CLERK OF THE COURT
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JUDICIAL CENTRE
OF CALGARY

COURT FILE NUMBER	1801-09188
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANTS	THIRD EYE CAPITAL CORPORATION
RESPONDENTS	RANCH ENERGY CORPORATION, OPSMOBIL INC., 1734163 ALBERTA INC., 1859821 ALBERTA INC., OPSMOBIL GROUP INC., OPSMOBIL CONSTRUCTION INC., OPSMOBIL ENERGY SERVICES INC., AIR DALLAIRE LTD. AND K.L. CAPITAL CORP.
DOCUMENT	**SECOND REPORT OF THE RECEIVER** **SEPTEMBER 24, 2018**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**RECEIVER**

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TABLE OF CONTENTS

APPENDICES

INTRODUCTION

1. Third Eye Capital Corporation ("**TEC**") issued a notice of intention to enforce security on June 6, 2018, pursuant to section 244(1) of the *Bankruptcy and Insolvency Act,* R.S.C. 1985, c. B-3 as amended (the "**BIA**") against Ranch Energy Corporation ("**Ranch**"), OpsMobil Inc. ("**OMI**"), 1734163 Alberta Inc. ("**1734 AB**"), 1859821 Alberta Inc. ("**1859 AB**"), OpsMobil Group Inc. ("**OMGI**"), OpsMobil Construction Inc. ("**OMCI**"), OpsMobil Energy Services Inc. ("**OMESI**"), Air Dallaire Ltd. ("**Air Dallaire**") and K.L. Capital Corp. ("**KLCC**") (collectively the "**Corporations**"). OMI, OMGI, OMCI, OMESI, Air Dallaire and KLCC are collectively referred to as "**OpsMobil**".

2. Ernst & Young Inc. ("**EYI**") was appointed as receiver (the "**Receiver**") of the Corporations' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**") pursuant to an order of the Court of Queen's Bench of Alberta (the "**Honourable Court**") dated July 19, 2018, (the "**Receivership Date**"), as amended on August 7, 2018 (the "**Receivership Order**").

3. The Receivership Order authorizes the Receiver, among other things, to carry on the business of the Corporations, to sell, convey, transfer, lease or assign the Property out of the normal course of business, subject to approval of this Honourable Court for any transactions exceeding $100,000, or the aggregate of multiple transactions exceeding $500,000, and to make such arrangements or agreements as deemed necessary by the Receiver.

PURPOSE

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

   a) efforts undertaken by the Receiver to administer the receivership since the first report of the Receiver dated August 8, 2018 (the "**First Report**");

   b) request for approval of a sale and investment solicitation process ("**SISP**") of the Ranch Energy PNG Assets (defined below);

   c) request for authorization of an increase of the Receiver's Borrowings Charge; and

   d) status of the amended application by Airborne Energy Solutions Inc. ("**AES**") for an express trust, a constructive trust, specific performance and an approval and vesting order (the "**Proposed AES Transaction**");

and to provide the Receiver's recommendations in respect of the Receiver's requests set out above.

TERMS OF REFERENCE

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

6. Capitalized terms not defined in this Second Report are as defined in the Receivership Order or the SISP.

BACKGROUND OF INSOLVENCY PROCEEDINGS

7. As noted, TEC issued a notice of intention to enforce security against the Corporations on June 6, 2018, pursuant to section 244(1) of the BIA.

8. On July 4, 2018, the Honourable Court granted an order (the "**Interim Stay Order**") approving, amongst other things, an interim stay of proceedings up to July 10, 2018 with respect to the Corporations. The Interim Stay Order was made in relation to:

   a) the Corporations' application for an initial order seeking protection pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C-36, as amended (the "**CCAA**"); and

   b) TEC's application to appoint EYI as receiver of the assets, undertaking and property of the Corporations.

9. On July 10, 2018, this Honourable Court granted the Corporations protection pursuant to the CCAA (the "**Initial Order**").

10. Pursuant to the Initial Order, EYI was appointed as monitor (the "**Monitor**") of the Corporations and a stay of proceedings was granted as against the Corporations and the Monitor up to and including July 20, 2018.

11. On July 19, 2018, the first report of the Monitor was filed, commenting on, among other things, the Corporations' failure to secure additional interim financing, thus constituting a material adverse change within the CCAA proceedings as the Corporations' did not have sufficient liquidity to operate beyond July 20, 2018.

12. Pursuant to orders of this Honourable Court dated July 19, 2018 the CCAA proceedings were suspended and the Corporations were placed in receivership.

DESCRIPTION OF THE BUSINESS

13. The Corporations' businesses are segregated between natural gas production & processing and oilfield services, as follows:

   a) Ranch has a working interest in, or in some cases, operates approximately 1,600 oil and gas wells in northeast British Columbia (the "**Wells**"). Additionally, Ranch owns and operates a gas processing plant in the Wildboy district of British Columbia (collectively with the Wells, the "**Ranch PNG Assets**"). All of the Ranch PNG Assets were acquired from Predator Oil BC Ltd. ("**Predator BC**") on July 10, 2017. The permits associated with the Ranch PNG Assets continue to be held by Predator BC pursuant to a trust agreement between Ranch and Predator BC dated July 16, 2017 (the "**Trust Agreement**") as Ranch was not qualified to hold the permits under British Columbia Oil and Gas Commission ("**BCOGC**") regulations; and

   b) OpsMobil is a group of oilfield service companies that provided construction, aviation and energy services to the oil and gas sector. As at the Receivership Date, OpsMobil had 45 employees which were providing operating and oilfield services to Ranch as OpsMobil had no other active material business ongoing.

14. The Receiver understands from the Affidavits filed by Ryan Tobber on behalf of the Corporations in the CCAA proceedings, that the Corporations were negatively impacted by the depressed economic climate in the oil and gas industry as a result of low oil & gas commodity prices, in part leading to their financial difficulty and ultimately, these proceedings.

ADMINISTRATION OF RECEIVERSHIP

15. Since the First Report, the Receiver has received additional information regarding the administration of Ranch and OpsMobil:

TEC's Security

16. The Receiver understands that TEC is the Corporations' primary secured creditor and holds security against all the present and after-acquired personal and real property of the Corporations.

17. The Receiver has instructed its counsel to conduct an independent legal review and opinion of the security granted by the Corporations to TEC, and its counsel has confirmed that, subject to the standard assumptions and qualifications, the security granted to TEC by the Corporations constitutes a valid security interest in the various property of the Corporations, and is enforceable as against a trustee in bankruptcy.

Deemed Trust

18. Based upon the Receiver's further review of OpsMobil's books and records, the Receiver established that statutory deemed trusts may exist in favour of Her Majesty the Queen in Right of Canada, as represented by the Minister of National Revenue ("**CRA**") for unremitted source deductions, as well as GST, as set out below:

a) $2,410,000 of unremitted source deductions deducted by OMESI from its employees' salaries and wages prior to the Receivership Date and $998,000 of unremitted GST collected by OMESI prior to the Receivership Date;

b) $341,000 of unremitted source deductions deducted by OMGI from its employees' salaries and wages prior to the Receivership Date and $73,000 of unremitted GST collected by OMGI prior to the Receivership Date;

c) $141,000 of unremitted source deductions deducted by OMI from its employees' salaries and wages prior to the Receivership Date; and

d) $4,000 of unremitted source deductions deducted by OMCI from its employees' salaries and wages prior to the Receivership Date and $54,000 of unremitted GST collected by OMCI prior to the Receivership Date;

(the "**Deemed Trust**").

19. The CRA has performed an audit of the Deemed Trust.

20. The Receiver is currently reviewing the Deemed Trust priority with its legal counsel.

SALES AND INVESTMENT SOLICITATION PROCESS

21. As previously indicated, Ranch and Predator BC are parties to the Trust Agreement, pursuant to which Predator BC is holding the BCOGC permits related to the permitted Ranch PNG Assets. Predator BC has written to the Receiver advising that there are administrative fees and other amounts due and owing to Predator BC by Ranch under the Trust Agreement.

22. To date, the Receiver has not adopted the Trust Agreement and has advised Predator BC that it is analyzing the transactions between Predator BC and Ranch. Part of this analysis includes a review of the Trust Agreement to determine if there is any substantive benefit to the Ranch estate associated with adopting the Trust Agreement. Further, the Receiver remains in discussion with the BCOGC regarding the permits as a successful outcome under the proposed SISP will in part, depend upon cooperation from the BCOGC in respect of the permits. The BCOGC has advised the Receiver that it maintains the regulatory authority to transfer such permits to a qualified buyer in a sales process.

Retention of Selling Agent

23. On August 1, 2018, the Receiver engaged Animus Capital Partners Inc. ("**Animus**" or the "**Selling Agent**") as the exclusive marketing agent for the sale of the Ranch PNG Assets.

Overview of SISP

24. The Receiver has developed, with input from its legal counsel and the Selling Agent, a proposed SISP with a view to maximizing the value of the Ranch PNG Assets for the benefit of all stakeholders. A copy of the proposed SISP is attached as Appendix '**A**'.

Key Dates and Activities

25. The SISP proposes an official marketing launch on October 2, 2018 and a five week period to canvass the market and obtain non-binding letters of intent.

26. The SISP proposed would involve the following steps (as more specifically described in the SISP):

a) **Official Launch Date:** Electronic distribution of a marketing teaser on October 2, 2018 indicating the assets available, the timeline for the process and the deadline for submitting bids;

b) **Phase 1 Due Diligence:** Interested parties that execute a non-disclosure agreement will receive a confidential information memorandum describing the opportunity in further detail and access to Ranch's data room containing due diligence information and the opportunity to receive a management presentation;

c) **Phase 1 Qualifications:** Phase 1 Qualified Bidders must be a licensee in good standing with the BCOGC, or eligible to obtain or hold BCOGC licenses, permits or approvals with respect to the Property, and its current Liability Management Rating must be 1.0 or greater;

d) **Phase 1 Submission Bid Date:** Non-binding letters of intent to be received by 12:00 PM MDT on October 25, 2018;

e) **Credit Bid by TEC:** TEC, in its capacity as the senior secured lender to Ranch has requested certain consultation rights in the SISP which will be provided for in the SISP, except that TEC will not be allowed the majority of such consultation rights in the event that it exercises the option to submit a credit bid;

f) **Selection of Phase 2 Qualified Bidders:** If it is determined by the Selling Agent and the Receiver that a Phase 1 Qualified Bidder that has submitted a Qualified LOI (i) has a bona fide interest in completing a Sale Proposal or Investment Proposal (as the case may be); and (ii) has the financial capability (based on availability of financing, experience and other considerations) to consummate such a transaction based on the financial information provided, then such Phase 1 Qualified Bidder will be deemed a "**Phase 2 Qualified Bidder**", provided that the Selling Agent and the Receiver may, in their reasonable business judgment, limit the number of Phase 2 Qualified Bidders (and thereby eliminate some Phase 1 Qualified Bidders from the process);

g) **Phase 2 Due Diligence:** Allow each Phase 2 Qualified Bidder, as required, access to information, management presentations, property tours and other due diligence requirements to November 15, 2018 (the "**Phase 2 Bid Deadline**");

h) **Phase 2 Submission Bid Date:** Sealed, formal offers of purchase and/or investment are to be received by 12:00 PM MDT on November 22, 2018;

i) **Phase 2 Qualified Bids:** The Selling Agent will notify each Phase 2 Qualified Bidder in writing as to whether its bid constituted a Phase 2 Qualified Bid within ten (10) business days of the Phase 2 Bid Deadline;

j) **Selection of Successful Bid:** A Phase 2 Qualified Bid will be evaluated based upon several factors and the Selling Agent and the Receiver will identify the highest or otherwise best bid and determine the Successful Bid, subject to compliance with BCOGC requirements and Court approval;

k) **Court Approval:** Following the selection of the Successful Bid, the Receiver will seek approval of this Honourable Court to consummate the Successful Bid; and

l) **Closing of Transaction(s):** On or before November 30, 2018, complete the sale and/or investment transactions.

Definitive Agreement and Court Approval

27. As indicated, once a definitive agreement has been negotiated and settled in respect of a Successful Bid, the person who made the Successful Bid is deemed to be the "Successful Bidder".

28. Any definitive agreement entered into by the Receiver with a Successful Bidder is to contain conditions that:

a) the agreement be subject to approval by this Honourable Court; and

b) the Successful Bidder will complete or waive all of its due diligence requirements before the Receiver's application for approval by this Honourable Court of the transaction.

29. The Receiver will apply to the Court for an order approving the Successful Bid and authorizing the Receiver to enter into any and all necessary agreements with respect to the Successful Bidder, as well as an order vesting title to Property in the name of the Successful Bidder.

Receiver's Analysis of the SISP

30. The Receiver believes that the SISP is the most commercially reasonable manner in which to maximize value for all of Ranch's stakeholders based upon the following factors:

a) the SISP was developed with input from its counsel and the Selling Agent, a corporate advisory services firm with extensive experience and knowledge advising on oil and gas transactions in Western Canada;

b) the SISP is supported by the TEC, Ranch's primary secured creditor;

c) the Successful Bidder must be compliant with BCOGC;

d) the Successful Bidder will be required to pay outstanding obligations for surface and mineral leases (both Crown and freehold) and certain royalties, which outstanding obligations are subject to the stay of proceedings;

e) freehold leaseholders will have certainty of the Successful Bidder becoming lessee; and

f) the sale proceeds generated by the SISP will be used to pay Ranch's property tax obligations, repay the Receiver's Borrowings and will thereafter be disbursed to the remaining creditors subject to security priorities. The Deemed Trust does not attach to the Ranch PNG Assets, as Ranch has no employees (and therefore no unremitted source deductions) and no unremitted GST owing.

RECEIVER'S BORROWING CHARGE

31. The Receivership Order empowered the Receiver to borrow by way of revolving credit or otherwise, amounts the Receiver considers necessary or desirable, provided that the outstanding principal amount does not exceed $6,000,000 (or such greater amount as the Court may authorize) at any time, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by the Receivership Order, including interim expenditures. The Receivership Order further provided that the whole of the Property would be charged by way of a fixed and specific charge as security for the payment of the monies borrowed by the Receiver, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, except as otherwise set out in the Receivership Order, and subordinate in priority to the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) and 88 of the BIA.

32. The $6,000,000 borrowing limit was based on a cash flow forecast through to the period of October 31, 2018.

33. Based on actual receipts and disbursements incurred through September 21, 2018, and a refreshed cash flow forecast through the period to November 30, 2018, the projected Receiver's Borrowings are forecast to be up to $7,000,000.

34. A copy of the receipts and disbursements incurred through September 21, 2018 is attached as Appendix '**B**'.

35. A copy of the cash flow forecast through the period of November 30, 2018 is attached as Appendix '**C**'.

AES TRANSACTION

36. On June 13, 2018, AES commenced an action in this Honourable Court (the "**AES Action**"), against OMGI, OMI, OMESI (collectively, the "**Transacting OpsMobil Entities**") and TEC related to a purchase and sale agreement (the "**AES PSA**") wherein the Transacting OpsMobil Entities agreed to sell to AES, certain segmented aircraft assets of OpsMobil's overall business related to the aerial surveillance and scanning, chemical spraying and local charter business (the "**Proposed Aircraft Assets**"). In addition, AES and the Transacting OpsMobil Entities entered into a transitional services agreement wherein the OpsMobil Entities agreed to provide to AES certain transition services to assist AES with its operation of the Proposed Aircraft Assets until they were fully integrated with AES (the "**AES TSA**"). The AES PSA and the AES TSA are both dated December 14, 2017.

37. On June 14, 2018, upon application by AES, this Honourable Court granted an order preserving the accounts receivable generated by the Proposed Aircraft Assets (the "**Preservation Order**"). Such accounts receivable were ordered to be paid into a trust account with Alberta Treasury Branches account number 760-00182687579 (the "**Segregated Account**").

38. The Receivership Order expressly provided that:

a) AES shall continue to be in possession of and be entitled to operate the Proposed Aircraft Assets that are the object of the AES PSA and the revenues from the Proposed Aircraft Assets, including those revenues subject to the terms of the Preservation Order (the "**Aircraft Revenues**"), shall be dealt with as contemplated by the Preservation Order; and

b) If it is determined by final decision of this Honorable Court that AES is entitled to the Proposed Aircraft Assets and the Aircraft Revenues:

   i. the Interim Lender's Charge, Administration Charge, and Directors' Charge (as defined in the Initial Order); and

   ii. the Receiver's Charge and Receiver's Borrowing Charge (as defined in the Receivership Order);

   will not attach to the Proposed Aircraft Assets and the Aircraft Revenues to the extent of that entitlement.

39. In the First Report, the Receiver advised it has dealt with the Aircraft Revenues in accordance with the terms of the Preservation Order. The Receiver would like to clarify that the Aircraft Revenues since the onset of the insolvency proceedings had been maintained in locked accounts with Alberta Treasury Branches. The Aircraft Revenues received since the onset of the insolvency proceedings have now been transferred to the Segregated Account.

40. Most recently, AES filed an application on August 3, 2018 to this Honourable Court, as amended on August 8, 2018, requesting among other things, an express trust, a constructive trust, specific performance and an approval and vesting order in respect of the Proposed AES Transaction (the "**AES Application**").

41. On August 10, 2018, the AES Application was adjourned.

42. The Receiver understands that TEC and AES have agreed to delay the litigation deadlines previously set by the parties to September 28, 2018 for the filing of additional affidavits, and to October 5, 2018 for the completion of cross examinations on affidavits. These deadlines were set in an effort to hold discussions and determine whether a settlement as between TEC and AES could be reached. To date, these efforts have not yielded a settlement and the parties are in the process of determining the Court's availability for a hearing of the AES Application on the merits.

RECOMMENDATIONS

43. The Receiver respectfully recommends that this Honourable Court:

a) approve the SISP;

b) authorize the increase of the Receiver's Borrowings Charge to $7,000,000; and

c) approve the activities of the Receiver as set out in this report and the First Report to Court filed on August 8, 2018.

Dated at Calgary, this 24th day of September, 2018.

ERNST & YOUNG INC.
in its capacity as the
Receiver of the Corporations

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

Duncan MacRae, CPA, CA, CIRP, LIT
Manager

APPENDIX 'A'

SALE AND INVESTMENT SOLICITATION PROCESS

INTRODUCTION

On July 19, 2018, the Alberta Court of Queen's Bench (the "**Court**") made an order which was amended on August 7, 2018 (the "**Receivership Order**") appointing Ernst & Young Inc. ("**EYI**") as Receiver and Manager (the "**Receiver**") over the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceedings therefrom (the "**Property**") of Ranch Energy Corporation ("**Ranch**"), OpsMobil Inc., 1734163 Alberta Inc., 1859821 Alberta Inc., OpsMobil Group Inc., OpsMobil Construction Inc., OpsMobil Energy Services Inc., Air Dallaire Ltd. and K.L. Capital Corp. (collectively, the "**Corporations**").

The Receiver intends to conduct a sale and investment solicitation process (the "**SISP**") as set out below to market and sell the Business (as defined below) and Property of Ranch. The SISP will be conducted with the approval of the Court, and under the SISP, all qualified interested parties will be provided with an opportunity to participate in the SISP. The SISP is intended to solicit interest in an acquisition or investment in the Business or a sale of the assets and/or the Business of Ranch.

The Receiver has engaged Animus Capital Partners Inc. as Selling Agent (in such capacity, the "**Selling Agent**") to administer and carry out the marketing steps contemplated by the SISP.

TEC Capital Corporation ("**TEC**") is the senior secured lender to Ranch, and in that capacity, will have certain consultation rights in the SISP, as provided for below.

This document (the "**SISP Procedure**") outlines the SISP, which is comprised principally of three stages: pre-marketing, marketing, and offering and evaluation.

OPPORTUNITY AND SISP SUMMARY

1. The SISP is intended to solicit interest in, and opportunities for a sale of, or investment in, all or part of the Ranch's business or Property (the "**Opportunity**"), which primarily consist of wells, pipelines, facilities and other oil and gas production assets located in British Columbia.

2. In order to maximize the number of participants that may have an interest in the Opportunity, the SISP will provide for the solicitation of interest for:

    (a) the sale of Ranch's interest in the Property. In particular, interested parties may submit proposals to acquire all, substantially all or a portion of the Property (a "**Sale Proposal**"); and

    (b) the investment in the business operations, as a going concern (the "**Business**") of Ranch. Such proposals for the Business may take the form of an investment in the Business (an "**Investment Proposal**").

3. Except to the extent otherwise set forth in a definitive sale or investment agreement with a successful bidder, any Sale Proposal or any Investment Proposal will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or

description by the Receiver, the Selling Agent or Ranch, or any of their respective affiliates, agents, advisors or estates, and, in the event of a sale, all of the right, title and interest of Ranch in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon pursuant to Court orders, except as otherwise provided in such Court orders.

4. Solicitation of interest for Sale Proposals and Investment Proposals will be on an unpriced basis whereby no set asking price will be stipulated.

5. As described more fully in this SISP, the major stages in the SISP Procedure will be comprised of the following:

   (a) Pre-Marketing: preparation of all marketing material, assembly of all relevant due diligence material, establishment of an electronic data room and preparation of potential buyer/investor lists;

   (b) Marketing: advertising, contacting potential buyers/investors, responding to requests for information and disseminating marketing material to potential buyers and investors; and

   (c) Offer Submission and Evaluation: solicitation, receipt of, evaluation and negotiation of offers from potential buyers and investors, as described below.

6. The offer submission and evaluation stage of the SISP will be comprised of a two phase offering process: "**Phase 1**" being the submission of letters of intent ("**LOIs**") from qualified bidders, and "**Phase 2**" being the submission of formal binding offers from those parties that submitted LOIs and that have been invited by the Selling Agent and the Receiver to participate in Phase 2 (defined below as Phase 1 Qualified Bidders).

PROPERTY & REGULATOR

7. Ranch is the operator or has a working interest in the Property comprised of approximately 1,600 oil and gas wells in northeast British Columbia, and a gas processing plant in the Wildboy district of British Columbia that is owned and operated by Ranch.

8. All of the Property was acquired from Predator Oil BC Ltd. ("**Predator BC**") on July 10, 2017.

9. The British Columbia Oil and Gas Commission ("**BCOGC**") regulates oil and gas and related activities in British Columbia, including wells, facilities, oil refineries, natural gas processing plants, pipelines and oil and gas roads, through permits, authorizations, orders and regulations.

10. The permits associated with the Property continue to be held by Predator BC pursuant to a trust agreement as Ranch was not qualified to hold the permits under applicable BCOGC regulations.

11. The BCOGC has the regulatory authority to transfer the permits and has advised the Receiver that it will exercise such authority provided a Bidder meets its regulatory requirements. Bidders will be required to be licensees in good standing with the BCOGC, or to be otherwise eligible to obtain or hold BCOGC licenses, permits or approvals with respect to the Property.

TIMELINE

12. The following table sets out the key milestones under the SISP:

Milestone	Deadline
Phase 1 Non-Binding LOI Deadline	October 25, 2018
Phase 2 Binding Bid Deadline	November 15, 2018
Closing Dates	November 30, 2018

PRE-MARKETING STAGE

13. As soon as reasonably practicable, but in any event by no later than October 2, 2018 (the "**Commencement Date**"):

(a) the Selling Agent will prepare: (i) a process summary (the "**Teaser Letter**") describing the Opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP; (ii) a non-disclosure agreement (an "**NDA**"); and (iii) a confidential Information Memorandum ("**CIM**"). The Teaser Letter, NDA and CIM shall be in form and substance satisfactory to the Receiver, in consultation with TEC. The CIM will specifically stipulate that the Selling Agent, the Receiver and their respective advisors make no representation or warranty as to the accuracy or completeness of the information contained in the CIM, the Data Room (as defined below), or made available pursuant to the SISP or otherwise, except to the extent expressly contemplated in any definitive sale or investment agreement with a Successful Bidder (as defined below) ultimately executed and delivered by the Receiver;

(b) the Selling Agent, with the assistance of the Receiver, will gather and review all required due diligence material to be provided to interested parties and shall establish a secure, electronic data room (the "**Data Room**"), which will be maintained and administered by the Selling Agent during the SISP;

(c) the Selling Agent will develop a draft form of LOI (the "**LOI Form**") and a purchase and sale agreement or investment agreement for use during the SISP (the "**Draft Purchase/Investment Agreement**"), which agreement or agreements shall be in form and substance satisfactory to the Receiver, in consultation with TEC; and

(d) the Selling Agent, in consultation with the Receiver and TEC, will prepare a list of potential bidders, including: (i) parties that have approached one or more of the Selling Agent, Ranch or the Receiver indicating an interest in the Opportunity; and (ii) local, national and international strategic and financial parties who the Selling Agent and the Receiver believe may be interested in purchasing all or part of the Business and Property or investing in Ranch pursuant to the SISP (collectively, "**Known Potential Bidders**").

MARKETING STAGE

14. As soon as reasonably possible after the Commencement Date, the Selling Agent shall:

(a) arrange for a notice of the SISP (and such other relevant information as the Selling Agent, in consultation with the Receiver, considers appropriate) (the "**Notice**") to be published in The Globe and Mail (National Edition) and the Oil and Gas Bulletin, and any other newspaper or journals as the Selling Agent, in consultation with the Receiver, considers appropriate, if any; and

(b) send the Teaser Letter and NDA to all Known Potential Bidders and to any other party who responds to the Notice as soon as reasonably practicable after such identification or request, as applicable.

15. The Selling Agent will send the CIM and grant access to the Data Room to those parties who have executed and delivered the NDA to the Selling Agent as soon as reasonably practicable after such execution and delivery.

16. Requests for information and access to the Data Room will be directed to the Selling Agent, to the attention of the persons listed in **Schedule "A"** hereto. All printed information shall remain the property of the Receiver and, if requested by the Selling Agent or the Receiver, shall be returned without further copies being made and/or destroyed with an acknowledgement that all such material has either been returned and/or destroyed and no electronic information has been retained.

17. Any party who expresses a wish to participate in the SISP (a "**Potential Bidder**") must, prior to being given any additional information such as the CIM and access to the Data Room, provide to the Selling Agent:

(a) an NDA executed by it, and which shall inure to the benefit of any ultimate Successful Bidder; and

(b) a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals of the Potential Bidder.

18. If a Potential Bidder has delivered the NDA and the letter contemplated in paragraph 17(b) with disclosure that is satisfactory to the Receiver, acting reasonably, then such Potential Bidder will be deemed to be a "**Phase 1 Qualified Bidder**". TEC will automatically be deemed to be a Phase 1 Qualified Bidder, without having to satisfy the criteria listed in

paragraph 17 (a) and (b). No Potential Bidder shall be deemed not to be a Phase 1 Qualified Bidder without the approval of the Receiver.

OFFER SUBMISSION AND EVALUATION STAGE

Phase 1

Due Diligence

19. The Selling Agent in consultation with the Receiver, subject to competitive and other business considerations, will afford each Phase 1 Qualified Bidder such access to due diligence materials through the Data Room and information relating to the Property and Business as it deems appropriate. Due diligence access may further include management presentations, on-site inspections, and other matters which a Phase 1 Qualified Bidder may reasonably request and to which the Selling Agent, with the approval of the Receiver, in its reasonable business judgment, may agree. The Selling Agent will designate a representative to coordinate all reasonable requests for additional information and due diligence access from Phase 1 Qualified Bidders and the manner in which such requests must be communicated. Neither the Selling Agent nor the Receiver will be obligated to furnish any information relating to the Property or Business to any person other than to Phase 1 Qualified Bidders. Further and for the avoidance of doubt, selected due diligence materials may be withheld from certain Phase 1 Qualified Bidders if the Receiver, in consultation with the Selling Agent, determines such information to represent proprietary or sensitive competitive information.

LOI Submission

20. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property and Business in connection with their participation in the SISP and any transaction they enter into with the Receiver on behalf of Ranch.

21. Phase 1 Qualified Bidders who advise the Selling Agent that they wish to submit an offer will be provided with a copy of the LOI Form.

22. A Phase 1 Qualified Bidder who wishes to pursue the Opportunity further must deliver an executed LOI, identifying each specific Property or Business the Phase 1 Qualified Bidder is interested in, to the Selling Agent at the addresses specified in Schedule "A" hereto (including by email or fax transmission), so as to be received by them not later than 12:00 PM (Calgary time) on or before October 25, 2018 (the "**Phase 1 Bid Deadline**").

23. An LOI so submitted will be considered a qualified LOI (a "**Qualified LOI**") only if:

    (a) it is submitted on or before the relevant Phase 1 Bid Deadline by a Phase 1 Qualified Bidder;

    (b) it contains an indication of whether the Phase 1 Qualified Bidder is making a:

        (i) Sale Proposal; or

(ii) an Investment Proposal;

(c) in the case of a Sale Proposal, it identifies or contains the following:

(i) the purchase price, in Canadian dollars, including details of any liabilities to be assumed by the Phase 1 Qualified Bidder and key assumptions supporting the valuation. If a Phase 1 Qualified Bidder wishes to acquire more than one Property, a price for each Property must be stipulated;

(ii) a description of each Property that is expected to be subject to the transaction and any of the Property or obligations for each Property expected to be excluded;

(iii) a specific indication of the financial capability, together with evidence of such capability, of the Phase 1 Qualified Bidder and the expected structure and financing of the transaction;

(iv) a description of the conditions and approvals required for a final and binding offer; and

(v) any other terms or conditions of the Sale Proposal that the Phase 1 Qualified Bidder believes are material to the transaction;

(d) in the case of an Investment Proposal, it identifies the following:

(i) a description of how the Phase 1 Qualified Bidder proposes to structure the proposed investment in the Business or Businesses;

(ii) the aggregate amount of the equity and/or debt investment to be made in the Business or in Ranch in Canadian dollars;

(iii) the underlying assumptions regarding the *pro forma* capital structure;

(iv) a specific indication of the sources of capital for the Phase 1 Qualified Bidder and the structure and financing of the transaction;

(v) a description of the conditions and approvals required for a final and binding offer;

(vi) all conditions to closing that the Phase 1 Qualified Bidder may wish to impose; and

(vii) any other terms or conditions of the Investment Proposal that the Phase 1 Qualified Bidder believes are material to the transaction;

(e) in the case of either a Sale Proposal or an Investment Proposal it contains a statement that the Phase 1 Qualified Bidder is a licensee in good standing with the BCOGC, or is eligible to obtain or hold BCOGC licenses, permits or approvals with respect to the Property, and its current Liability Management Rating is 1.0 or greater; and

(f) in the case of either a Sale Proposal or an Investment Proposal, it contains such other information as reasonably requested by the Selling Agent or Receiver from time to time.

24. The Receiver, in consultation with the Selling Agent, will consider any bid on behalf of a creditor of Ranch, including but not limited to TEC, under which all or a portion of the consideration being offered under the bid includes the compromise of all or a portion of indebtedness owing from Ranch to the creditor (a "**Credit Bid**", and a person submitting a Credit Bid, a "**Credit Bid Party**"). For further clarity, a Credit Bid will not prohibit a Potential Bidder from becoming a Qualified Phase 1 Bidder, Qualified Phase II Bidder or the Successful Bidder, provided that such Credit Bid is in accordance with these SISP Procedures.

25. Notwithstanding any consultation rights specifically afforded to TEC in this SISP, should any creditor, including TEC, submit a bid including a component of a Credit Bid to acquire the Business or Property, such bidder shall be barred from receiving any confidential data regarding the bids received prior to the Phase 1 Bid Deadline or the Phase 2 Bid Deadline, as may be applicable and will not be consulted by the Receiver in the selection of the Phase 2 Bidders or the Successful Bidder.

26. An LOI shall not be a Qualified LOI if the Sale Proposal or Investment Proposal contemplated thereby is conditional on further due diligence or financing.

27. The Receiver may waive compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Qualified LOI. For the avoidance of doubt, the completion of any Sale Proposal or Investment Proposal shall be subject to the approval of the Court and the requirement of approval of the Court may not be waived.

Preliminary Assessment of Phase 1 Bids and Subsequent Process

28. Following the Phase 1 Bid Deadline, the Receiver will assess the Qualified LOIs with respect to the Property or Business in consultation with the Selling Agent and TEC (unless TEC has submitted a Credit Bid). If it is determined by the Receiver that a Phase 1 Qualified Bidder that has submitted a Qualified LOI (i) has a *bona fide* interest in completing a Sale Proposal or Investment Proposal (as the case may be); and (ii) has the financial capability (based on availability of financing, experience and other considerations) to consummate such a transaction based on the financial information provided, then such Phase 1 Qualified Bidder will be deemed a "**Phase 2 Qualified Bidder**", provided that the Receiver may, in its reasonable business judgment, in consultation with TEC (unless TEC has submitted a Credit Bid), limit the number of Phase 2 Qualified Bidders (and thereby eliminate some Phase 1 Qualified Bidders from the process). Only Phase 2 Qualified Bidders shall be permitted to proceed to Phase 2 of the SISP.

29. As part of the assessment of Qualified LOIs and the determination of the process subsequent thereto, the Receiver in consultation with the Selling Agent and TEC (unless TEC has submitted a Credit Bid), shall determine the process and timing to be followed in pursuing Qualified LOIs based on such factors and circumstances as they consider appropriate in the circumstances including, but not limited to: (i) the number of Qualified LOIs received; (ii) the extent to which the Qualified LOIs relate to the same Property or Business or involve Investment Proposals predicated on certain Property or Business; (iii) the scope of the Property or Business to which any Qualified LOIs may relate; and (iv) whether to proceed by way of sealed bid or auction (with or without a stalking horse bidder) with respect to some or all of the Property.

30. In the event that no Qualified LOIs are submitted by the Phase 1 Bid Deadline, then the Receiver may terminate the SISP.

31. Upon the determination by the Receiver of the manner in which to proceed to Phase 2 of the SISP, the Receiver will prepare a bid process letter for Phase 2 (the "**Bid Process Letter**"), which will include a Draft Purchase/Investment Agreement which will be made available in the Data Room, and the Bid Process Letter will be sent to all Phase 2 Qualified Bidders who are invited to participate in Phase 2.

Phase 2: Formal Offers and Selection of Successful Bidder

32. Paragraphs 33 to 44 below and the conduct of Phase 2 bidding are subject to paragraphs 28 to 31, above, and any adjustments made to Phase 2 in accordance with the Bid Process Letter and any further Court order regarding the SISP.

Formal Binding Offers

33. Phase 2 Qualified Bidders that wish to make a formal Sale Proposal or an Investment Proposal shall submit to the Selling Agent a sealed binding offer that complies with all of the following requirements at the addresses specified in Schedule "A" hereto (including by email or fax transmission), so as to be received by the Selling Agent not later than 12:00 PM (Calgary time) on November 15, 2018 or such other date and time as may be modified in the Bid Process Letter (the "**Phase 2 Bid Deadline**"):

(a) the bid shall comply with all of the requirements set forth in respect of Phase 1 Qualified LOIs;

(b) cash is the preferred form of consideration, but if the bid utilizes other consideration, a description of the material terms of the consideration shall be provided;

(c) the bid (either individually or in combination with other bids that make up one bid) is an offer to purchase or make an investment in some or all of the Property or Business on terms and conditions reasonably acceptable to the Receiver;

(d) unless otherwise agreed, the bid shall take the form of the Draft Purchase/Investment Agreement and shall include a letter stating that the Phase 2

Qualified Bidder's offer is irrevocable until the selection of the Successful Bidder (as defined below), provided that if such Phase 2 Qualified Bidder is selected as the Successful Bidder, its offer shall remain irrevocable until the closing of the transaction with such Successful Bidder;

(e) the bid includes duly authorized and executed transaction agreements as listed in the Draft Purchase/Investment Agreement; including, but not limited to, the purchase price, investment amount and any other key economic terms expressed in Canadian dollars (the "**Purchase Price**"), together with all exhibits and schedules thereto, the name or names of the ultimate beneficial owner(s) of the Phase 2 Qualified Bidder including their respective percentage interests;

(f) to the extent that a bid is conditional upon new or amended agreements being entered into with other parties, the interested parties shall provide the proposed terms of such amended or new agreements and identify how such agreements may differ from existing agreements to which Ranch may be a party. A Phase 2 Qualified Bidder's willingness to proceed without such conditions and, where such conditions are included in the bid, the likelihood of satisfying such conditions shall be an important factor in evaluating the bid;

(g) the bid includes written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed transaction that will allow the Receiver to make a determination as to the Phase 2 Qualified Bidder's financial and other capabilities to consummate the proposed transaction;

(h) the bid should not be conditioned on the outcome of unperformed due diligence by the Phase 2 Qualified Bidder, apart from, to the extent applicable, the disclosure of due diligence materials that represent proprietary or sensitive competitive information which was withheld in Phase 2 from the Phase 2 Qualified Bidder;

(i) each Phase 2 Qualified Bidder must provide with its bid details regarding its ability to obtain and method of financing the transaction, the timetable for obtaining financing and, if appropriate, the amount of senior debt, subordinated debt, equity and any other source of financing contemplated in the pro forma capital structure;

(j) the bid fully discloses the identity of each entity that will be entering into the transaction or the financing, or that is participating or benefiting from such bid;

(k) for a Sale Proposal, the bid, except in the case of a Credit Bid, includes a commitment by the Phase 2 Qualified Bidder to provide a refundable deposit in the amount of not less than 10% of the purchase price offered upon the Phase 2 Qualified Bidder being selected as the Successful Bidder, which shall be paid to "Ernst & Young Inc. in trust" (the "**Deposit**"). One half of the Deposit shall be paid to "Ernst & Young Inc. in trust" upon the submission of the Phase 2 Qualified Bidder's Phase 2 Bid. The second half of the Deposit shall be submitted upon the Phase 2 Qualified Bidder being selected as the Successful Bidder. The Successful Bidder's Deposit shall be applied as against the Purchase Price and all other

Deposits submitted by Phase 2 Qualified Bidders who are not selected as the Successful Bidder shall be returned within one week of obtaining court approval for the Successful Bid;

(l) for an Investment Proposal, the bid, except in the case of a Credit Bid, includes a commitment by the Phase 2 Qualified Bidder to provide a refundable deposit in the amount of not less than 10% of the total new investment contemplated in the bid upon the Phase 2 Qualified Bidder being selected as the Successful Bidder, which shall be paid to "Ernst & Young Inc. in trust". One half of the Deposit shall be paid to "Ernst & Young Inc. in trust" upon the submission of the Phase 2 Qualified Bidder's Phase 2 Bid. The second half of the Deposit shall be submitted upon the Phase 2 Qualified Bidder being selected as the Successful Bidder. The Successful Bidder's Deposit shall be applied as against the Purchase Price and all other Deposits submitted by Phase 2 Qualified Bidders who are not selected as the Successful Bidder shall be returned within one week of obtaining court approval for the Successful Bid;

(m) in the case of a Credit Bid, it is accompanied by a Deposit in the form of a wire transfer (to a bank account specified by the Receiver), or such other form acceptable to the Receiver, payable to the order of the Receiver, in trust, in an amount equal to 10% of that total consideration set out in its Phase 2 Bid, less the value of the consideration allocated to the credit portion of the Credit Bid;

(n) the bid includes acknowledgments and representations of the Phase 2 Qualified Bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Property, Business and Ranch or any of them prior to making its offer (apart from, to the extent applicable, the disclosure of due diligence materials that represent proprietary or sensitive competitive information which were withheld in Phase 2 from the Phase 2 Qualified Bidder); (ii) it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever made by the Selling Agent, Ranch or the Receiver, whether express, implied, statutory or otherwise, regarding the Business, Property or Ranch, or the accuracy or completeness of any information provided in connection therewith, except as expressly stated in the definitive transaction agreement(s) signed by the Receiver on behalf of Ranch;

(o) all required corporate approvals of the Phase 2 Qualified Bidder will have been obtained prior to the submission of the bid;

(p) the bid shall identify any material conditions in favour of the purchaser to be resolved prior to closing the transaction;

(q) the bid is received by the relevant Phase 2 Bid Deadline;

(r) the bid contemplates court approval; and

(s) the bid contemplates a schedule for closing the transaction set out therein which is on or before November 30, 2018 (the "**Closing Date**").

34. Following the Phase 2 Bid Deadline, the Receiver, in consultation with TEC (unless TEC has submitted a Credit Bid), will assess the Phase 2 bids received with respect to the Property or Business. The Receiver will designate the most competitive bids that comply with the foregoing requirements to be "**Phase 2 Qualified Bids**". No Phase 2 bids received shall be deemed to be Phase 2 Qualified Bids without the approval of the Receiver in consultation with the BCOGC and TEC (unless TEC has submitted a Credit Bid). Only Phase 2 Qualified Bidders whose bids have been designated as Qualified Bids are eligible to become the Successful Bidder(s).

35. The Receiver may waive strict compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Phase 2 Qualified Bid.

36. The Selling Agent, upon receiving instructions from the Receiver, shall notify each Phase 2 Qualified Bidder in writing as to whether its bid constituted a Phase 2 Qualified Bid within ten (10) business days of the Phase 2 Bid Deadline, or at such later time as the Receiver deem appropriate.

37. If the Receiver is not satisfied with the number or terms of the Phase 2 Qualified Bids, the Receiver, in consultation with the Selling Agent and TEC (unless TEC has submitted a Credit Bid), may extend the Phase 2 Bid Deadline without Court approval, or the Receiver may seek Court approval for an amendment to the SISP.

38. The Receiver may terminate, in consultation with TEC (unless TEC has submitted a Credit Bid), further participation in the Phase 2 Bid Process by any interested party, or modify dates or procedures in this SISP as deemed appropriate or necessary, or terminate the process altogether.

39. The Receiver may aggregate separate bids from unaffiliated Phase 2 Qualified Bidders to create one or more "**Phase 2 Qualified Bid**".

40. In the event that no Phase 2 Qualified Bids are submitted by the Phase 2 Bid Deadline, then the Receiver may terminate the SISP.

Evaluation of Competing Bids

41. A Phase 2 Qualified Bid will be evaluated based upon several factors, including, without limitation, items such as the Purchase Price and the net value and form of consideration to be paid provided by such bid, the identity, circumstances and ability of the Phase 2 Qualified Bidder to successfully complete such transactions, including any conditions attached to the bid and the expected feasibility of such conditions, the proposed transaction documents, factors affecting the speed, certainty and value of the transaction, the assets included or excluded from the bid, any related restructuring costs, compliance with BCOGC requirements, the likelihood and timing of consummating such transactions, and the ability of the bidder to finance and ultimately consummate the proposed transaction within the timeline established by the Receiver.

Selection of Successful Bid

42. The Receiver, in consultation with TEC (unless TEC has submitted a Credit Bid): (a) will review and evaluate each Phase 2 Qualified Bid with the applicable Phase 2 Qualified Bidder, and such Phase 2 Qualified Bid may be amended, modified or varied as a result of such negotiations, and (b) identify the highest or otherwise best bid (the "**Successful Bid**"), and the Phase 2 Qualified Bidder making such Successful Bid (the "**Successful Bidder**") for any particular Property or the Business in whole or part. The determination of any Successful Bid by the Receiver shall be subject to approval by the Court.

43. The Receiver shall have no obligation to enter into a Successful Bid, and the Receiver reserves the right to reject any or all Phase 2 Qualified Bids.

Sale Approval Hearing

44. At the hearing of the application to approve any transaction with a Successful Bidder (the "**Sale Approval Application**"), the Receiver shall seek, among other things, approval from the Court to consummate any Successful Bid. All the Phase 2 Qualified Bids other than the Successful Bid, if any, shall be deemed rejected by the Receiver on and as of the date of approval of the Successful Bid by the Court.

Confidentiality and Access to Information

45. Participants and prospective participants in the SISP shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Phase 1 Qualified Bidders, LOIs, Phase 2 Qualified Bidders, Phase 2 Qualified Bids, the details of any bids submitted or the details of any confidential discussions or correspondence between the Receiver and such other bidders or Potential Bidders in connection with the SISP. The Receiver may however, with the consent of the applicable participants, disclose such information to other bidders for the purpose of seeking to combine separate bids from Phase 1 Qualified Bidders or Phase 2 Qualified Bidders.

Supervision of the SISP

46. The Receiver will participate in the SISP in the manner set out in this SISP Procedure and the SISP Order and is entitled to receive all information in relation to the SISP.

47. This SISP does not, and will not be interpreted to create any contractual or other legal relationship between Ranch, the Selling Agent or the Receiver and any Phase 1 Qualified Bidder, any Phase 2 Qualified Bidder or any other party, other than as specifically set forth in a definitive agreement that may be signed with the Receiver on behalf of Ranch and approved by the Court.

48. Without limiting the preceding paragraph, neither the Receiver nor the Selling Agent shall have any liability whatsoever to any person or party, including without limitation any Potential Bidder, Phase 1 Qualified Bidder, Phase 2 Qualified Bidder, the Successful Bidder, or any other creditor or other stakeholder of Ranch, for any act or omission related

to the process contemplated by this SISP Procedure, except to the extent such act or omission is the result of gross negligence or willful misconduct of the Receiver or Selling Agent. By submitting a bid, each Phase 1 Qualified Bidder, Phase 2 Qualified Bidder, or Successful Bidder shall be deemed to have agreed that it has no claim against the Receiver or Selling Agent for any reason whatsoever, except to the extent such claim is the result of gross negligence or willful misconduct of the Receiver or Selling Agent.

49. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any LOI, Phase 2 bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

50. The Receiver shall have the right, in consultation with the Selling Agent and TEC (unless TEC has submitted a Credit Bid), to modify the SISP and the deadlines set out herein (including, without limitation, pursuant to the Bid Process Letter) if, in its reasonable business judgment, such modification will enhance the process or better achieve the objectives of the SISP.

SCHEDULE "A"

Selling Agent

Animus Capital Partners Inc.
3800, 855-2nd Street SW
Calgary, Alberta
T2P 4J8

Attention: Mathew August, Executive Managing Director

Receiver

Ernst & Young Inc.
2200, 215-2nd Street SW
Calgary, Alberta
T2P 1M4

Attention: Neil Narfason, Senior Vice President/Duncan MacRae, Manager

APPENDIX 'B'

Ranch Energy, OpsMobil, et al.
Statement of receipts and disbursements
$000's, CAD

Oil and gas receipts	1,341
Insurance proceeds	263
OpsMobil contract revenue	258
Liquids receipts	239
Joint interest billings	31
Total receipts	2,131
Transportation costs	(1,023)
Salaries, wages and source deductions	(663)
Professional fees	(543)
Maintenance and regulatory	(390)
Field operating costs	(390)
Insurance	(264)
Safety & ERP	(184)
General and administrative expenses	(81)
Field service truck leases	(55)
Total disbursements	(3,592)
Total net change in cash	(1,461)
Opening cash balance	-
Receiver's borrowings	3,514
Ending cash balance	2,053
Regulatory reserve	(377)
Unpaid disbursements reserve	(582)
Ending available cash balance	1,095

APPENDIX 'C'

Ranch Energy, OpsMobil, et al.
Cash flow forecast for the period of September 14, 2018 to November 30, 2018
$000's, CAD

Week ended	Notes	14-Sep-18	21-Sep-18	28-Sep-18	05-Oct-18	12-Oct-18	19-Oct-18	26-Oct-18	02-Nov-18	09-Nov-18	16-Nov-18	23-Nov-18	30-Nov-18	Total
Oil and gas receipts	A	-	-	911	-	-	-	1,237	-	-	-	-	1,232	3,381
Liquids receipts		-	-	50	-	-	-	50	-	-	-	-	50	150
Joint interest billings		-	-	25	-	-	-	25	-	-	-	-	25	75
Insurance proceeds		-	-	56	-	-	-	-	-	-	-	-	-	56
Total receipts		-	-	1,042	-	-	-	1,312	-	-	-	-	1,307	3,662
Field operating costs	B	(465)	-	(43)	(116)	(135)	-	(43)	(116)	(135)	-	(43)	(116)	(1,213)
Professional fees	C	(186)	(306)	(80)	(75)	(80)	-	(80)	(75)	(80)	-	(80)	(75)	(1,117)
Salaries, wages and source deductions		(155)	(81)	(114)	-	(114)	-	(114)	-	(114)	-	(114)	-	(804)
Transportation costs		-	-	(252)	-	-	-	(253)	-	-	-	-	(253)	(757)
Carbon taxes		(60)	-	(201)	-	-	-	(201)	-	-	-	-	(201)	(663)
Mineral leases (Crown)		(310)	(90)	(11)	-	-	-	-	(81)	-	-	-	(157)	(650)
Road use fees		(80)	-	-	-	-	-	-	(240)	-	-	-	-	(320)
Maintenance and regulatory		(254)	-	(20)	-	-	-	(20)	-	-	-	-	(20)	(314)
Contingency		-	(100)	-	-	-	(100)	-	-	-	-	(100)	-	(300)
Royalties (Crown and freehold)		(64)	-	(45)	-	-	-	(45)	-	-	-	-	(45)	(199)
General and administrative expenses		-	(16)	-	(60)	-	-	-	(60)	-	-	-	(56)	(192)
Surface leases (Crown)		(14)	(5)	(23)	-	-	-	-	(30)	-	-	-	(98)	(170)
Insurance		(43)	-	(10)	-	-	(43)	-	(10)	-	-	(43)	(10)	(158)
Surface leases (freehold)		(17)	(3)	(58)	-	-	-	-	(38)	-	-	-	(18)	(133)
Field service truck leases		-	(51)	-	-	-	(25)	-	-	-	(25)	-	-	(101)
Joint interest billings		(28)	(10)	(20)	-	-	-	(20)	-	-	-	-	(20)	(98)
Fuel expense		-	-	(25)	-	-	-	(25)	-	-	-	-	(25)	(75)
Safety & ERP		-	-	-	(15)	-	-	-	(15)	-	-	-	-	(30)
Total disbursements		(1,677)	(662)	(900)	(267)	(329)	(168)	(800)	(665)	(329)	(25)	(379)	(1,093)	(7,295)
Total net change in cash		(1,677)	(662)	142	(267)	(329)	(168)	513	(665)	(329)	(25)	(379)	214	(3,633)
Opening cash balance		2,053	976	1,414	1,556	1,289	1,260	1,192	1,705	1,540	1,510	1,485	1,429	2,053
Additional Receiver's borrowings		600	1,100	-	-	300	100	-	500	300	-	323	-	3,223
Ending cash balance		976	1,414	1,556	1,289	1,260	1,192	1,705	1,540	1,510	1,485	1,429	1,643	1,643
Regulatory reserve	D	(410)	(821)	(410)	(410)	(410)	(410)	(410)	(410)	(410)	(410)	(410)	(410)	(410)
Unpaid disbursement reserve	E	(377)	(406)	(669)	(669)	(669)	(669)	(931)	(951)	(951)	(951)	(951)	(1,233)	(1,233)
Ending available cash balance		189	188	476	210	181	113	363	178	149	124	67	-	-

A Anticipated oil and gas receipts based on forecast pricing and production volume estimates.
B Cost estimates based on historical lease operating costs.
C Estimated fees for the Receiver and the Receiver's counsel.
D The Receiver has maintained a regulatory reserve for BCOGC compliance requirements.
E The Receiver has accrued funds incurred but not yet paid.