured Creditors to the Trustee as set out herein. For greater certainty, the Proposal Sponsor will not provide the funds to the Trustee if the Proposal is not approved by the Secured Creditor, or the Unsecured Creditors or the Court.

**Implementation of Proposal**

35. In the event that the Proposal is approved as provided for herein, then the Trustee shall make the distributions as set out herein.

## PART 6
## TRUSTEE

**Confirmation of Appointment**

36. The Trustee is acting in its capacity as Trustee and not in its personal capacity and no officer, director, employee or agent of the Trustee shall incur any obligations or liabilities in connection with this Proposal or in connection with the business or liabilities of Quintera.

**Meeting of Creditors**

37. The Proposal Trustee will call one or more meetings of the Creditors' Meeting to be held within 21 days after the filing of the Proposal with the Official Receiver, at such dates, times and places as

may be agreed upon by the Trustee and Quintera. The Trustee shall preside as the chair of the Creditors' Meeting and will decide all matters relating to the conduct of the Creditors' Meeting. The only persons entitled to attend the Creditors' Meeting are those persons, including the holders of proxies, entitled to vote at the Creditors' Meeting. Any other person may be admitted on invitation of the Trustee or with the consent of the Creditors.

**Proofs of Claim**

38. All Unsecured Creditors and the Secured Creditor will be required to submit a proof of claim to the Trustee and the face amount thereof will govern for the purpose of voting at the Meeting of Creditors to be held to consider this Proposal, unless otherwise disputed or disallowed by the chair of the meeting. Thereafter, the Trustee will examine all proofs of claim and may require further evidence and support of the Claim or the security therefore. The provisions of s.135 of the Act will apply to all proofs of claim submitted by Creditors.

**Appointment of Inspectors**

39. At the Creditors' Meeting, the Creditors may appoint inspectors, but the total number of inspectors shall not exceed 5. The inspectors powers will be limited to:

   a. the power to extend the dates of payments provided under this Proposal, if such extension is in the best interests of the Creditors, provided that prior to extending such payment dates with respect to the Secured Creditors, the approval of the applicable Secured Creditor has been obtained;

   b. the power to waive any default in the performance of any provision of this Proposal, provided that prior to waiving any default that has an impact on Quintera's obligations to the Secured Creditors, the approval of the Secured Creditor has been obtained;

   c. the power to permit Quintera to amend any agreement hereunder where such amendment is in the best interest of the Creditors, provided that prior to making amendments to agreements with the Secured Creditor, the approval of the Secured Creditor has been obtained; and

   d. advising the Trustee from time to time with respect to any other matter that the Trustee may refer to the inspector.

**Conditions Precedent**

40. As provided for in the Act, the payments and arrangements set out in this Proposal will not take effect unless the conditions set forth below are substantially satisfied on or before the Effective Date:

   a. All approvals and consents to the Proposal that may be required have been obtained;

   b. The Approval Order has been issued;

   c. No order or decree restraining or enjoining the consummation of the transactions contemplated by this Proposal will have been issued; and

   d. All agreements or instruments necessary to effect the intention and purpose of this Proposal shall have been received by Quintera in a form satisfactory to Quintera and the Trustee.

**Application for Approval Order**

41. The Trustee will apply forthwith to the Court for the Approval Order upon approval by the Secured Creditor and Unsecured Creditors of this Proposal.

**Discharge of Trustee**

42. Upon making the distributions contemplated herein, the Proposal shall be fully performed and the Trustee shall be entitled to apply for its discharge as Trustee hereunder. For greater certainty, the Trustee will not be responsible or liable for any obligations of Quintera and will be exempt from any personal liability in fulfilling any duties or exercising any powers conferred upon it by this Proposal unless such acts have been carried out in bad faith and constitute a wilful or wrongful act or default.

## PART 7
## RELEASE

43. On the Distribution Date, Quintera LP, its limited partners and General Partner, including the officers and directors of the Limited Partners and General Partner shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any liability, obligation, demand or cause of action owing to or held by any of the Creditors other than the Compromise Amount or any Claims by the Related Creditors or Unaffected Creditors.

## PART 8
## MISCELLANEOUS

**Modification**

44. Quintera may propose amendments to the Proposal at any time prior to the conclusion of the Creditors' Meeting provided that any such amendment, in the opinion of Quintera, does not reduce the rights and benefits given to Creditors pursuant to the Proposal before such amendment and that any and all amendments shall be deemed to be a part of and incorporated into the Proposal.

**Further Actions**

45. Quintera and the Creditors will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of this Proposal and to give effect to the transactions contemplated hereby.

**Performance**

46. All obligations of Quintera under this Proposal will commence as of the Effective Date. All terms of this Proposal will take effect as of the Effective Date. All obligations of Quintera under this Proposal will be fully performed for the purposes only of s.65.3 of the Act upon Quintera having made the payments to the Secured Creditor and Unsecured Creditors provided for herein.

**Binding Effect**

47. The provisions of this Proposal will be binding on the Creditors and Quintera and their respective heirs, executors, administrators, successors and assigns, upon issuance of the Approval Order after all appeal periods have expired.

**Compromise Effective for all Purposes**

48. The payment, compromise or other satisfaction of any Claim under this Proposal shall be binding upon such Creditor, its heirs, executors, administrators, successors and assigns, for all purposes and shall also be effective to relieve any third party directly or indirectly liable for such indebtedness, whether as guarantor, indemnitor, tenant, director, joint covenantor, principal or otherwise.

**Capacity of Trustee**

49. Upon resolution of all disputed Claims, if any, and the issuance and registration of the Creditor distributions provided for in this Proposal, the terms of the Proposal shall be deemed to be fully performed and the Trustee shall deliver a certificate of performance, in the prescribed form, to Quintera and the official receiver certifying completion of the terms of this Proposal, and the Trustee shall be discharged from its obligations under the terms of this Proposal.

**Fraudulent Conveyance**

50. Section 91 through and including s. 101 of the BIA do not apply to this Proposal.

**Governing Law**

51. This Proposal will be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.

52. Any notice, certificate, consent, determination or other communication required or permitted to be given or made under this Proposal shall be in writing and shall be effectively given and made if (i) delivered personally; (ii) sent by prepaid courier service; or (iii) sent by email transmission, in each case to the applicable address set out below:

(a) if to Quintera LP:

601 Manitou Road SE
Calgary, AB
T2G 4C2

**Attention: Rick Kuzyk**

(b) If to Quintera Inc.

601 Manitou Road SE
Calgary, AB
T2G 4C2

**Attention: Rick Kuzyk**

(c) if to the Trustee:

Ernst & Young Inc.
Epcor Tower
10423-101 Street, Suite 1400
Edmonton, AB
T5H 0E7

**Attention: Matt McCulloch**

**DATED** at Calgary, in the Province of Alberta, this 26th day of October, 2016.

**Quintera Drilling Limited Partnership through its General Partner, Quintera Drilling 2010 Inc.**

**Per:** ______________________________
**Richard Kuzyk**
Authorized Signatory
"I have the authority to bind the corporation"

**Quintera Drilling 2010 Inc.**

**Per:** ______________________________
**Richard Kuzyk**
Authorized Signatory
"I have the authority to bind the corporation"

# Schedule C

Court No.

Estate No.

In the matter of the Proposal of
Quintera Drilling Limited Partnership and Quintera Drilling 2010 Inc.
of the township of Nisku in the Province of Alberta

Form 78 (Bill C-12)
Statement of affairs (Business bankruptcy)

Ernst & Young Inc.
Per:

Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

[X] Original [ ] Amended

_Form 78_

Statement of Affairs (Business Proposal) made by an entity
(Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the matter of the Proposal of
Quintera Drilling Limited Partnership and Quintera Drilling 2010 Inc.
of the township of Nisku in the Province of Alberta

To the debtor:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 26th day of October 2016. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES
(as stated and estimated by the officer)

| | |
|---|---|
| 1. Unsecured creditors as per list "A" | 1,270,607.19 |
| Balance of secured claims as per list "B" | 16,368,164.00 |
| Total unsecured creditors | 17,638,771.19 |
| 2. Secured creditors as per list "B" | 3,631,837.00 |
| 3. Preferred creditors as per list "C" | 0.00 |
| 4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for | 0.00 |
| Total liabilities | 21,270,608.19 |
| Surplus | NIL |

ASSETS
(as stated and estimated by the officer)

| | | |
|---|---|---|
| 1. Inventory | | 0.00 |
| 2. Trade fixtures, etc. | | 0.00 |
| 3. Accounts receivable and other receivables, as per list "E" | | |
| Good | 462,365.74 | |
| Doubtful | 117,467.01 | |
| Bad | 0.00 | |
| Estimated to produce | | 462,365.74 |
| 4. Bills of exchange, promissory note, etc., as per list "F" | | 0.00 |
| 5. Deposits in financial institutions | | 4,929.00 |
| 6. Cash | | 0.00 |
| 7. Livestock | | 0.00 |
| 8. Machinery, equipment and plant | | 0.00 |
| 9. Real property or immovable as per list "G" | | 0.00 |
| 10. Furniture | | 0.00 |
| 11. RRSPs, RRIFs, life insurance, etc. | | 0.00 |
| 12. Securities (shares, bonds, debentures, etc.) | | 0.00 |
| 13. Interests under wills | | 0.00 |
| 14. Vehicles | | 655,505.00 |
| 15. Other property, as per list "H" | | 3,107,005.00 |
| If debtor is a corporation, add: | | |
| Amount of subscribed capital | 0.00 | |
| Amount paid on capital | 0.00 | |
| Balance subscribed and unpaid | | 0.00 |
| Estimated to produce | | 0.00 |
| Total assets | | 4,229,804.74 |
| Deficiency | | 17,040,803.45 |

I, Richard B. Kuzyk, of the township of Canmore in the Province of Alberta, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 26th day of October 2016 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
before me at the city of ~~Edmonton~~ Calgary in the Province of Alberta, on this 26th day of October 2016.

~~Matt McCulloch, Commissioner of Oaths~~
~~For the Province of Alberta~~
~~Expires Feb. 21, 2019~~

John M. Cassell
Barrister & Solicitor
A Commissioner of Oaths
in and for the Province of
Alberta

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "A"
Unsecured Creditors

Quintera Drilling 2010 Inc., Quintera Drilling Limited Partnership

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|---|---|---|---|---|---|
| 1 | 392826 Alberta Ltd. | | 1.00 | 0.00 | 1.00 |
| 2 | AgComm Petroleum Sales Ltd | 1802 - 10th Ave SW<br>Medicine Hat AB T1A 7T9 | 59.85 | 0.00 | 59.85 |
| 3 | Alberta Treasury Branches | 600, 444 - 7th Avenue SW<br>Calgary AB T2P 0X8 | 0.00 | 16,368,164.00 | 16,368,164.00 |
| 4 | Bell Acc.0013 | P.O. Box 3017 Station Terminal<br>Vancouver BC V6B 6L1 | 115.90 | 0.00 | 115.90 |
| 5 | Boyds xxxcavating | PO Box 5528<br>Leduc AB T9E 2A1 | 493.50 | 0.00 | 493.50 |
| 6 | Canada Revenue Agency-Edmonton Tax Svces | Rev. Collections Div.,Regional<br>Insolvency Intake Ctr, 9700 Jasper Ave<br>Edmonton AB T5J 4C8 | 1.00 | 0.00 | 1.00 |
| 7 | Canada Revenue Agency-Edmonton Tax Svces | Rev. Collections Div.,Regional<br>Insolvency Intake Ctr, 9700 Jasper Ave<br>Edmonton AB T5J 4C8 | 1.00 | 0.00 | 1.00 |
| 8 | Canadian Freightways | PO Box 1108 Station T<br>Calgary AB T2H 2J1 | 804.02 | 0.00 | 804.02 |
| 9 | Commercial Solutions Inc. c/o Motion Industries | PO Box 9165, Station "M"<br>Calgary AB T2P 5E1 | 1,222.46 | 0.00 | 1,222.46 |
| 10 | Creative Business Solutions Inc. | 607 - 18 Street<br>Nisku AB T9E 7T7 | 52,108.00 | 0.00 | 52,108.00 |
| 11 | DaPaJo Construction Ltd. | P.O. Box 1930<br>Brooks AB T1R 1C6 | 514.50 | 0.00 | 514.50 |
| 12 | Dash Distributors Inc. | 8548 Roper Road<br>Edmonton AB T6E 6V4 | 110.42 | 0.00 | 110.42 |
| 13 | David Starling | Site 437 Box 2 Comp 4 RR 1<br>Drayton Valley AB T7A 2A1 | 5,040.00 | 0.00 | 5,040.00 |
| 14 | Direct Energy Regulated Services | P.O. Box 1520, 639 5th Ave SW<br>Calgary AB T2P 5R6 | 119.76 | 0.00 | 119.76 |
| 15 | Diversified Chain & Rigging | Box 278<br>Brooks AB T1R 1B3 | 950.59 | 0.00 | 950.59 |
| 16 | DNOW Canada ULC | PO Box 664 STN. M<br>Calgary AB T2P 2J3 | 1,126.97 | 0.00 | 1,126.97 |
| 17 | Eastend Iron Industries Ltd | 6215 - 54th Ave<br>Taber AB T1G 1X4 | 315.00 | 0.00 | 315.00 |
| 18 | Epcor | P.O. Box 500<br>Edmonton AB T5J 3Y3 | 3,762.18 | 0.00 | 3,762.18 |
| 19 | Ernst & Young LLP | PO Box 57104, Station A<br>Toronto ON M5W 5M5 | 700.00 | 0.00 | 700.00 |
| 20 | Force Inspection Services Inc. | PO Box 1261<br>Nisku AB T9E 8A8 | 37,303.55 | 0.00 | 37,303.55 |
| 21 | Global Heat Transfer Ltd | 4755 EleniakRoad Ltd<br>Edmonton AB T6B 2N1 | 83.95 | 0.00 | 83.95 |
| 22 | Greenline Tire Sales | 61 Bridgeport Wynd<br>Leduc AB T9E 8B2 | 1,127.37 | 0.00 | 1,127.37 |
| 23 | Gregg Distributors Ltd | 5755 - 11 Street SE<br>Calgary AB T2H 1M7 | 769.82 | 0.00 | 769.82 |

26-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "A"
Unsecured Creditors

Quintera Drilling 2010 Inc., Quintera Drilling Limited Partnership

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|---|---|---|---|---|---|
| 24 | Greyhound Courier Express | PO Box 15414 Station A<br>Toronto ON M5W 1C1 | 81.39 | 0.00 | 81.39 |
| 25 | Harwood Ford Sales Brooks | P.O. Box 2200<br>Brooks AB T1R 1C8 | 77.30 | 0.00 | 77.30 |
| 26 | KPMG LLP | P.O.Box 4348, Station A<br>Toronto ON M5W 7A6 | 16,008.30 | 0.00 | 16,008.30 |
| 27 | Leduc Co-op Ltd. | 5403 50 Street<br>Leduc AB T9E 6Z7 | 1,012.43 | 0.00 | 1,012.43 |
| 28 | Leduc County | 101, 1101 5 Street<br>Nisku AB T9E 2X3 | 43.56 | 0.00 | 43.56 |
| 29 | Lloyd Innes | 4 - 135 Galbraith Dr. SW<br>Calgary AB T3E 4Z5 | 378.24 | 0.00 | 378.24 |
| 30 | M & M Valve Services Inc | 2-1301 4 St,<br>Nisku AB T9E 7M9 | 416.62 | 0.00 | 416.62 |
| 31 | Motion Industries (Canada) Inc | PO Box 9165, Station M<br>Calgary AB T2P 5E1 | 6,286.73 | 0.00 | 6,286.73 |
| 32 | Norton Rose Fulbright Canada LP | 3700, 400 - 3 Avenue SW<br>Calgary AB T2P 4H2 | 2,916.90 | 0.00 | 2,916.90 |
| 33 | Pason Systems Corp. | 6130 3rd St. S.E.<br>Calgary AB T2H 1K4 | 3,360.00 | 0.00 | 3,360.00 |
| 34 | Petro-Canada | P.O Box 4038 Station A<br>Toronto ON M5W 1S5 | 59.85 | 0.00 | 59.85 |
| 35 | Pitney Bowes Global Credit Services | P.O. Box 278<br>Orangeville ON L9W 2Z7 | 69.65 | 0.00 | 69.65 |
| 36 | Progressive Waste Solutions | 3410 - 74 Avenue NW<br>Edmonton AB T6B 2P7 | 579.65 | 0.00 | 579.65 |
| 37 | Quintera Drilling (2010) Inc. | 607 - 18 Avenue<br>Nisku AB T9E 7T7 | 45,419.00 | 0.00 | 45,419.00 |
| 38 | Regulator's Oilfield Hauling Ltd. | PO Box 416<br>Grande Prairie AB T8V 3A5 | 10,462.20 | 0.00 | 10,462.20 |
| 39 | Richard Kuzyk | 128 Eagle Terrace Road<br>Canmore AB T1W 2Y5 | 1,060,000.00 | 0.00 | 1,060,000.00 |
| 40 | Ricoh Canada Inc | 300, 5520 Explorer Drive<br>Mississauga ON L4W 5L1 | 254.31 | 0.00 | 254.31 |
| 41 | Straight Line BOP & Valve Inc. | Box 597<br>Brooks AB T1R 1B5 | 1,056.96 | 0.00 | 1,056.96 |
| 42 | Superior Industrial Frictions Ltd | 11570-154 Street<br>Edmonton AB T5M 3N8 | 2,231.19 | 0.00 | 2,231.19 |
| 43 | TalonX Creative Agency Inc. | #150, 1900 11th Street SE<br>Calgary AB T2G 3G2 | 105.00 | 0.00 | 105.00 |
| 44 | Taylor Oil Tools Inc. | Bay 111, 12159 - 44th St S.E.<br>Calgary AB T2Z 4H3 | 1,365.00 | 0.00 | 1,365.00 |
| 45 | TDM Hose & Hydraulics Ltd. | 269 Veiner Road, PO Box 1147<br>Brooks AB T1R 1B9 | 62.82 | 0.00 | 62.82 |
| 46 | Telus Communications Inc. | P.O. Box 7575<br>Vancouver BC V6B 8N9 | 1,029.70 | 0.00 | 1,029.70 |
| 47 | TeraGo Networks Inc. | Unit 800, 55 Commerce Valley Drive West<br>Thornhill ON L3T 7V9 | 1,099.35 | 0.00 | 1,099.35 |

26-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "A"
Unsecured Creditors

Quintera Drilling 2010 Inc., Quintera Drilling Limited Partnership

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|---|---|---|---|---|---|
| 48 | U.F.A. Co-op Ltd. | PO BOX 2780 Station M<br>Calgary AB T2P 2M7 | 1,675.74 | 0.00 | 1,675.74 |
| 49 | Urban Impact | 15360 Knox Way<br>Richmond BC V6V 3A6 | 401.46 | 0.00 | 401.46 |
| 50 | Warrior Manufacturing Services Ltd. | 1515 28 St. N.E.<br>Calgary AB T2A 3T1 | 7,422.00 | 0.00 | 7,422.00 |
| 51 | WORKERS' COMPENSATION BOARD - ALBERTA | PO BOX 2415<br>9912 107 STREET, MAIN FLOOR<br>Edmonton AB T5J 2S5 | 1.00 | 0.00 | 1.00 |
| | | Total: | 1,270,607.19 | 16,368,164.00 | 17,638,771.19 |

26-Oct-2016

Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "B"
Secured Creditors

Quintera Drilling 2010 Inc., Quintera Drilling Limited Partnership

| No. | Name of creditor | Address | Amount of claim | Particulars of security | When given | Estimated value of security | Estimated surplus from security | Balance of claim |
|---|---|---|---|---|---|---|---|---|
| 1 | Alberta Treasury Branches | 600, 444 - 7th Avenue SW Calgary AB T2P 0X8 | 20,000,000.00 | Other - RIG 12 -- 4200m Heavy Telescopic Double | 26-Oct-2016 | 619,336.00 | | |
| | | | | Other - RIG 6 -- 3000m Telescopic Double | 26-Oct-2016 | 309,668.00 | | |
| | | | | Other - RIG 7 -- 2200m Range III Single | 26-Oct-2016 | 299,346.00 | | |
| | | | | Other - RIG 8 -- 2400m Range III Single | 26-Oct-2016 | 299,346.00 | | |
| | | | | Other - RIG 9 -- 3000m Telescopic Double | 26-Oct-2016 | 299,346.00 | | |
| | | | | Other - RIG 3 -- 3000m Telescoping Double | 26-Oct-2016 | 299,346.00 | | |
| | | | | Other - RIG 4 -- 2200m Range III Single | 26-Oct-2016 | 299,346.00 | | |
| | | | | Other - RIG 5 -- 2400m Range III Single | 26-Oct-2016 | 299,346.00 | | |
| | | | | Other - RIG 11 -- 3600m Heavy Telescopic Double | 26-Oct-2016 | 299,346.00 | | |
| | | | | Other - RIG 15 -- 2500m Telescopic Double | 26-Oct-2016 | 82,578.00 | | |
| | | | | Debts Due - Business - AltaBras Energy Services Corporation | 26-Oct-2016 | 0.00 | | |
| | | | | Debts Due - Business - Cardinal Energy Ltd. | 26-Oct-2016 | 0.00 | | 16,892,996.00 |
| | | | | Cash in bank - 218944500 - ATB | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Automobile - 2002 - Western Star - Semi-Truck (EY Desktop Liquidation Valuation) - 2WLHAEAS92KK14321 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Automobile - 2004 - Chevy - Suburban (EY Desktop Liquidation Valuation) - 3GNFK16T94G211539 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Automobile - 2009 - Dodge - Ram (EY Desktop Liquidation Valuation) - 3D73Y4EL9AG143161 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Automobile - 2010 - Chevy - Silverado (EY Desktop Liquidation Valuation) - 1GC4K0C80BF116358 | 26-Oct-2016 | 0.00 | | |

26-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "B"
Secured Creditors

Quintera Drilling 2010 Inc., Quintera Drilling Limited Partnership

| No. | Name of creditor | Address | Amount of claim | Particulars of security | When given | Estimated value of security | Estimated surplus from security | Balance of claim |
|---|---|---|---|---|---|---|---|---|
| 1 | Alberta Treasury Branches | 600, 444 - 7th Avenue SW Calgary AB T2P 0X8 | | Motor Vehicles - Automobile - 2011 - Dodge - Ram 2500 (EY Desktop Liquidation Valuation) - 3C6UD5NL2CG126258 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Automobile - 2011 - Dodge - Ram 3500 (EY Desktop Liquidation Valuation) - 3C63D3JL8CG107042 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Automobile - 2011 - Ford - F250 (EY Desktop Liquidation Valuation) - 1FT7W2BT1CEA68072 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Automobile - 2012 - Ford - F250 (EY Desktop Liquidation Valuation) - 1FT7W2B60CEB93834 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Automobile - 2013 - Dodge - Ram 2500 (EY Desktop Liquidation Valuation) - 3C6TD5JT5CG270758 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Automobile - 2013 - Ford - F150 (EY Desktop Liquidation Valuation) - 1FTFW1EF0DKE90297 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Automobile - 2013 - Ford - F250 SD (EY Desktop Liquidation Valuation) - 1FT7W2B69DEB06286 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Other - 2013 - Norberts - Trailer (EY Desktop Liquidation Valuation) - 2N9FFSBF4DG017042 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Other - 2011 - Hyundai - HL740TM-9 (EY Desktop Liquidation Valuation) - HLN02PB | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Other - 2011 - Hyundai - HL740TM-9 (EY Desktop Liquidation Valuation) - HLN02JB78 | 26-Oct-2016 | 0.00 | | |

26-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "B"
Secured Creditors

Quintera Drilling 2010 Inc., Quintera Drilling Limited Partnership

| No. | Name of creditor | Address | Amount of claim | Particulars of security | When given | Estimated value of security | Estimated surplus from security | Balance of claim |
|---|---|---|---|---|---|---|---|---|
| 1 | Alberta Treasury Branches | 600, 444 - 7th Avenue SW Calgary AB T2P 0X8 | | Motor Vehicles - Other - 2011 - Hyundai - HL740TM-7 (EY Desktop Liquidation Valuation) - HLN02TB | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Other - 2010 - Hyundai - HL740TM-7 (EY Desktop Liquidation Valuation) - 0255 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Other - 2008 - Oasis - Trailer (EY Desktop Liquidation Valuation) - 2SLGCE2A78R001397 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Other - 2007 - Hyundai - HL740TM-7 (EY Desktop Liquidation Valuation) - LF0210352 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Other - 2006 - Hyundai - HL740TM-7 (EY Desktop Liquidation Valuation) - LF0210261 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Other - 2006 - Hyundai - HL740TM-7 (EY Desktop Liquidation Valuation) - LF0210258 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Other - 2006 - Hyundai - HL740TM-7 (EY Desktop Liquidation Valuation) - LF0210252 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Other - 2006 - Hyundai - HL740TM-7 (EY Desktop Liquidation Valuation) - LF0210246 | 26-Oct-2016 | 0.00 | | |
| | | | | Motor Vehicles - Other - 1994 - Lode King - Trailer (EY Desktop Liquidation Valuation) - 2LDPF4828RE014149 | 26-Oct-2016 | 0.00 | | |
| | | | | Other - Investment in Limited Partnership | 26-Oct-2016 | 0.00 | | |

26-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "B"
Secured Creditors

Quintera Drilling 2010 Inc., Quintera Drilling Limited Partnership

| No. | Name of creditor | Address | Amount of claim | Particulars of security | When given | Estimated value of security | Estimated surplus from security | Balance of claim |
|---|---|---|---|---|---|---|---|---|
| 2 | Ford Credit Canada Leasing | PO Box 2400<br>Edmonton AB T5J 5C7 | 1.00 | Motor Vehicles - Automobile - 2014 - Ford - F250 - 1FT7W2B66EEB31339 | 20-Oct-2016 | 1.00 | | |
| | | | | Motor Vehicles - Automobile - 2015 - Ford - F250 - 1FT7W2B62FEA25228 | 20-Oct-2016 | 0.00 | 1.00 | |
| | | | | Motor Vehicles - Automobile - 2014 - Ford - F250 - 1FT7W2B64EEB31338 | 20-Oct-2016 | 0.00 | 1.00 | |
| | | | | Motor Vehicles - Automobile - 2015 - Ford - F350 - 1FT8W3BT7FEA54806 | 20-Oct-2016 | 0.00 | 1.00 | |
| | | | | Motor Vehicles - Automobile - 2013 - Ford - F150 - 1FTFW1ETXDFB71018 | 20-Oct-2016 | 0.00 | 1.00 | |
| | | Total: | 20,000,001.00 | | | 3,107,005.00 | 4.00 | 16,892,996.00 |

26-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "C"
Preferred Creditors for Wages, Rent, etc.

Quintera Drilling 2010 Inc., Quintera Drilling Limited Partnership

| No. | Name of creditor | Address and occupation | Nature of claim | Period during which claim accrued | Amount of claim | Amount payable in full | Difference ranking for dividend |
|---|---|---|---|---|---|---|---|
| | | | | Total: | 0.00 | 0.00 | 0.00 |

26-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "D"
Contingent or Other Liabilities

Quintera Drilling 2010 Inc., Quintera Drilling Limited Partnership

| No. | Name of creditor or claimant | Address and occupation | Amount of liability or claim | Amount expected to rank for dividend | Date when liability incurred | Nature of liability |
|---|---|---|---|---|---|---|
| | | Total: | 0.00 | 0.00 | | |

26-Oct-2016

Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "E"
Debts Due to the Debtor

Quintera Drilling 2010 Inc., Quintera Drilling Limited Partnership

| No. | Name of debtor | Address and occupation | Nature of debt | Amount of debt (good, doubtful, bad) | Folio of ledgers or other book where particulars to be found | When contracted | Estimated to produce | Particulars of any securities held for debt |
|---|---|---|---|---|---|---|---|---|
| 1 | AltaBras Energy Services Corporation | 718 - 15 Avenue SW Calgary AB T2R 0R6 | | 0.00<br>117,467.01<br>0.00 | | | 0.00 | |
| 2 | Cardinal Energy Ltd. | 600, 400 - 3 Avenue SW Calgary AB T2P 4H2 | | 462,365.74<br>0.00<br>0.00 | | | 462,365.74 | |
| | | | Total: | 462,365.74<br>117,467.01<br>0.00 | | | 462,365.74 | |

26-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel Mortgages, etc., Available as Assets

Quintera Drilling 2010 Inc., Quintera Drilling Limited Partnership

| No. | Name of all promissory, acceptors, endorsers, mortgagors, and guarantors | Address | Occupation | Amount of bill or note, etc. | Date when due | Estimated to produce | Particulars of any property held as security for payment of bill or note, etc. |
|---|---|---|---|---|---|---|---|
| | | | Total: | 0.00 | | 0.00 | |

26-Oct-2016

Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "G"
Real Property or Immovables Owned by Debtor

Quintera Drilling 2010 Inc., Quintera Drilling Limited Partnership

| Description of property | Nature of debtor interest | In whose name does title stand | Total value | Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount) | Equity or surplus |
|---|---|---|---|---|---|
| | | Total: | 0.00 | | 0.00 |

26-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "H"
Property

Quintera Drilling 2010 Inc., Quintera Drilling Limited Partnership
FULL STATEMENT OF PROPERTY

| Nature of property | Location | Details of property | Original cost | Estimated to produce |
|---|---|---|---|---|
| (a) Stock-in-trade | | | 0.00 | 0.00 |
| (b) Trade fixtures, etc. | | | 0.00 | 0.00 |
| (c) Cash in financial institutions | ATB | 218944500 | 4,929.00 | 4,929.00 |
| (d) Cash on hand | | | 0.00 | 0.00 |
| (e) Livestock | | | 0.00 | 0.00 |
| (f) Machinery, equipment and plant | | | 0.00 | 0.00 |
| (g) Furniture | | | 0.00 | 0.00 |
| (h) Life insurance policies, RRSPs, etc. | | | 0.00 | 0.00 |
| (i) Securities | | | 0.00 | 0.00 |
| (j) Interests under wills, etc. | | | 0.00 | 0.00 |
| (k) Vehicles | | Automobile - 2014 - Ford - F250 - 1FT7W2B66EEB31339 | 0.00 | 1.00 |
| | | Automobile - 2015 - Ford - F250 - 1FT7W2B62FEA25228 | 0.00 | 1.00 |
| | | Automobile - 2014 - Ford - F250 - 1FT7W2B64EEB31338 | 0.00 | 1.00 |
| | | Automobile - 2015 - Ford - F350 - 1FT8W3BT7FEA54806 | 0.00 | 1.00 |
| | | Automobile - 2013 - Ford - F150 - 1FTFW1ETXDFB71018 | 0.00 | 1.00 |
| | | Automobile - 2011 - Dodge - Ram 3500 (EY Desktop Liquidation Valuation) - 3C63D3JL8CG107042 | 1.00 | 31,000.00 |
| | | Automobile - 2010 - Chevy - Silverado (EY Desktop Liquidation Valuation) - 1GC4K0C80BF116358 | 1.00 | 21,000.00 |
| | | Automobile - 2011 - Ford - F250 (EY Desktop Liquidation Valuation) - 1FT7W2BT1CEA88072 | 1.00 | 21,000.00 |
| | | Automobile - 2009 - Dodge - Ram (EY Desktop Liquidation Valuation) - 3D73Y4EL9AG143161 | 1.00 | 17,500.00 |
| | | Automobile - 2004 - Chevy - Suburban (EY Desktop Liquidation Valuation) - 3GNFK16T94G211539 | 1.00 | 5,500.00 |
| | | Automobile - 2012 - Ford - F250 (EY Desktop Liquidation Valuation) - 1FT7W2B60CEB93834 | 1.00 | 21,000.00 |
| | | Automobile - 2011 - Dodge - Ram 2500 (EY Desktop Liquidation Valuation) - 3C6UD5NL2CG126258 | 1.00 | 25,000.00 |
| | | Automobile - 2013 - Dodge - Ram 2500 (EY Desktop Liquidation Valuation) - 3C6TD5JT5CG270758 | 1.00 | 18,500.00 |

26-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "H"
Property

Quintera Drilling 2010 Inc., Quintera Drilling Limited Partnership
FULL STATEMENT OF PROPERTY

| Nature of property | Location | Details of property | Original cost | Estimated to produce |
|---|---|---|---|---|
| (k) Vehicles | | Automobile - 2013 - Ford - F150 (EY Desktop Liquidation Valuation) - 1FTFW1EF0DKE90297 | 1.00 | 19,000.00 |
| | | Automobile - 2013 - Ford - F250 SD (EY Desktop Liquidation Valuation) - 1FT7W2B69DEB06286 | 1.00 | 21,000.00 |
| | | Other - 2007 - Hyundai - HL740TM-7 (EY Desktop Liquidation Valuation) - LF0210352 | 1.00 | 38,000.00 |
| | | Other - 2006 - Hyundai - HL740TM-7 (EY Desktop Liquidation Valuation) - LF0210252 | 1.00 | 35,000.00 |
| | | Other - 2006 - Hyundai - HL740TM-7 (EY Desktop Liquidation Valuation) - LF0210246 | 1.00 | 35,000.00 |
| | | Other - 2006 - Hyundai - HL740TM-7 (EY Desktop Liquidation Valuation) - LF0210261 | 1.00 | 35,000.00 |
| | | Other - 2006 - Hyundai - HL740TM-7 (EY Desktop Liquidation Valuation) - LF0210258 | 1.00 | 35,000.00 |
| | | Other - 2011 - Hyundai - HL740TM-9 (EY Desktop Liquidation Valuation) - HLN02PB | 1.00 | 54,000.00 |
| | | Other - 2011 - Hyundai - HL740TM-7 (EY Desktop Liquidation Valuation) - HLN02TB | 1.00 | 54,000.00 |
| | | Other - 2010 - Hyundai - HL740TM-7 (EY Desktop Liquidation Valuation) - 0255 | 1.00 | 71,000.00 |
| | | Other - 2011 - Hyundai - HL740TM-9 (EY Desktop Liquidation Valuation) - HLN02JB78 | 1.00 | 54,000.00 |
| | | Other - 2013 - Norberts - Trailer (EY Desktop Liquidation Valuation) - 2N9FFSBF4DG017042 | 1.00 | 9,500.00 |
| | | Other - 2008 - Oasis - Trailer (EY Desktop Liquidation Valuation) - 2SLGCE2A78R001397 | 1.00 | 6,000.00 |
| | | Other - 1994 - Lode King - Trailer (EY Desktop Liquidation Valuation) - 2LDPF4828RE014149 | 1.00 | 8,500.00 |
| | | Automobile - 2002 - Western Star - Semi-Truck (EY Desktop Liquidation Valuation) - 2WLHAEAS92KK14321 | 1.00 | 20,000.00 |
| (l) Taxes | | | 0.00 | 0.00 |

26-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Concluded

List "H"
Property

Quintera Drilling 2010 Inc., Quintera Drilling Limited Partnership
FULL STATEMENT OF PROPERTY

| Nature of property | Location | Details of property | Original cost | Estimated to produce |
|---|---|---|---|---|
| (m) Other | | RIG 3 – 3000m Telescoping Double | 0.00 | 299,346.00 |
| | | RIG 4 – 2200m Range III Single | 0.00 | 299,346.00 |
| | | RIG 5 – 2400m Range III Single | 0.00 | 299,346.00 |
| | | RIG 6 – 3000m Telescopic Double | 0.00 | 309,668.00 |
| | | RIG 7 – 2200m Range III Single | 0.00 | 299,346.00 |
| | | RIG 8 – 2400m Range III Single | 0.00 | 299,346.00 |
| | | RIG 9 – 3000m Telescopic Double | 0.00 | 299,346.00 |
| | | RIG 11 – 3600m Heavy Telescopic Double | 0.00 | 299,346.00 |
| | | RIG 12 – 4200m Heavy Telescopic Double | 0.00 | 619,336.00 |
| | | RIG 15 – 2500m Telescopic Double | 0.00 | 82,578.00 |
| | | Investment in Limited Partnership | 0.00 | 1.00 |
| | | | Total: | 3,767,439.00 |

26-Oct-2016
Date

Richard B. Kuzyk

# Schedule D

Form 27
[Rules 6.3 and 10.52(1)]
Clerk's stamp

FILED
OCT 24 2016
CALGARY
JUDICIAL CENTRE OF CALGARY
CLERK OF THE COURT

| | |
|---|---|
| COURT FILE NUMBER | 1601-14057 |
| COURT | COURT OF QUEEN'S BENCH OF ALBERTA |
| JUDICIAL CENTRE | Calgary |
| APPLICANTS | IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, as amended<br><br>AND IN THE MATTER OF THE BANKRUPTCY OF QUINTERA DRILLING LIMITED PARTNERSHIP and QUINTERA DRILLING 2010 INC. |
| DOCUMENT | **ORDER** |
| ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT | Norton Rose Fulbright Canada LLP<br>400 3rd Avenue SW, Suite 3700<br>Calgary, Alberta T2P 4H2 CANADA<br><br>Howard A. Gorman, Q.C. and John Cassell<br>Tel: +1 403.267.8222<br>Fax: +1 403.264.5973<br><br>Lawyers for the Applicants, Quintera Drilling Limited Partnership and Quintera 2010 Inc.<br>File no.: 01032461-0001 |

I hereby certify this to be a true copy of the original order

Dated this 24 day of oct 2016

for Clerk of the Court

| | |
|---|---|
| **DATE ON WHICH ORDER WAS PRONOUNCED:** | **October 24, 2016** |
| **NAME OF JUDGE WHO MADE THIS ORDER:** | **The Honourable Madam Justice B.E.C. Romaine, on the commercial List, Chambers** |
| **LOCATION OF HEARING:** | **Calgary** |

**UPON THE APPLICATION** of the Applicants, Quintera Drilling Limited Partnership (**"Quintera LP"**) and Quintera Drilling 2010 Inc. (**"Quintera Inc."**); **AND UPON** reviewing the application Quintera LP and Quintera Inc. and the supporting Affidavit of Richard Kuzyk filed October 21, 2016; **AND UPON** noting the assignment into bankruptcy of Quintera LP and Quintera Inc. on October 21, 2016; **AND UPON** hearing submissions from counsel to the Applicants;

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

1. service of this Application is hereby dispensed with;

2. the bankruptcy proceedings of Quintera LP and Quintera Inc. are hereby consolidated;

3. Quintera LP and Quintera Inc. are permitted to file a joint proposal in Bankruptcy ("**Proposal**") pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended ("**BIA**") with the official receiver prior to the appointment of inspectors, and no later than October 26, 2016;

4. the date of the first meeting of creditors of Quintera LP and Quintera Inc. ("**First Meeting of Creditors**") shall be scheduled for no later than November 14, 2016;

5. the creditors of Quintera LP and Quintera Inc. shall be permitted to appoint up to five inspectors at the First Meeting of Creditors;

6. a meeting of creditors. to vote on the Proposal shall be held immediately following the First Meeting of Creditors on the same day; and

7. in the event the Proposal is accepted by the creditors of Quintera LP and Quintera Inc., an application for Court approval of the Proposal may be heard at 3:00 pm November 14, 2016 or such other date as soon as possible following the filing the report on the Proposal by the Trustee pursuant to section 58(d) of the BIA.

The Honourable Justice B.E.C. Romaine

# Schedule E

District of Alberta
Division No. 01 – Edmonton
Court No. 24-2180230/24-2180231
Estate No. 24-2180231/24-2180231

In the Matter of the Proposal of:
Quintera Drilling 2010 Inc./Quintera Drilling Limited Partnership
Debtor

ERNST & YOUNG INC.
Licensed Insolvency Trustee

---

Date of Proposal: October 26, 2016
Security: $*.**
Date of Bankruptcy: October 24, 2016, 09:49
Meeting of Creditors: November 10, 2016, 10:30
EPCOR Tower
1400 – 10423 101 Street
Edmonton T5H 0E7, ALBERTA

Chair: Trustee

---

CERITICATE OF FILING OF A PROPOSAL BY A BANKRUPT

I, THE UNDERSIGNED, Official Receiver in and for this bankruptcy district, do hereby certify that:

- the aforenamed debtor was declared bankruptcy and is presently undischarged;
- a proposal I respect of the debtor was subsequently filed under the provisions of the Bankruptcy and Insolvency Act.

The aforenamed trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, to be held at the aforementioned time and place.

Date: October 27, 2016

E-File / Depot electronique

Official Receiver

# Schedule F

Estate No: 24-________________
Court No:

PRELIMINARY REPORT OF TRUSTEE
IN THE MATTER OF THE PROPOSAL OF

**QUINTERA DRILLING LIMITED PARTNERSHIP AND QUINTERA DRILLING 2010 INC. (collectively referred to as "Quintera" or the "Debtor")**

TRUSTEE: Ernst & Young Inc.

## A. BACKGROUND

On October 24, 2016, both Quintera Drilling Limited Partnership and Quintera Drilling 2010 Inc. filed assignments into bankruptcy. On this same date, further to an application made by Quintera, the Court granted an Order that, amongst other things, authorized the consolidation of the bankruptcies and authorized Quintera to file a joint Proposal by October 26, 2016. On October 26, 2016, in accordance with the Order noted above, the Trustee filed a copy of the Proposal with the Office of the Superintendent of Bankruptcy.

Quintera's primary line of business was providing drilling contractor services within the Western Canadian Sedimentary Basin. As at the date of this report, Quintera has a fleet of 10 efficient moving drilling rigs with depth capacities ranging from 2200 to 4500 metres. Although Quintera continues to operate and look for new contracts to put its assets to work, the Trustee understands that some of these 10 rigs are no longer operative, and could be considered scrap as at the date of this report.

## B. SUMMARY OF PROPOSAL

- Payments to Unsecured Creditors as follows:
  - Payment in full of all proven unsecured creditors who file a claim with the Trustee prior to the time and date of the First Meeting of Creditors (Claims Bar Date) to consider the Proposal. For clarity, the Superintendent's levy of 5% will be paid in addition to the payment in full of proven unsecured creditor claims (ie: total 105% will be paid to the Trustee to cover the full claims of unsecured creditors and the levy as required).
  - Related Creditor claims will be deferred, and are not included as claims compromised by the Proposal.
- Arrangements with Secured Creditor
  - Only one secured creditor's claim will be compromised with this Proposal: Alberta Treasury Branches ("ATB"). Under the terms of this Proposal, any indebtedness to ATB greater than $3,750,000 will be reduced and forgiven.
  - Any agreement regarding the payments between Quintera Drilling Limited Partnership and ATB for the payment of the compromised amount noted above does not form part of the Proposal.

## C. FINANCIAL POSITION AND CAUSES OF DIFFICULTIES

From review of the Affidavit sworn by Rick Kuzyk on (date), the cause of Quintera's financial difficulties was the rapid decrease in the price of oil beginning in the summer of 2014 and the subsequent decrease in rig activity thereby negatively impacting Quintera's revenue and cash flow in a significant manner.

## D. INTERIM RECEIVER

None appointed.

## E. IDENTIFICATION AND EVALUATION OF ASSETS

As noted on the Statement of Affairs filed in connection with these Proposal proceedings. Please note, that a formal appraisal of the Debtor's assets has not been obtained by the Trustee; however, based on discussions with the Debtor and ATB, as well as based on the Trustee's own experience in dealing with assets of this nature, the Trustee is comfortable that although some difference in value may exist, the total aggregate value of the Debtor's assets will not exceed the value of ATB's secured claim. Given this situation, and given ATB's involvement in these proceedings, the Trustee has not commissioned a formal appraisal of the Debtor's assets.

## F. CONDUCT OF DEBTOR

The Trustee's preliminary review has not shown any preferential payments, settlements, or reviewable transactions.

## G. CREDITORS' CLAIMS

No significant changes from the Statement of Affairs are anticipated.

## H. PREVIOUS BUSINESS DEALINGS WITH DEBTOR

Ernst & Young LLP ("EY LLP") has been in discussions with the director of the Debtor in relation to tax matters and concerns that may pertain to the Debtor in these circumstances. This being the case, EY LLP has not been the auditor or accountant of the Debtor at any time prior to these proceedings.

## I. INFORMAL MEETINGS WITH MAJOR CREDITORS

The Trustee understands that the Debtor has consulted with ATB in relation to these proceedings; however, the finalization of any agreement or compromise has not been completed prior to the date of the Proposal and this report.

## J. REMUNERATION OF TRUSTEE

The Trustee's services will be based on the time spent by the Trustee and the various members of its staff at their respective regular billing rates plus any direct out-of-pocket expenses incurred. The Trustee's fees and disbursements will be taxed by the Court.

The Trustee's fees will be paid in addition to the amounts proposed to be paid by the Debtor in paragraph B.

## K. OTHER

None

## L. STATEMENT OF ESTIMATED REALIZATION

The Debtor is proposing to pay to the Trustee 100% of the amount of proven unsecured claims pursuant to the terms of the Proposal. As noted above, the Superintendent's levy payable of 5% on such claims will be paid in addition to the amount of proven claims.

## M. RECOMMENDATIONS

It is the Trustee's opinion that the Proposal is fair and reasonable to the Debtor and the creditors and that the Debtor will be able to perform it.

In the Proposal, the unsecured creditors as proven in accordance with the terms of the Proposal can expect to receive 100 cents on the dollar on account of their claim; whereas, if the Debtor remains in bankruptcy the secured lender will suffer a significant shortfall and there will be no dividends available to the unsecured creditors.

**DATED AT** the City of Edmonton, in the Province of Alberta this 26th day of October 2016.

Ernst & Young Inc.

Per: ______________________________

Matt McCulloch, CA, CPA, CIRP, LIT
Senior Vice President

# Schedule G

District of: Alberta
Division No. 01 - Edmonton
Court No. 1601-14057
Estate No.

FORM 31 / 36

Proof of Claim / Proxy

In the matter of the Proposal of
Quintera Drilling Limited Partnership and Quintera Drilling 2010 Inc.
of the township of Nisku in the Province of Alberta

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

________________________________________

________________________________________

In the matter of the proposal of Quintera Drilling Limited Partnership Quintera Drilling 2010 Inc. of the township of Nisku in the Province of Alberta and the claim of ____________________, creditor.

I, ____________________, of the city of ______________, a creditor in the above matter, hereby appoint ____________________________, of __________________________, to be my proxyholder in the above matter, except as to the receipt of dividends, ________ (with or without) power to appoint another proxyholder in his or her place.

I, ____________________ (name of creditor or representative of the creditor), of the city of ______________ in the province of __________ do hereby certify:

1. That I am a creditor of the above named debtor (or I am ________________ (position/title) of __________________, creditor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of proposal, namely the 26th day of October 2016, and still is, indebted to the creditor in the sum of $________________, as specified in the statement of account (or affidavit or solemn declaration) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

☐ A. UNSECURED CLAIM OF $________________

(other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and

(Check appropriate description.)

☐ Regarding the amount of $ ________________, I claim a right to a priority under section 136 of the Act.

☐ Regarding the amount of $________________, I do not claim a right to a priority.

*(Set out on an attached sheet details to support priority claim.)*

☐ B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE $________________

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:

*(Give full particulars of the claim, including the calculations upon which the claim is based.)*

☐ C. SECURED CLAIM OF $________________

That in respect of this debt, I hold assets of the debtor valued at $____________ as security, particulars of which are as follows: *(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)*

☐ D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF $________________

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of $____________

*(Attach a copy of sales agreement and delivery receipts.)*

☐ E. CLAIM BY WAGE EARNER OF $________________

☐ That I hereby make a claim under subsection 81.3(8) of the Act in the amount of $________,

☐ That I hereby make a claim under subsection 81.4(8) of the Act in the amount of $________,

☐ F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF $________________

☐ That I hereby make a claim under subsection 81.5 of the Act in the amount of $________,

☐ That I hereby make a claim under subsection 81.6 of the Act in the amount of $________,

☐ G. CLAIM AGAINST DIRECTOR $_________

*(To be completed when a proposal provides for the compromise of claims against directors.)*
That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:
*(Give full particulars of the claim, including the calculations upon which the claim is based.)*

☐ H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM $_________

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:
*(Give full particulars of the claim, including the calculations upon which the claim is based.)*

5. That, to the best of my knowledge, I __________(am/am not) (or the above-named creditor __________(is/is not)) related to the debtor within the meaning of section 4 of the Act, and ___________(have/has/have not/has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: (Provide details of payments, credits and transfers at undervalue.)

7. *(Applicable only in the case of the bankruptcy of an individual.)*

☐ Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.

☐ I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at ________________________________, this _______ day of ______________, _______.

______________________________
Witness

______________________________
Individual Creditor

______________________________
Witness

______________________________
Name of Corporate Creditor

Per ______________________________
Name and Title of Signing Officer

Return To:

Phone Number: ______________________
Fax Number: ______________________
E-mail Address: ______________________

Ernst & Young Inc.
Per:

______________________________
Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977
E-mail: trina.sorbara@ca.ey.com

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

# Schedule H

District of: Alberta
Division No. 01 - Edmonton
Court No. 1601-14057
Estate No.

FORM 37.1
Voting Letter
(Paragraph 66.15(3)*(c)* of the Act)

In the matter of the Proposal of
Quintera Drilling Limited Partnership and Quintera Drilling 2010 Inc.
of the township of Nisku in the Province of Alberta

1. I, ______________________________, creditor (or I, ______________________________, representative of ______________________________, creditor), of ________________, a creditor in the above matter for the sum of $______________, hereby understand that:

(a) as a creditor who has proven claim, I may indicate assent to or dissent from the consumer proposal at or prior to a meeting of creditors, or prior to the expiration of the 45-day period following the filing of the consumer proposal;

(b) a vote **AGAINST** the consumer proposal is not a deemed request for a meeting of creditors for the purpose of paragraph 66.15(2)*(b)* of the Act, and will not be counted in a vote on the consumer proposal unless a meeting of creditors is called;

(c) the administrator of the consumer proposal will be required to call a meeting of creditors only if, pursuant to section 66.15 of the Act:
- he/she is directed to do so by the official receiver within the 45-day period after the filing of the consumer proposal; or
- at the expiration of the 45-day period after the filing of the consumer proposal, creditors having in the aggregate at least 25 percent of the value of proven claims have so requested.

(d) if no meeting of creditors is called, the consumer proposal shall, by virtue of subsection 66.18(1) of the Act, be deemed to have been accepted by the creditors, regardless of any dissent(s) the administrator of the consumer proposal may have received.

2. I hereby request: *(Check and complete the appropriate section)*

☐ the administrator acting with respect to the consumer proposal to record my vote **FOR** the acceptance of the consumer proposal as made on the ________ day of ______________________, _____________.

☐ the administrator acting with respect to the consumer proposal to record my vote **AGAINST** the acceptance of the consumer proposal as made on the ________ day of ______________________, _____________;

☐ the administrator acting with respect to the consumer proposal to record my vote **AGAINST** the acceptance of the consumer proposal as made on the ________ day of ______________________, _____________ and **REQUEST THAT A MEETING OF CREDITORS BE CONVENED.**

Dated at ______________________________, this ______ day of ____________________ _____________.

______________________________
Witness

______________________________
Name of Creditor or Representative of Creditor

Return To: Ernst & Young Inc.
Per:

______________________________
Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977
E-mail: trina.sorbara@ca.ey.com

# Schedule I

Industry Canada | Industrie Canada

**Office of the Superintendent of Bankruptcy Canada** | **Bureau du surintendant des faillites Canada**

District of: Alberta
Division No.: 01 - Edmonton
Court No.: 24-2180231
Estate No.: 24-2180231

In the Matter of the Bankruptcy of:

**Quintera Drilling Limited Partnership**
Debtor

**ERNST & YOUNG INC.**
Licensed Insolvency Trustee

Ordinary Administration

| | | | |
|---|---|---|---|
| Date and time of bankruptcy: | October 24, 2016, 09:49 | Security: | $0.00 |
| Date of trustee appointment: | October 24, 2016 | | |
| Meeting of creditors: | November 10, 2016, 10:00<br>EPCOR Tower<br>1400 - 10423 101 Street<br>Edmonton T5H 0E7, Alberta<br>Canada, | | |
| Chair: | Trustee | | |

CERTIFICATE OF APPOINTMENT - Section 49 of the Act; Rule 85

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify that:
- the aforenamed debtor filed an assignment under section 49 of the *Bankruptcy and Insolvency Act*;
- the aforenamed trustee was duly appointed trustee of the estate of the debtor.

The said trustee is required:
- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy; and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the aforementioned time and place or at any other time and place that may be later requested by the official receiver.

Date: October 24, 2016, 12:25

E-File/Dépôt Electronique

Official Receiver

Canada Place Building, 9700 Jasper Avenue NW, Suite 725, Edmonton, Alberta, Canada, T5J4C3, (877)376-9902

Canada

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

[X] Original [ ] Amended

-- Form 78 --

Statement of Affairs (Business Bankruptcy) made by an entity

(Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the matter of the bankruptcy of

Quintera Drilling Limited Partnership

of the township of Nisku in the Province of Alberta

To the bankrupt:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the bankruptcy, on the 21st day of October 2016. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES
(as stated and estimated by the officer)

| | |
|---|---|
| 1. Unsecured creditors as per list "A" | 158,498.19 |
| Balance of secured claims as per list "B" | 15,668,324.00 |
| Total unsecured creditors | 15,826,822.19 |
| 2. Secured creditors as per list "B" | 4,331,679.00 |
| 3. Preferred creditors as per list "C" | 0.00 |
| 4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for | 0.00 |
| Total liabilities | 20,158,501.19 |
| Surplus | NIL |

ASSETS
(as stated and estimated by the officer)

| | | |
|---|---|---|
| 1. Inventory | | 0.00 |
| 2. Trade fixtures, etc. | | 0.00 |
| 3. Accounts receivable and other receivables, as per list "E" | | |
| Good | 0.00 | |
| Doubtful | 0.00 | |
| Bad | 0.00 | |
| Estimated to produce | | 0.00 |
| 4. Bills of exchange, promissory note, etc., as per list "F" | | 0.00 |
| 5. Deposits in financial institutions | | 0.00 |
| 6. Cash | | 0.00 |
| 7. Livestock | | 0.00 |
| 8. Machinery, equipment and plant | | 0.00 |
| 9. Real property or immovable as per list "G" | | 0.00 |
| 10. Furniture | | 0.00 |
| 11. RRSPs, RRIFs, life insurance, etc. | | 0.00 |
| 12. Securities (shares, bonds, debentures, etc.) | | 0.00 |
| 13. Interests under wills | | 0.00 |
| 14. Vehicles | | 7.00 |
| 15. Other property, as per list "H" | | 4,331,676.00 |
| If bankrupt is a corporation, add: | | |
| Amount of subscribed capital | 0.00 | |
| Amount paid on capital | 0.00 | |
| Balance subscribed and unpaid | | 0.00 |
| Estimated to produce | | 0.00 |
| Total assets | | 4,331,683.00 |
| Deficiency | | 15,826,818.19 |

I, Richard B. Kuzyk, of the township of Canmore in the Province of Alberta, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 21st day of October 2016 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
before me at the city of ~~Edmonton~~ Calgary in the Province of Alberta, on this 21st day of October 2016.

John M. Cassell
Barrister & Solicitor

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "A"
Unsecured Creditors

Quintera Drilling Limited Partnership

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|---|---|---|---|---|---|
| 1 | AgComm Petroleum Sales Ltd | 1802 - 10th Ave SW<br>Medicine Hat AB T1A 7T9 | 59.85 | 0.00 | 59.85 |
| 2 | Alberta Treasury Branches | 600, 444 - 7th Avenue SW<br>Calgary AB T2P 0X8 | 0.00 | 15,668,324.00 | 15,668,324.00 |
| 3 | Bell Acc.0013 | P.O. Box 3017 Station Terminal<br>Vancouver BC V6B 6L1 | 115.90 | 0.00 | 115.90 |
| 4 | Boyds xxxcavating | PO Box 5528<br>Leduc AB T9E 2A1 | 493.50 | 0.00 | 493.50 |
| 5 | Canada Revenue Agency-Edmonton Tax Svces | Rev. Collections Div.,Regional<br>Insolvency Intake Ctr, 9700 Jasper Ave<br>Edmonton AB T5J 4C8 | 1.00 | 0.00 | 1.00 |
| 6 | Canada Revenue Agency-Edmonton Tax Svces | Rev. Collections Div.,Regional<br>Insolvency Intake Ctr, 9700 Jasper Ave<br>Edmonton AB T5J 4C8 | 1.00 | 0.00 | 1.00 |
| 7 | Canadian Freightways | PO Box 1108 Station T<br>Calgary AB T2H 2J1 | 804.02 | 0.00 | 804.02 |
| 8 | Commercial Solutions Inc. c/o Motion Industries | PO Box 9165, Station "M"<br>Calgary AB T2P 5E1 | 1,222.46 | 0.00 | 1,222.46 |
| 9 | DaPaJo Construction Ltd. | P.O. Box 1930<br>Brooks AB T1R 1C6 | 514.50 | 0.00 | 514.50 |
| 10 | Dash Distributors Inc. | 8548 Roper Road<br>Edmonton AB T6E 6V4 | 110.42 | 0.00 | 110.42 |
| 11 | David Starling | Site 437 Box 2 Comp 4 RR 1<br>Drayton Valley AB T7A 2A1 | 5,040.00 | 0.00 | 5,040.00 |
| 12 | Direct Energy Regulated Services | P.O. Box 1520, 639 5th Ave SW<br>Calgary AB T2P 5R6 | 119.76 | 0.00 | 119.76 |
| 13 | Diversified Chain & Rigging | Box 278<br>Brooks AB T1R 1B3 | 950.59 | 0.00 | 950.59 |
| 14 | DNOW Canada ULC | PO Box 664 STN. M<br>Calgary AB T2P 2J3 | 1,126.97 | 0.00 | 1,126.97 |
| 15 | Eastend Iron Industries Ltd | 6215 - 54th Ave<br>Taber AB T1G 1X4 | 315.00 | 0.00 | 315.00 |
| 16 | Epcor | P.O. Box 500<br>Edmonton AB T5J 3Y3 | 3,762.18 | 0.00 | 3,762.18 |
| 17 | Ernst & Young LLP | PO Box 57104, Station A<br>Toronto ON M5W 5M5 | 700.00 | 0.00 | 700.00 |
| 18 | Force Inspection Services Inc. | PO Box 1261<br>Nisku AB T9E 8A8 | 37,303.55 | 0.00 | 37,303.55 |
| 19 | Global Heat Transfer Ltd | 4755 EleniakRoad Ltd<br>Edmonton AB T6B 2N1 | 83.95 | 0.00 | 83.95 |
| 20 | Greenline Tire Sales | 61 Bridgeport Wynd<br>Leduc AB T9E 8B2 | 1,127.37 | 0.00 | 1,127.37 |
| 21 | Gregg Distributors Ltd | 5755 - 11 Street SE<br>Calgary AB T2H 1M7 | 769.82 | 0.00 | 769.82 |
| 22 | Greyhound Courier Express | PO Box 15414 Station A<br>Toronto ON M5W 1C1 | 81.39 | 0.00 | 81.39 |
| 23 | Harwood Ford Sales Brooks | P.O. Box 2200<br>Brooks AB T1R 1C8 | 77.30 | 0.00 | 77.30 |

21-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "A"
Unsecured Creditors

Quintera Drilling Limited Partnership

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|---|---|---|---|---|---|
| 24 | KPMG LLP | P.O.Box 4348, Station A<br>Toronto ON M5W 7A6 | 16,008.30 | 0.00 | 16,008.30 |
| 25 | Leduc Co-op Ltd. | 5403 50 Street<br>Leduc AB T9E 6Z7 | 1,012.43 | 0.00 | 1,012.43 |
| 26 | Leduc County | 101, 1101 5 Street<br>Nisku AB T9E 2X3 | 43.56 | 0.00 | 43.56 |
| 27 | Lloyd Innes | 4 - 135 Galbraith Dr. SW<br>Calgary AB T3E 4Z5 | 378.24 | 0.00 | 378.24 |
| 28 | M & M Valve Services Inc | 2-1301 4 St,<br>Nisku AB T9E 7M9 | 416.62 | 0.00 | 416.62 |
| 29 | Motion Industries (Canada) Inc | PO Box 9165, Station M<br>Calgary AB T2P 5E1 | 6,286.73 | 0.00 | 6,286.73 |
| 30 | Norton Rose Fulbright Canada LP | 3700, 400 - 3 Avenue SW<br>Calgary AB T2P 4H2 | 2,916.90 | 0.00 | 2,916.90 |
| 31 | Pason Systems Corp. | 6130 3rd St. S.E.<br>Calgary AB T2H 1K4 | 3,360.00 | 0.00 | 3,360.00 |
| 32 | Petro-Canada | P.O Box 4038 Station A<br>Toronto ON M5W 1S5 | 59.85 | 0.00 | 59.85 |
| 33 | Pitney Bowes Global Credit Services | P.O. Box 278<br>Orangeville ON L9W 2Z7 | 69.65 | 0.00 | 69.65 |
| 34 | Progressive Waste Solutions | 3410 - 74 Avenue NW<br>Edmonton AB T6B 2P7 | 579.65 | 0.00 | 579.65 |
| 35 | Quintera Drilling (2010) Inc. | 607 - 18 Avenue<br>Nisku AB T9E 7T7 | 45,419.00 | 0.00 | 45,419.00 |
| 36 | Regulator's Oilfield Hauling Ltd. | PO Box 416<br>Grande Prairie AB T8V 3A5 | 10,462.20 | 0.00 | 10,462.20 |
| 37 | Ricoh Canada Inc | 300, 5520 Explorer Drive<br>Mississauga ON L4W 5L1 | 254.31 | 0.00 | 254.31 |
| 38 | Straight Line BOP & Valve Inc. | Box 597<br>Brooks AB T1R 1B5 | 1,056.96 | 0.00 | 1,056.96 |
| 39 | Superior Industrial Frictions Ltd | 11570-154 Street<br>Edmonton AB T5M 3N8 | 2,231.19 | 0.00 | 2,231.19 |
| 40 | TalonX Creative Agency Inc. | #150, 1900 11th Street SE<br>Calgary AB T2G 3G2 | 105.00 | 0.00 | 105.00 |
| 41 | Taylor Oil Tools Inc. | Bay 111, 12159 - 44th St S.E.<br>Calgary AB T2Z 4H3 | 1,365.00 | 0.00 | 1,365.00 |
| 42 | TDM Hose & Hydraulics Ltd. | 269 Veiner Road, PO Box 1147<br>Brooks AB T1R 1B9 | 62.82 | 0.00 | 62.82 |
| 43 | Telus Communications Inc. | P.O. Box 7575<br>Vancouver BC V6B 8N9 | 1,029.70 | 0.00 | 1,029.70 |
| 44 | TeraGo Networks Inc. | PO Box 8956, Station A<br>Toronto ON M5W 2C5 | 1,099.35 | 0.00 | 1,099.35 |
| 45 | U.F.A. Co-op Ltd. | PO BOX 2790 Station M<br>Calgary AB T2P 2M7 | 1,675.74 | 0.00 | 1,675.74 |
| 46 | Urban Impact | 15360 Knox Way<br>Richmond BC V6V 3A6 | 401.46 | 0.00 | 401.46 |
| 47 | Warrior Manufacturing Services Ltd. | 1515 28 St. N.E.<br>Calgary AB T2A 3T1 | 7,422.00 | 0.00 | 7,422.00 |

21-Oct-2016

Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "A"
Unsecured Creditors

Quintera Drilling Limited Partnership

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|---|---|---|---|---|---|
| 48 | WORKERS' COMPENSATION BOARD - ALBERTA | PO BOX 2415<br>9912 107 STREET, MAIN FLOOR<br>Edmonton AB T5J 2S5 | 1.00 | 0.00 | 1.00 |
| | | **Total:** | **158,498.19** | **15,668,324.00** | **15,826,822.19** |

21-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "B"
Secured Creditors

Quintera Drilling Limited Partnership

| No. | Name of creditor | Address | Amount of claim | Particulars of security | When given | Estimated value of security | Estimated surplus from security | Balance of claim |
|---|---|---|---|---|---|---|---|---|
| 1 | Alberta Treasury Branches | 600, 444 - 7th Avenue SW Calgary AB T2P 0X8 | 20,000,000.00 | Other - RIG 12 – 4200m Heavy Telescopic Double | 20-Oct-2016 | 750,000.00 | | |
| | | | | Other - Accounts Receivable | 20-Oct-2016 | 569,176.00 | | 15,668,324.00 |
| | | | | Other - RIG 6 – 3000m Telescopic Double | 20-Oct-2016 | 375,000.00 | | |
| | | | | Other - RIG 7 – 2200m Range III Single | 20-Oct-2016 | 362,500.00 | | |
| | | | | Other - RIG 8 – 2400m Range III Single | 20-Oct-2016 | 362,500.00 | | |
| | | | | Other - RIG 9 – 3000m Telescopic Double | 20-Oct-2016 | 362,500.00 | | |
| | | | | Other - RIG 3 – 3000m Telescoping Double | 20-Oct-2016 | 362,500.00 | | |
| | | | | Other - RIG 4 – 2200m Range III Single | 20-Oct-2016 | 362,500.00 | | |
| | | | | Other - RIG 5 – 2400m Range III Single | 20-Oct-2016 | 362,500.00 | | |
| | | | | Other - RIG 11 – 3600m Heavy Telescopic Double | 20-Oct-2016 | 362,500.00 | | |
| | | | | Other - RIG 15 – 2500m Telescopic Double | 20-Oct-2016 | 100,000.00 | | |
| 2 | Ford Credit Canada Leasing | PO Box 2400 Edmonton AB T5J 5C7 | 1.00 | Motor Vehicles - Automobile - 2014 - Ford - F250 - 1FT7W2B66EEB31339 | 20-Oct-2016 | 1.00 | | |
| | | | | Motor Vehicles - Automobile - 2015 - Ford - F250 - 1FT7W2B62FEA25228 | 20-Oct-2016 | 0.00 | 1.00 | |
| | | | | Motor Vehicles - Automobile - 2015 - Ford - F350 - 1FT8W3BT7FEA54806 | 20-Oct-2016 | 0.00 | 1.00 | |
| | | | | Motor Vehicles - Automobile - 2013 - Ford - F150 - 1FTFW1ETXDFB71016 | 20-Oct-2016 | 0.00 | 1.00 | |
| | | | | Motor Vehicles - Automobile - 2014 - Ford - F250 - 1FT7W2B64EEB31338 | 20-Oct-2016 | 0.00 | 1.00 | |
| 3 | Schwab Chevrolet Buick GMC Ltd. | 6503 Sparrow Drive Leduc AB T9E 7C7 | 1.00 | Motor Vehicles - Automobile - 2013 - GMC - K1500 - 3GTP2WE76DG231262 | 20-Oct-2016 | 1.00 | | |
| | | | | Motor Vehicles - Automobile - 2013 - GMC - K1500 - 1FT8W3BT7FEA54806 | 20-Oct-2016 | 0.00 | 1.00 | |
| 4 | Servus Credit Union Ltd. | 5203 50 Avenue Leduc AB T9E 6T2 | 1.00 | Motor Vehicles - Automobile - 2013 - GMC - K1500 - 3GTP2WE76DG231262 | 20-Oct-2016 | 0.00 | | 1.00 |

21-Oct-2016

Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | Total: | 20,000,003.00 | | | 4,331,678.00 | 5.00 | 15,668,325.00 |

21-Oct-2016
Date

Richard S. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "C"
Preferred Creditors for Wages, Rent, etc.

Quintera Drilling Limited Partnership

| No. | Name of creditor | Address and occupation | Nature of claim | Period during which claim accrued | Amount of claim | Amount payable in full | Difference ranking for dividend |
|---|---|---|---|---|---|---|---|
| | | | | Total: | 0.00 | 0.00 | 0.00 |

21-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "D"
Contingent or Other Liabilities

Quintera Drilling Limited Partnership

| No. | Name of creditor or claimant | Address and occupation | Amount of liability or claim | Amount expected to rank for dividend | Date when liability incurred | Nature of liability |
|---|---|---|---|---|---|---|
| | | Total: | 0.00 | 0.00 | | |

21-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "E"
Debts Due to the Bankrupt

Quintera Drilling Limited Partnership

| No. | Name of debtor | Address and occupation | Nature of debt | Amount of debt (good, doubtful, bad) | Folio of ledgers or other book where particulars to be found | When contracted | Estimated to produce | Particulars of any securities held for debt |
|---|---|---|---|---|---|---|---|---|
| | | | | 0.00 | | | | |
| | | | Total: | 0.00 | | | 0.00 | |
| | | | | 0.00 | | | | |

21-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel Mortgages, etc., Available as Assets

Quintera Drilling Limited Partnership

| No. | Name of all promissory, acceptors, endorsers, mortgagors, and guarantors | Address | Occupation | Amount of bill or note, etc. | Date when due | Estimated to produce | Particulars of any property held as security for payment of bill or note, etc. |
|---|---|---|---|---|---|---|---|
| | | | Total: | 0.00 | | 0.00 | |

21-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "G"
Real Property or Immovables Owned by Bankrupt

Quintera Drilling Limited Partnership

| Description of property | Nature of bankrupt interest | In whose name does title stand | Total value | Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount) | Equity or surplus |
|---|---|---|---|---|---|
| | | Total: | 0.00 | | 0.00 |

21-Oct-2016

Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Concluded

List "H"
Property

Quintera Drilling Limited Partnership

FULL STATEMENT OF PROPERTY

| Nature of property | Location | Details of property | Original cost | Estimated to produce |
|---|---|---|---|---|
| (a) Stock-in-trade | | | 0.00 | 0.00 |
| (b) Trade fixtures, etc. | | | 0.00 | 0.00 |
| (c) Cash in financial institutions | | | 0.00 | 0.00 |
| (d) Cash on hand | | | 0.00 | 0.00 |
| (e) Livestock | | | 0.00 | 0.00 |
| (f) Machinery, equipment and plant | | | 0.00 | 0.00 |
| (g) Furniture | | | 0.00 | 0.00 |
| (h) Life insurance policies, RRSPs, etc. | | | 0.00 | 0.00 |
| (i) Securities | | | 0.00 | 0.00 |
| (j) Interests under wills, etc. | | | 0.00 | 0.00 |
| (k) Vehicles | | Automobile - 2013 - GMC - K1500 - 3GTP2WE76DG231262 | 0.00 | 1.00 |
| | | Automobile - 2014 - Ford - F250 - 1FT7W2B66EEB31339 | 0.00 | 1.00 |
| | | Automobile - 2015 - Ford - F250 - 1FT7W2B62FEA25228 | 0.00 | 1.00 |
| | | Automobile - 2014 - Ford - F250 - 1FT7W2B64EEB31338 | 0.00 | 1.00 |
| | | Automobile - 2015 - Ford - F350 - 1FT8W3BT7FEA54806 | 0.00 | 1.00 |
| | | Automobile - 2013 - GMC - K1500 - 1FT8W3BT7FEA54806 | 0.00 | 1.00 |
| | | Automobile - 2013 - Ford - F150 - 1FTFW1ETXDFB71018 | 0.00 | 1.00 |
| (l) Taxes | | | 0.00 | 0.00 |
| (m) Other | | RIG 3 – 3000m Telescoping Double | 0.00 | 362,500.00 |
| | | RIG 4 – 2200m Range III Single | 0.00 | 362,500.00 |
| | | RIG 5 – 2400m Range III Single | 0.00 | 362,500.00 |
| | | RIG 6 – 3000m Telescopic Double | 0.00 | 375,000.00 |
| | | RIG 7 – 2200m Range III Single | 0.00 | 362,500.00 |
| | | RIG 8 – 2400m Range III Single | 0.00 | 362,500.00 |
| | | RIG 9 – 3000m Telescopic Double | 0.00 | 362,500.00 |
| | | RIG 11 – 3600m Heavy Telescopic Double | 0.00 | 362,500.00 |
| | | RIG 12 – 4200m Heavy Telescopic Double | 0.00 | 750,000.00 |
| | | RIG 15 – 2500m Telescopic Double | 0.00 | 100,000.00 |
| | | Accounts Receivable | 0.00 | 569,176.00 |
| | | | Total: | 4,331,683.00 |

21-Oct-2016

Date

Richard B. Kuzyk

Court No.

File No.

In the matter of the bankruptcy of
Quintera Drilling Limited Partnership
of the township of Nisku in the Province of Alberta

Form 78 (Bill C-12)
Statement of affairs (Business bankruptcy)

Ernst & Young Inc.
Per:

Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977

# Schedule J

| | |
|---|---|
| District of: | Alberta |
| Division No. | 01 - Edmonton |
| Court No. | 1601-14057 |
| Estate No. | 24-2180231 |

FORM 68

Notice of Bankruptcy, First Meeting of Creditors
(Subsection 102(1) of the Act)

[X] Original [ ] Amended

In the matter of the bankruptcy of
Quintera Drilling Limited Partnership and
Quintera Drilling 2010 Inc.
of the township of Nisku in the Province of Alberta

Take notice that:

1. Quintera Drilling Limited Partnership and Quintera Drilling 2010 Inc. filed (or was deemed to have filed) an assignment on the 24th day of October 2016, and the undersigned, Ernst & Young Inc., was appointed as trustee of the estate of the bankrupt by the official receiver (or the Court), subject to affirmation by the creditors of the trustee's appointment or substitution of another trustee by the creditors.

2. The first meeting of creditors of the bankrupt will be held on the 10th day of November 2016, at 10:00 AM, at the office of Edmonton, at 1400 EPCOR Tower, 10423 - 101 Street, Edmonton, AB, T5H 0E7.

3. To be entitled to vote at the meeting, a creditor must lodge with the trustee, before the meeting, a proof of claim and, where necessary, a proxy.

4. Enclosed with this notice is a proof of claim form, proxy form, and list of creditors with claims amounting to $25 or more showing the amounts of their claims.

5. Creditors must prove their claims against the estate of the bankrupt in order to share in any distribution of the proceeds realized from the estate.

Dated at the City of Edmonton in the Province of Alberta, this 25th day of October 2016.

Ernst & Young Inc.
Per:

Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977

# Schedule K

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

-- FORM 21 --
Assignment for the General Benefit of Creditors
(Section 49 of the Act)

In the matter of the bankruptcy of
Quintera Drilling Limited Partnership
of the township of Nisku in the Province of Alberta

This indenture made this 21st day of October 2016
between
Quintera Drilling Limited Partnership
607 - 18 Avenue
Nisku AB T9E 7T7
hereinafter called "the debtor"
and
Ernst & Young Inc.
hereinafter called "the trustee."

☐ Natural person

☒ Corporate or other legal entity

Whereas the debtor is insolvent and desires to assign and to abandon all his/her property for distribution among his/her creditors, in pursuance of the Act,

This indenture witnesses that the debtor does hereby assign to the trustee all the debtor's property for the uses, intents and purposes provided by the Act.

Signed at the city of Edmonton in the Province of Alberta, in the presence of .

Witness

21-Oct-2016
Date

Quintera Drilling Limited Partnership
Debtor

Court No.

File No.

---

In the matter of the bankruptcy of
Quintera Drilling Limited Partnership
of the township of Nisku in the Province of Alberta

---

Form 21(Bill C-12)
Assignment for the general benefit of creditors
(Corporation)

---

Ernst & Young Inc.
Per:

Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977

# Schedule L

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

Notice of stay of proceeding

In the matter of the Bankruptcy of
Quintera Drilling Limited Partnership
of the township of Nisku in the Province of Alberta

Date of Bankruptcy: October 24, 2016.

Notice is hereby given that the above debtor filed an assignment into bankruptcy effective the date noted above.

Every bankruptcy made in pursuance of this Act takes precedence over all judicial or other attachments, garnishments, certificates of judgment, judgments operation as hypothecs, executions or other process against the property of the debtor, except such as have been completely executed by payment to the creditor or his agent, and except also the rights of a secured creditor.

Upon the bankruptcy of any debtor, no creditor with a claim provable in the bankruptcy shall have any remedy against the debtor or his/her property or shall commence a claim provable in bankruptcy until the Trustee has been discharged, unless with the leave of the Court and on such terms as the Court may impose.

Where a bankruptcy has been made, the Sheriff or other officer of any Court or any person having seized property of the debtor under execution of attachment or any other process shall, upon receiving a copy of the bankruptcy documents from the Trustee, shall forthwith deliver to the Trustee all the property of the debtor in his hands.

Where the Sheriff has sold the property of the debtor or any part thereof, he/she shall deliver to the Trustee the money so realized by him/her less fees and the costs referred to in subsection 70 (2).

Any property of the debtor under seizure for rent or taxes shall on production of a copy of the bankruptcy documents from the Trustee shall forthwith deliver the property to the Trustee, but the costs of distress are a first charge thereon, and if such property or any part thereof has been sold, the money realized therefrom, less the costs of distress and sale shall be paid to the Trustee.

Dated at the city of Edmonton in the Province of Alberta, this 27th day of October 2016.

Ernst & Young Inc.
Per:

Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977

# Schedule M

Industry Canada — Industrie Canada

**Office of the Superintendent of Bankruptcy Canada** — **Bureau du surintendant des faillites Canada**

District of: Alberta
Division No.: 01 - Edmonton
Court No.: 24-2180230
Estate No.: 24-2180230

In the Matter of the Bankruptcy of:

**Quintera Drilling 2010 Inc.**
Debtor

**ERNST & YOUNG INC.**
Licensed Insolvency Trustee

Ordinary Administration

---

| | | | |
|---|---|---|---|
| Date and time of bankruptcy: | October 24, 2016, 09:49 | Security: | $0.00 |
| Date of trustee appointment: | October 24, 2016 | | |
| Meeting of creditors: | November 10, 2016, 10:00<br>EPCOR Tower<br>1400 - 10423 101 Street<br>Edmonton T5H 0E7, Alberta<br>Canada, | | |
| Chair: | Trustee | | |

---

CERTIFICATE OF APPOINTMENT - Section 49 of the Act; Rule 85

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify that:

- the aforenamed debtor filed an assignment under section 49 of the *Bankruptcy and Insolvency Act*;
- the aforenamed trustee was duly appointed trustee of the estate of the debtor.

The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy; and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the aforementioned time and place or at any other time and place that may be later requested by the official receiver.

Date: October 24, 2016, 12:23

E-File/Dépôt Electronique — Official Receiver

Canada Place Building, 9700 Jasper Avenue NW, Suite 725, Edmonton, Alberta, Canada, T5J4C3, (877)376-9902

Canada

| | |
|---|---|
| District of: | Alberta |
| Division No. | 01 - Edmonton |
| Court No. | |
| Estate No. | |

[X] Original [ ] Amended

-- Form 78 --

Statement of Affairs (Business Bankruptcy) made by an entity
(Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the matter of the bankruptcy of
Quintera Drilling 2010 Inc.
of the township of Nisku in the Province of Alberta

To the bankrupt:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the bankruptcy, on the 21st day of October 2016. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES
(as stated and estimated by the officer)

| | |
|---|---|
| 1. Unsecured creditors as per list "A" | 1,270,609.19 |
| Balance of secured claims as per list "B" | 19,995,069.00 |
| Total unsecured creditors | 21,265,678.19 |
| 2. Secured creditors as per list "B" | 4,931.00 |
| 3. Preferred creditors as per list "C" | 0.00 |
| 4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for | 0.00 |
| Total liabilities | 21,270,609.19 |
| Surplus | NIL |

ASSETS
(as stated and estimated by the officer)

| | | |
|---|---|---|
| 1. Inventory | | 0.00 |
| 2. Trade fixtures, etc. | | 0.00 |
| 3. Accounts receivable and other receivables, as per list "E" | | |
| Good | 0.00 | |
| Doubtful | 0.00 | |
| Bad | 0.00 | |
| Estimated to produce | | 0.00 |
| 4. Bills of exchange, promissory note, etc., as per list "F" | | 0.00 |
| 5. Deposits in financial institutions | | 0.00 |
| 6. Cash | | 4,929.00 |
| 7. Livestock | | 0.00 |
| 8. Machinery, equipment and plant | | 0.00 |
| 9. Real property or immovable as per list "G" | | 0.00 |
| 10. Furniture | | 0.00 |
| 11. RRSPs, RRIFs, life insurance, etc. | | 0.00 |
| 12. Securities (shares, bonds, debentures, etc.) | | 0.00 |
| 13. Interests under wills | | 0.00 |
| 14. Vehicles | | 0.00 |
| 15. Other property, as per list "H" | | 2.00 |
| If bankrupt is a corporation, add: | | |
| Amount of subscribed capital | 0.00 | |
| Amount paid on capital | 0.00 | |
| Balance subscribed and unpaid | | 0.00 |
| Estimated to produce | | 0.00 |
| Total assets | | 4,931.00 |
| Deficiency | | 21,265,678.19 |

I, Richard B. Kuzyk, of the township of Canmore in the Province of Alberta, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 21st day of October 2016 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
before me at the city of Calgary in the Province of Alberta, on this 21st day of October 2016.

John M. Cassell
Barrister & Solicitor

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "A"
Unsecured Creditors

Quintera Drilling 2010 Inc.

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|---|---|---|---|---|---|
| 1 | AgComm Petroleum Sales Ltd | 1802 - 10th Ave SW Medicine Hat AB T1A 7T9 | 59.85 | 0.00 | 59.85 |
| 2 | Alberta Treasury Branches | 600, 444 - 7th Avenue SW Calgary AB T2P 0X8 | 0.00 | 19,995,069.00 | 19,995,069.00 |
| 3 | Bell Acc.0013 | P.O. Box 3017 Station Terminal Vancouver BC V6B 6L1 | 115.90 | 0.00 | 115.90 |
| 4 | Boyds xxxcavating | PO Box 5528 Leduc AB T9E 2A1 | 493.50 | 0.00 | 493.50 |
| 5 | Canada Revenue Agency-Edmonton Tax Svces | Rev. Collections Div.,Regional Insolvency Intake Ctr, 9700 Jasper Ave Edmonton AB T5J 4C8 | 1.00 | 0.00 | 1.00 |
| 6 | Canada Revenue Agency-Edmonton Tax Svces | Rev. Collections Div.,Regional Insolvency Intake Ctr, 9700 Jasper Ave Edmonton AB T5J 4C8 | 1.00 | 0.00 | 1.00 |
| 7 | Canadian Freightways | PO Box 1108 Station T Calgary AB T2H 2J1 | 804.02 | 0.00 | 804.02 |
| 8 | Commercial Solutions Inc. c/o Motion Industries | PO Box 9165, Station "M" Calgary AB T2P 5E1 | 1,222.46 | 0.00 | 1,222.46 |
| 9 | Creative Business Solutions Inc. | 607 - 18 Street Nisku AB T9E 7T7 | 52,108.00 | 0.00 | 52,108.00 |
| 10 | DaPaJo Construction Ltd. | P.O. Box 1930 Brooks AB T1R 1C6 | 514.50 | 0.00 | 514.50 |
| 11 | Dash Distributors Inc. | 8548 Roper Road Edmonton AB T6E 6V4 | 110.42 | 0.00 | 110.42 |
| 12 | David Starling | Site 437 Box 2 Comp 4 RR 1 Drayton Valley AB T7A 2A1 | 5,040.00 | 0.00 | 5,040.00 |
| 13 | Direct Energy Regulated Services | P.O. Box 1520, 639 5th Ave SW Calgary AB T2P 5R6 | 119.76 | 0.00 | 119.76 |
| 14 | Diversified Chain & Rigging | Box 278 Brooks AB T1R 1B3 | 950.59 | 0.00 | 950.59 |
| 15 | DNOW Canada ULC | PO Box 664 STN. M Calgary AB T2P 2J3 | 1,126.97 | 0.00 | 1,126.97 |
| 16 | Eastend Iron Industries Ltd | 6215 - 54th Ave Taber AB T1G 1X4 | 315.00 | 0.00 | 315.00 |
| 17 | Epcor | P.O. Box 500 Edmonton AB T5J 3Y3 | 3,762.18 | 0.00 | 3,762.18 |
| 18 | Ernst & Young LLP | PO Box 57104, Station A Toronto ON M5W 5M5 | 700.00 | 0.00 | 700.00 |
| 19 | Force Inspection Services Inc. | PO Box 1261 Nisku AB T9E 8A8 | 37,303.55 | 0.00 | 37,303.55 |
| 20 | Ford Credit Canada Leasing | PO Box 2400 Edmonton AB T5J 5C7 | 1.00 | 0.00 | 1.00 |
| 21 | Global Heat Transfer Ltd | 4755 ElenlakRoad Ltd Edmonton AB T6B 2N1 | 83.95 | 0.00 | 83.95 |
| 22 | Greenline Tire Sales | 61 Bridgeport Wynd Leduc AB T9E 8B2 | 1,127.37 | 0.00 | 1,127.37 |
| 23 | Gregg Distributors Ltd | 5755 - 11 Street SE Calgary AB T2H 1M7 | 769.82 | 0.00 | 769.82 |

21-Oct-2016

Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "A"
Unsecured Creditors

Quintera Drilling 2010 Inc.

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|---|---|---|---|---|---|
| 24 | Greyhound Courier Express | PO Box 15414 Station A<br>Toronto ON M5W 1C1 | 81.39 | 0.00 | 81.39 |
| 25 | Harwood Ford Sales Brooks | P.O. Box 2200<br>Brooks AB T1R 1C8 | 77.30 | 0.00 | 77.30 |
| 26 | KPMG LLP | P.O.Box 4348, Station A<br>Toronto ON M5W 7A6 | 16,008.30 | 0.00 | 16,008.30 |
| 27 | Leduc Co-op Ltd. | 5403 50 Street<br>Leduc AB T9E 6Z7 | 1,012.43 | 0.00 | 1,012.43 |
| 28 | Leduc County | 101, 1101 5 Street<br>Nisku AB T9E 2X3 | 43.56 | 0.00 | 43.56 |
| 29 | Lloyd Innes | 4 - 135 Galbraith Dr. SW<br>Calgary AB T3E 4Z5 | 378.24 | 0.00 | 378.24 |
| 30 | M & M Valve Services Inc | 2-1301 4 St,<br>Nisku AB T9E 7M9 | 416.62 | 0.00 | 416.62 |
| 31 | Motion Industries (Canada) Inc | PO Box 9165, Station M<br>Calgary AB T2P 5E1 | 6,286.73 | 0.00 | 6,286.73 |
| 32 | Norton Rose Fulbright Canada LP | 3700, 400 - 3 Avenue SW<br>Calgary AB T2P 4H2 | 2,916.90 | 0.00 | 2,916.90 |
| 33 | Pason Systems Corp. | 6130 3rd St. S.E.<br>Calgary AB T2H 1K4 | 3,360.00 | 0.00 | 3,360.00 |
| 34 | Petro-Canada | P.O Box 4038 Station A<br>Toronto ON M5W 1S5 | 59.85 | 0.00 | 59.85 |
| 35 | Pitney Bowes Global Credit Services | P.O. Box 278<br>Orangeville ON L9W 2Z7 | 69.65 | 0.00 | 69.65 |
| 36 | Progressive Waste Solutions | 3410 - 74 Avenue NW<br>Edmonton AB T6B 2P7 | 579.65 | 0.00 | 579.65 |
| 37 | Quintera Drilling (2010) Inc. | 607 - 18 Avenue<br>Nisku AB T9E 7T7 | 45,419.00 | 0.00 | 45,419.00 |
| 38 | Regulator's Oilfield Hauling Ltd. | PO Box 416<br>Grande Prairie AB T8V 3A5 | 10,462.20 | 0.00 | 10,462.20 |
| 39 | Richard Kuzyk | 128 Eagle Terrace Road<br>Canmore AB T1W 2Y5 | 1,060,000.00 | 0.00 | 1,060,000.00 |
| 40 | Ricoh Canada Inc | 300, 5520 Explorer Drive<br>Mississauga ON L4W 5L1 | 254.31 | 0.00 | 254.31 |
| 41 | Schwab Chevrolet Buick GMC Ltd. | 6503 Sparrow Drive<br>Leduc AB T9E 7C7 | 1.00 | 0.00 | 1.00 |
| 42 | Servus Credit Union Ltd. | 5203 50 Avenue<br>Leduc AB T9E 6T2 | 1.00 | 0.00 | 1.00 |
| 43 | Straight Line BOP & Valve Inc. | Box 597<br>Brooks AB T1R 1B5 | 1,056.96 | 0.00 | 1,056.96 |
| 44 | Superior Industrial Frictions Ltd | 11570-154 Street<br>Edmonton AB T5M 3N8 | 2,231.19 | 0.00 | 2,231.19 |
| 45 | TalonX Creative Agency Inc. | #150, 1900 11th Street SE<br>Calgary AB T2G 3G2 | 105.00 | 0.00 | 105.00 |
| 46 | Taylor Oil Tools Inc. | Bay 111, 12159 - 44th St S.E.<br>Calgary AB T2Z 4H3 | 1,365.00 | 0.00 | 1,365.00 |
| 47 | TDM Hose & Hydraulics Ltd. | 269 Veiner Road, PO Box 1147<br>Brooks AB T1R 1B9 | 62.82 | 0.00 | 62.82 |

21-Oct-2016

Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "A"
Unsecured Creditors

Quintera Drilling 2010 Inc.

| No. | Name of creditor | Address | Unsecured claim | Balance of claim | Total claim |
|---|---|---|---|---|---|
| 48 | Telus Communications Inc. | P.O. Box 7575<br>Vancouver BC V6B 8N9 | 1,029.70 | 0.00 | 1,029.70 |
| 49 | TeraGo Networks Inc. | PO Box 8956, Station A<br>Toronto ON M5W 2C5 | 1,099.35 | 0.00 | 1,099.35 |
| 50 | U.F.A. Co-op Ltd. | PO BOX 2790 Station M<br>Calgary AB T2P 2M7 | 1,675.74 | 0.00 | 1,675.74 |
| 51 | Urban Impact | 15360 Knox Way<br>Richmond BC V6V 3A6 | 401.46 | 0.00 | 401.46 |
| 52 | Warrior Manufacturing Services Ltd. | 1515 28 St. N.E.<br>Calgary AB T2A 3T1 | 7,422.00 | 0.00 | 7,422.00 |
| 53 | WORKERS' COMPENSATION BOARD - ALBERTA | PO BOX 2415<br>9912 107 STREET, MAIN FLOOR<br>Edmonton AB T5J 2S5 | 1.00 | 0.00 | 1.00 |
| | | Total: | **1,270,609.19** | **19,995,069.00** | **21,265,678.19** |

21-Oct-2016

Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "B"
Secured Creditors

Quintera Drilling 2010 Inc.

| No. | Name of creditor | Address | Amount of claim | Particulars of security | When given | Estimated value of security | Estimated surplus from security | Balance of claim |
|---|---|---|---|---|---|---|---|---|
| 1 | Alberta Treasury Branches | 600, 444 - 7th Avenue SW Calgary AB T2P 0X8 | 20,000,000.00 | Cash on Hand - Cash In Bank | 20-Oct-2016 | 4,929.00 | | |
| | | | | Other - Investment in Limited Partnership | 20-Oct-2016 | 1.00 | | |
| | | | | Other - Investment in Limited Partnership | 20-Oct-2016 | 1.00 | | 19,995,069.00 |
| | | Total: | 20,000,000.00 | | | 4,931.00 | 0.00 | 19,995,069.00 |

21-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "C"
Preferred Creditors for Wages, Rent, etc.

Quintera Drilling 2010 Inc.

| No. | Name of creditor | Address and occupation | Nature of claim | Period during which claim accrued | Amount of claim | Amount payable in full | Difference ranking for dividend |
|---|---|---|---|---|---|---|---|
| | | | | Total: | 0.00 | 0.00 | 0.00 |

21-Oct-2016

Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "D"
Contingent or Other Liabilities

Quintera Drilling 2010 Inc.

| No. | Name of creditor or claimant | Address and occupation | Amount of liability or claim | Amount expected to rank for dividend | Date when liability incurred | Nature of liability |
|---|---|---|---|---|---|---|
| | | Total: | 0.00 | 0.00 | | |

21-Oct-2016

Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "E"
Debts Due to the Bankrupt

Quintera Drilling 2010 Inc.

| No. | Name of debtor | Address and occupation | Nature of debt | Amount of debt (good, doubtful, bad) | Folio of ledgers or other book where particulars to be found | When contracted | Estimated to produce | Particulars of any securities held for debt |
|---|---|---|---|---|---|---|---|---|
| | | | | 0.00 | | | | |
| | | | Total: | 0.00 | | | 0.00 | |
| | | | | 0.00 | | | | |

21-Oct-2016
Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel Mortgages, etc., Available as Assets

Quintera Drilling 2010 Inc.

| No. | Name of all promissory, acceptors, endorsers, mortgagors, and guarantors | Address | Occupation | Amount of bill or note, etc. | Date when due | Estimated to produce | Particulars of any property held as security for payment of bill or note, etc. |
|---|---|---|---|---|---|---|---|
| | | | Total: | 0.00 | | 0.00 | |

21-Oct-2016

Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "G"
Real Property or Immovables Owned by Bankrupt

Quintera Drilling 2010 Inc.

| Description of property | Nature of bankrupt interest | In whose name does title stand | Total value | Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount) | Equity or surplus |
|---|---|---|---|---|---|
| | | Total: | 0.00 | | 0.00 |

21-Oct-2016

Date

Richard B. Kuzyk

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Concluded

List "H"
Property

Quintera Drilling 2010 Inc.
FULL STATEMENT OF PROPERTY

| Nature of property | Location | Details of property | Original cost | Estimated to produce |
|---|---|---|---|---|
| (a) Stock-in-trade | | | 0.00 | 0.00 |
| (b) Trade fixtures, etc. | | | 0.00 | 0.00 |
| (c) Cash in financial institutions | | | 0.00 | 0.00 |
| (d) Cash on hand | | Cash on hand | 4,929.00 | 4,929.00 |
| (e) Livestock | | | 0.00 | 0.00 |
| (f) Machinery, equipment and plant | | | 0.00 | 0.00 |
| (g) Furniture | | | 0.00 | 0.00 |
| (h) Life insurance policies, RRSPs, etc. | | | 0.00 | 0.00 |
| (i) Securities | | | 0.00 | 0.00 |
| (j) Interests under wills, etc. | | | 0.00 | 0.00 |
| (k) Vehicles | | | 0.00 | 0.00 |
| (l) Taxes | | | 0.00 | 0.00 |
| (m) Other | | Investment in Limited Partnership | 8,681.00 | 1.00 |
| | | Investment in Limited Partnership | 0.00 | 1.00 |
| | | | Total: | 4,931.00 |

21-Oct-2016
Date

Richard B. Kuzyk

Court No.

File No.

In the matter of the bankruptcy of
Quintera Drilling 2010 Inc.
of the township of Nisku in the Province of Alberta

Form 78 (Bill C-12)
Statement of affairs (Business bankruptcy)

Ernst & Young Inc.
Per:

Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977

# Schedule N

District of: Alberta
Division No. 01 - Edmonton
Court No. 1601-14057
Estate No. 24-2180231

_FORM 68_
Notice of Bankruptcy, First Meeting of Creditors
(Subsection 102(1) of the Act)

[X] Original [ ] Amended

In the matter of the bankruptcy of
Quintera Drilling Limited Partnership and
Quintera Drilling 2010 Inc.
of the township of Nisku in the Province of Alberta

Take notice that:

1. Quintera Drilling Limited Partnership and Quintera Drilling 2010 Inc. filed (or was deemed to have filed) an assignment on the 24th day of October 2016, and the undersigned, Ernst & Young Inc., was appointed as trustee of the estate of the bankrupt by the official receiver (or the Court), subject to affirmation by the creditors of the trustee's appointment or substitution of another trustee by the creditors.

2. The first meeting of creditors of the bankrupt will be held on the 10th day of November 2016, at 10:00 AM, at the office of Edmonton, at 1400 EPCOR Tower, 10423 - 101 Street, Edmonton, AB, T5H 0E7.

3. To be entitled to vote at the meeting, a creditor must lodge with the trustee, before the meeting, a proof of claim and, where necessary, a proxy.

4. Enclosed with this notice is a proof of claim form, proxy form, and list of creditors with claims amounting to $25 or more showing the amounts of their claims.

5. Creditors must prove their claims against the estate of the bankrupt in order to share in any distribution of the proceeds realized from the estate.

Dated at the city of Edmonton in the Province of Alberta, this 25th day of October 2016.

Ernst & Young Inc.
Per:

Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977

# Schedule O

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

-- FORM 21 --
Assignment for the General Benefit of Creditors
(Section 49 of the Act)

In the matter of the bankruptcy of
Quintera Drilling 2010 Inc.
of the township of Nisku in the Province of Alberta

This indenture made this 21st day of October 2016
between
Quintera Drilling 2010 Inc.
607 - 18 Avenue
Nisku AB T9E 7T7
hereinafter called "the debtor"
and
Ernst & Young Inc.
hereinafter called "the trustee."

☐ Natural person ☒ Corporate or other legal entity

Whereas the debtor is insolvent and desires to assign and to abandon all his/her property for distribution among his/her creditors, in pursuance of the Act,

This indenture witnesses that the debtor does hereby assign to the trustee all the debtor's property for the uses, intents and purposes provided by the Act.

Signed at the city of Edmonton in the Province of Alberta, in the presence of .

| | | |
|---|---|---|
| | 21-Oct-2016 | |
| Witness | Date | Quintera Drilling 2010 Inc.<br>Debtor |

Court No.

File No.

---

In the matter of the bankruptcy of
Quintera Drilling 2010 Inc.
of the township of Nisku in the Province of Alberta

---

Form 21(Bill C-12)
Assignment for the general benefit of creditors
(Corporation)

---

Ernst & Young Inc.
Per:

________________________________

Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977

# Schedule P

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

Notice of stay of proceeding

In the matter of the Bankruptcy of
Quintera Drilling 2010 Inc.
of the township of Nisku in the Province of Alberta

Date of Bankruptcy: October 24, 2016.

Notice is hereby given that the above debtor filed an assignment into bankruptcy effective the date noted above.

Every bankruptcy made in pursuance of this Act takes precedence over all judicial or other attachments, garnishments, certificates of judgment, judgments operation as hypothecs, executions or other process against the property of the debtor, except such as have been completely executed by payment to the creditor or his agent, and except also the rights of a secured creditor.

Upon the bankruptcy of any debtor, no creditor with a claim provable in the bankruptcy shall have any remedy against the debtor or his/her property or shall commence a claim provable in bankruptcy until the Trustee has been discharged, unless with the leave of the Court and on such terms as the Court may impose.

Where a bankruptcy has been made, the Sheriff or other officer of any Court or any person having seized property of the debtor under execution of attachment or any other process shall, upon receiving a copy of the bankruptcy documents from the Trustee, shall forthwith deliver to the Trustee all the property of the debtor in his hands.

Where the Sheriff has sold the property of the debtor or any part thereof, he/she shall deliver to the Trustee the money so realized by him/her less fees and the costs referred to in subsection 70 (2).

Any property of the debtor under seizure for rent or taxes shall on production of a copy of the bankruptcy documents from the Trustee shall forthwith deliver the property to the Trustee, but the costs of distress are a first charge thereon, and if such property or any part thereof has been sold, the money realized therefrom, less the costs of distress and sale shall be paid to the Trustee.

Dated at the city of Edmonton in the Province of Alberta, this 27th day of October 2016.

Ernst & Young Inc.
Per:

Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977