COURT FILE NUMBER	1801-09188	CLERK OF THE COURT FILED OCT 17 2018 JUDICIAL CENTRE OF CALGARY
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	THIRD REPORT OF THE RECEIVER OCTOBER 17, 2018	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	<u>RECEIVER</u> Ernst & Young Inc. Calgary City Centre 2200, 215 2nd Street SW Calgary, AB T2P 1M4 Attention: Neil Narfason / Duncan MacRae Telephone: (403) 206-5067 / (403) 206-5035 Fax: (403) 206-5075 Email: neil.narfason@ca.ey.com / duncan.macrae@ca.ey.com <u>RECEIVER'S COUNSEL</u> Borden Ladner Gervais LLP Josef G.A. Kruger, Q.C. / Robyn Gurofsky 1900, 520 3rd Ave SW Calgary, AB T2P 0R3 Phone: (403) 232-9563 / (403) 232-9774 Fax: (403) 266-1395 Email: jkruger@blg.com / rgurofsky@blg.com	

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APPENDIX

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. was appointed as receiver and manager (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 manage, operate and carry on the business of the Corporations, including the powers to enter into any agreements, incur any obligations in the ordinary course of business or cease to perform any contracts of the Corporations.

PURPOSE

4. The purpose of this third report of the Receiver (the “Third Report”) is to briefly comment on the alleged urgency of the hearing requested by Predator Oil BC Ltd. (“Predator BC”) regarding the oil and gas assets owned by Ranch (the “PNG Assets”). Before doing so the Receiver provides the Court with a brief background to the present status of the Receivership. The Third Report is being prepared under severe pressure of time because of the very late service by Predator BC of its materials in this matter (the “Predator Application”), and it is impossible in the time available to file a comprehensive report.

TERMS OF REFERENCE

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

6. Capitalized terms not defined in this Third Report are as defined in the Receivership Order.

DESCRIPTION OF THE RANCH BUSINESS

7. Ranch was incorporated to acquire approximately 1,600 oil and gas wells in northeast British Columbia and a gas processing plant in the Wildboy district of British Columbia from Predator BC pursuant to a purchase and sale agreement dated May 8, 2017. Ranch operates some, but not all of the PNG Assets.

8. The PNG Assets are regulated by the British Columbia Oil and Gas Commission (the "BCOGC"). When Ranch purchased the PNG Assets from Predator BC, it was not qualified to hold the associated permits under the BCOGC's regulatory regime. As a result and in order to circumvent the regulatory requirements, Ranch entered into a trust agreement with Predator BC dated June 16, 2017 (the "Trust Agreement") whereby Predator BC would hold the permits in trust for Ranch until the permits could be transferred to Ranch. The permits continue to be held by Predator BC. Given Ranch's insolvency, there is no real likelihood of the permits ever being transferred from Predator BC to Ranch.

9. Notwithstanding that Predator BC is holding the permits, Ranch is the owner of the PNG Assets, as acknowledged by Predator BC. Predator BC has no economic interest in the PNG Assets. Pursuant to the Purchase and Sale Agreement and the Trust Agreement, Predator BC was bare trustee, holding the permits in trust for and on behalf of Ranch, for the sole use, enjoyment and benefit of Ranch.

10. When Ranch acquired the PNG Assets from Predator BC, Mr. Ryan Tobber was the Chief Executive Officer of Ranch. In June 2018, Mr. Tobber became the indirect sole shareholder of Predator BC and the Chief Executive Officer of Predator BC. The Receiver understands that Mr. Tobber remains the indirect sole shareholder and CEO of Predator BC; however, Mr. Tobber has a significant payable owing to the former Predator BC shareholders and did not pay cash to acquire Predator BC.

11. On October 2, 2018, the Receiver issued a disclaimer notice to Predator BC indicating that the Receiver is disclaiming the Trust Agreement effective as of the date of the Receivership Order. The Receiver undertook an assessment of the Trust Agreement and determined that adopting such agreement would not be commercially reasonable, in part due to the significant costs and fees payable to Predator BC pursuant to Article 4.1 of the Trust Agreement and because it was impossible for Ranch to qualify such that it could hold the associated permits under the BCOGC's regulatory regime. The Receiver determined that adopting the Trust Agreement could deprive Ranch's stakeholders of any realizations from the PNG Assets. The Receiver also determined that Ranch's ability to operate the PNG Assets did not arise out of the Trust Agreement. As a result,

the Receiver disclaimed the Trust Agreement on October 2, 2018 for the benefit of the receivership estate.

STATUS OF THE RECEIVERSHIP

Operations

12. Upon being appointed as Receiver of Ranch on July 19, 2018, the Receiver undertook an analysis of the PNG Assets and met with the BCOGC. As at the Receivership Date, a large portion of the PNG Assets were non-compliant with BCOGC orders and directives due to maintenance and regulatory work that Ranch had deferred. Additionally, there were immediate concerns that the previous emergency response plan (“ERP”) was out of date and, in certain instances, incorrect.

13. Since the Receivership Date, the Receiver has addressed the concerns with the ERP to the satisfaction of the BCOGC and communicated this to Predator BC as permitee. Additionally, the Receiver has completed 23 deficiencies and non-compliances associated with the PNG Assets in consultation with, and approval of the BCOGC, the majority of which arose prior to the Receivership Date. To date, the Receiver has complied with a number of BCOGC orders at a total cost of $580,000 and the Receiver has committed a further $270,000 to the BCOGC to rectify regulatory deficiencies. Thus, the Receiver has planned a total spend of $850,000 which was determined in consultation with, and approved by the BCOGC.

14. The Receiver has continued to employ, through OpsMobil, 24 individuals whose primary responsibilities relate to operating and providing related oilfield services to Ranch and the PNG Assets.

Financial Requirements

15. Upon reviewing Ranch’s books and records, the Receiver has determined that as at the Receivership Date, Ranch had unpaid unsecured trade creditors owed over $12.7 million. This amount excludes the secured amounts owed to TEC in the approximate amount of $40 million. Based on the unpaid trade indebtedness, the Receiver calculates the PNG Assets to have been operated by former management at a loss of approximately $1 million per month, from the effective date of acquisition from Predator BC to the Receivership Date.

16. The Receiver has had to fund nearly all post Receivership trade creditors required to operate the PNG Assets via prepaid wire as negotiating credit terms with suppliers has been virtually impossible given the past financial performance of Ranch.

17. As described in the Monitor's Material Adverse Change Report filed in the Corporations' preceding CCAA proceedings on July 19, 2018, cash flow forecasts and total borrowings of Ranch as represented by management in the CCAA proceedings were materially understated.

18. Given management's history of underreporting expenses (including employee salaries, transportation costs, minerals leases, trade creditors, carbon taxes), the Receiver remains skeptical that Predator BC is able to finance these operations. The Receiver will demonstrate in a further report dealing with the merits of the Predator Application that the financial assertions and assumptions made in the Predator Application are inaccurate, incomplete and unrealistic.

Regulatory Requirements

19. The Receiver has been in constant communication with the BCOGC and has kept the regulatory body informed of its activities since the Receivership Date.

20. Because the permits are held by Predator BC, any formal communication with the BCOGC regarding the PNG Assets has been made to and from Predator BC, and copied to the Receiver.

21. On September 26, 2018, after the Receivership Date, the BCOGC ordered (the "BCOGC Order") a liability reduction plan with respect to all currently deemed, non-operated "high risk" liabilities (the "BCOGC Ordered Liabilities"), as well as other abandonment requirements seeking a reduction of $19.2 million in deemed liabilities. The BCOGC Order was made against Predator BC as permittee.

22. While the BCOGC Order was made against Predator BC, out of an abundance of caution and as a result of section 14.06(4) of the BIA, the Receiver issued a notice of disclaimer of the BCOGC Ordered Liabilities on October 2, 2018, within 10 days of the date of the BCOGC Order, to clarify that the Receiver will not be liable for failure to comply with such order. The Receiver informed the BCOGC on October 4, 2018 that although the Receiver had disclaimed and no longer had any responsibility for the disclaimed properties, that the Receiver would informally monitor the disclaimed properties and would inform the BCOGC should any safety and related issues manifest themselves. The Receiver has no duty or obligation to continue monitoring the disclaimed properties, and has made it clear to the BCOGC that it will only continue its informal monitoring on an interim basis and on the express understanding by the BCOGC that the Receiver is doing so without any assumption of duties, obligations or liability of any nature whatsoever.

Sales and Investment Solicitation Process

23. On October 2, 2018, Justice A.D. Macleod granted an order approving the sale and investment solicitation process (the "SISP") pursuant to which the PNG Assets are being marketed in a two-phased process. The phase 1 bid deadline for non-binding letters of intent is October 25, 2018 and the phase 2 bid deadline for binding offers is November 15, 2018. As noted in the Second Report, the Receiver has had a number of discussions with the BCOGC regarding its ability to transfer the permits to a successful purchaser in the SISP. The BCOGC has advised the Receiver that it maintains the regulatory authority to transfer such permits to a qualified buyer in the SISP.

24. At the SISP approval application, Predator BC did not oppose the relief sought but expressed concerns regarding the tight timelines set out in the SISP. The Receiver acknowledged that timelines were somewhat condensed but the reason for the timelines was due to funding requirements and the significant losses being incurred by the Ranch estate month over month.

25. The SISP contains a clause which allows the Receiver to modify the SISP and the deadlines set out in the SISP if in the Receiver's reasonable business judgment, such modification will enhance the process or better achieve the objectives of the SISP. In the event the Receiver deems it appropriate to extend the SISP deadlines, it will do so pursuant to the terms of the SISP.

PREDATOR BC'S ALLEGED URGENCY

26. Predator BC has asked that this Honourable Court hear the Predator Application on an urgent basis and no later than October 25, 2018. This date is the date on which oil and gas revenues are collected. Predator BC has indicated that it wishes to operate the PNG Assets and collect the October 25, 2018 revenues.

27. However, the Receiver notes that the oil and gas revenues collected on October 25, 2018 relate to production realized during the month of September 2018, at which time the Receiver operated the PNG Assets. Predator BC has no ownership interest in the PNG Assets and therefore has no right to collect these revenues or any other. Despite repeated requests by the Receiver's counsel made to Predator BC's counsel to provide the Receiver with the legal or other basis for Predator BC to collect those revenues, no such explanation was forthcoming. Attached hereto as Appendix 'A' is an exchange of email between counsel on October 15, 2018.

28. The Receiver is unaware of any valid reason why the Predator Application, served by Predator BC on the parties after 6 pm on Tuesday evening, October 16, 2018, needs to be heard prior to

October 25, 2018. The matter needs to be scheduled for a hearing, and the Receiver has no objection to the matter being heard on an expedited basis, subject to the Receiver and all the other stakeholders being afforded a reasonable opportunity to respond to the Predator Application. The Predator Application raises novel and complex issues. Predator BC had since October 2, 2018 to prepare its application and the other stakeholders should also be afforded a reasonable opportunity. The Receiver intends filing a comprehensive report in response to the Predator Application. The facts deposed by Mr. Tobber in his Affidavit in support of the Predator Application are incomplete, misleading and often inaccurate.

29. The PNG Assets have consistently operated at a net loss each month for the reasons outlined above. To even consider Predator BC as a contract operator, it should be required to demonstrate: a) the financial wherewithal to satisfy the operational losses (calculated at on average, at approximately $1 million per month), b) that is has the proper insurance, c) it possesses adequate and qualified staffing and d) has past experience in carrying out operations in compliance with the BCOGC. This matter will be dealt with in detail in the Receiver's response to the Predator Application.

30. The Receiver has met with representatives of Predator BC on a weekly basis since the Receivership Date. At each of these weekly meetings, Predator BC provides the Receiver with an agenda for discussion. This agenda includes items related to "Operations" and "Regulatory" issues. The Receiver has been providing Predator BC with updates regarding the operations and regulatory issues that arise at these weekly meetings and not once has Predator BC expressed concerns regarding the steps taken by the Receiver to operate the PNG Assets, including at the meeting recently held on October 11, 2018.

31. The manner in which certain operations are carried out would require Predator BC to post additional security. For example, transportation arrangements are made 60 days in advance. Payment for such transportation is also made 60 days in advance. The Receiver has significant concerns about Predator BC's ability to negotiate such transportation agreements and post the funds necessary to secure transportation.

32. The Receiver also notes that it has been operating the PNG Assets in a responsible manner as is required of a receiver and has been working diligently with the BCOGC to ensure urgent issues are addressed quickly and efficiently. To date, the BCOGC has not expressed any concerns to the Receiver regarding the manner in which it is operating the PNG Assets.

IMPACT ON SISP

33. October 25, 2018 is the Phase 1 bid deadline for non-binding letter of interest under the SISP. The Receiver is concerned that Predator BC's real agenda with the Predator Application is to derail the SISP. In addition to the concerns regarding Predator BC's financial and operational wherewithal to operate the PNG Assets, the Receiver has significant concerns that a change in operatorship at this stage of the SISP could have a chilling effect on the SISP. Without oversight into the operations, the Receiver will have no ability to confirm that operations undertaken by Predator BC are directed at preserving the assets for the benefit of an ultimate purchaser in the SISP. Further, the Receiver is concerned that the market will not react well to the transfer of operations of the PNG Assets back to former management who has no real economic interest in the assets.

34. The Receiver has significant concerns that any change or disruption to operations at a critical juncture in the SISP will have a chilling effect on the SISP.

RECOMMENDATION

35. The Receiver respectfully requests that the Honourable Court dismiss Predator BC's request to schedule a hearing of the Predator Application prior to October 25, 2018 and direct Predator BC to pay the wasted solicitor and own client costs of the Receiver in having to prepare this Third Report and to appear at the hearing scheduled for Thursday, October 18, 2018. The Receiver requests that the Court schedules the Predator Application for a hearing which will allow all the stakeholders a reasonable opportunity to respond to the Predator Application.

Dated at Calgary, this 17th day of October, 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’

From: Kruger, Josef G. A.
Sent: October-15-18 8:54 PM
To: Zahara, Ryan <ryan.zahara@blakes.com>
Cc: Christa Nicholson <nicholsonc@jssbarristers.ca>; Joseph Reynaud <JReynaud@stikeman.com>; David Price (dprice@stikeman.com) <dprice@stikeman.com>; Gurofsky, Robyn <RGurofsky@blg.com>; Neil Narfason <neil.narfason@ca.ey.com>; Duncan MacRae (duncan.macrae@ca.ey.com) <duncan.macrae@ca.ey.com>
Subject: Re: ITMO the Receivership of Ranch Energy Corporation, et al 1801 09188

Ryan, I had no intention summarizing our call, nor did I say that I was doing so. I was dealing with the alleged urgency requiring a hearing prior to Oct 25 which is the date revenues are payable to Ranch. Despite your response below, I still see no explanation why Predator has any right to the revenues. It obviously does not.

Josef G.A. Kruger, Q.C.

On Oct 15, 2018, at 7:26 PM, Zahara, Ryan <ryan.zahara@blakes.com> wrote:

> Josef,
>
> Thanks for summarizing part of our call below. As I advised, the Receiver took the step of disclaiming the Trust Agreement. The Trust Agreement provided Predator hold the Permits in trust for Ranch if Ranch complied with the terms of the Trust Agreement and allowed Ranch to be an implied contract operator of the Assets. This was how the Assets had been operated since the Assets were acquired by Ranch. Due to the disclaimer of the Trust Agreement by the Receiver, Ranch, and the Receiver, no longer have access to those Permits and from what Predator understands is operating those Assets in breach of the *Oil and Gas Activities Act*. If the Receiver has been issued permits to operate those Assets please advise.
>
> This is a concern for Predator as the holder of the Permits and as the entity who is ultimately responsible to BC OGC for anything that occurs in respect of the operation of the Assets (including any disclaimer of Assets as was done by the Receiver on October 2) as well as for a number of other reasons as we have advised in our previous correspondence. There is currently no operator with a legal right to operate the Assets as a result of the Receiver's actions and Predator is trying to clarify this situation so it has some guidance on what rights it has in respect of the Assets, the Permits it is holding and in respect of the various orders issued by the BC OGC. We would have thought that the Receiver would want this situation clarified as soon as possible.
>
> There is no abuse of process in proceeding in this fashion to have this matter heard by the Court. If the Receiver wished to have this situation resolved on a reasonable timeline it could have taken steps to advise Predator of its intention to disclaim the Trust Agreement (not issue the disclaimer minutes from walking into Court to have its sales process approved) or taken the step to disclaimer sooner than almost 3 months into the proceeding.
>
> Best regards,
>
> Ryan Zahara
> Partner
> Blake, Cassels & Graydon LLP
> 3500, 855 Second Street SW
> Calgary, AB T2P 4J8

Tel: 403.260.9628

Mobile: 403.473.0700

Fax: 403.260.9700
E-mail: ryan.zahara@blakes.com

From: Kruger, Josef G. A. [mailto:JKruger@blg.com]
Sent: Monday, October 15, 2018 4:27 PM
To: Zahara, Ryan
Cc: Christa Nicholson; Joseph Reynaud; David Price (dprice@stikeman.com); Gurofsky, Robyn; Neil Narfason; Duncan MacRae (duncan.macrae@ca.ey.com)
Subject: RE: ITMO the Receivership of Ranch Energy Corporation, et al 1801 09188

Ryan, thank you for your call. If I understand the situation correctly, Predator BC makes no claim to the assets it sold to Ranch and which the Receiver is operating. You made no attempt to offer any legal or other basis why Predator BC would have any entitlement to the revenues payable to the Receiver on Oct 25 for September's production. I understood from you that Predator BC nevertheless wants the matter to be heard prior to October 25. The Receiver regards Predator's insistence on having the matter heard before October 25 as an abuse of process, and will ask for a punitive cost order. The matter should be scheduled in the ordinary course and the Receiver will cooperate to ensure that the matter proceed without delays.

Regards
Josef

Josef G.A. Kruger, Q.C.
Partner
T 403.232.9563 | F 403.266.1395 | JKruger@blg.com
Centennial Place, East Tower, 1900, 520 – 3rd Ave S W, Calgary, AB, Canada T2P 0R3

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From: Kruger, Josef G. A.
Sent: October-15-18 2:58 PM
To: 'Zahara, Ryan' <ryan.zahara@blakes.com>
Cc: Christa Nicholson <nicholsonc@jssbarristers.ca>; Joseph Reynaud <JReynaud@stikeman.com>; David Price (dprice@stikeman.com) <dprice@stikeman.com>; Gurofsky, Robyn <RGurofsky@blg.com>; Neil Narfason <neil.narfason@ca.ey.com>; Duncan MacRae (duncan.macrae@ca.ey.com) <duncan.macrae@ca.ey.com>; Cumming, Tom (Tom.Cumming@gowlingwlg.com)

<Tom.Cumming@gowlingwlg.com>
Subject: RE: ITMO the Receivership of Ranch Energy Corporation, et al 1801 09188

Ryan, what would be useful for the Receiver to know (so that we can get ready to deal with the issues relevant for Thursday afternoon), is the legal (or other basis) on which Predator BC appears to be claiming an entitlement to the revenue payable on October 25. Those revenues are for the month of September when the Receiver operated the assets.

Regards
Josef

Josef G.A. Kruger, Q.C.
Partner
T 403.232.9563 | F 403.266.1395 | JKruger@blg.com
Centennial Place, East Tower, 1900, 520 – 3rd Ave S W, Calgary, AB, Canada T2P 0R3

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From: Zahara, Ryan [mailto:ryan.zahara@blakes.com]
Sent: October-15-18 11:53 AM
To: Kruger, Josef G. A. <JKruger@blg.com>
Cc: Christa Nicholson <nicholsonc@jssbarristers.ca>; Joseph Reynaud <JReynaud@stikeman.com>; David Price (dprice@stikeman.com) <dprice@stikeman.com>; Gurofsky, Robyn <RGurofsky@blg.com>; Neil Narfason <neil.narfason@ca.ey.com>; Duncan MacRae (duncan.macrae@ca.ey.com) <duncan.macrae@ca.ey.com>; Cumming, Tom (Tom.Cumming@gowlingwlg.com) <Tom.Cumming@gowlingwlg.com>
Subject: RE: ITMO the Receivership of Ranch Energy Corporation, et al 1801 09188

Josef,

We are working as quickly as possible to finalize our materials. We are hoping to be in a position to file them sometime tomorrow. I can't promise you any more than that but we are trying to complete these as soon as possible.

Best regards,

Ryan Zahara
Partner
Blake, Cassels & Graydon LLP
3500, 855 Second Street SW
Calgary, AB T2P 4J8

Tel: 403.260.9628

Mobile: 403.473.0700

Fax: 403.260.9700
E-mail: ryan.zahara@blakes.com

This e-mail communication is confidential and legally privileged. If you are not the intended recipient, please notify me at the telephone number shown above or by return e-mail and delete this communication and any copy immediately. Thank you.

From: Kruger, Josef G. A. [mailto:JKruger@blg.com]
Sent: Monday, October 15, 2018 11:41 AM
To: Zahara, Ryan
Cc: Christa Nicholson; Joseph Reynaud; David Price (dprice@stikeman.com); Gurofsky, Robyn; Neil Narfason; Duncan MacRae (duncan.macrae@ca.ey.com)
Subject: RE: ITMO the Receivership of Ranch Energy Corporation, et al 1801 09188
Importance: High

Ryan, my suggestion is that you file your materials by noon tomorrow (or earlier if possible) so that the rest of us can prepare responding materials (if necessary) by the 4 pm Wednesday deadline.

Let us know whether that works.
Regards
Josef

Josef G.A. Kruger, Q.C.
Partner
T 403.232.9563 | F 403.266.1395 | JKruger@blg.com
Centennial Place, East Tower, 1900, 520 – 3rd Ave S W, Calgary, AB, Canada T2P 0R3

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From: Zahara, Ryan [mailto:ryan.zahara@blakes.com]
Sent: October-15-18 11:36 AM
To: Kruger, Josef G. A. <JKruger@blg.com>; Maria Mancia <Maria.Mancia@albertacourts.ca>
Cc: CommercialCoordinator QBCalgary <CommercialCoordinator.QBCalgary@albertacourts.ca>; Christa Nicholson <nicholsonc@jssbarristers.ca>
Subject: RE: ITMO the Receivership of Ranch Energy Corporation, et al 1801 09188

Ms. Mancia,

We confirm as well that we will comply with the timelines proposed below and appreciate the Court's indulgence to hear this matter on short notice.

Best regards,

Ryan Zahara
Partner

Blake, Cassels & Graydon LLP
3500, 855 Second Street SW
Calgary, AB T2P 4J8

Tel: 403.260.9628

Mobile: 403.473.0700

Fax: 403.260.9700
E-mail: ryan.zahara@blakes.com

Blake, Cassels & Graydon LLP
855 - 2nd Street S.W., Suite 3500, Calgary AB T2P 4J8
Tel: 403-260-9600 Fax: 403-260-9700
blakes.com | Twitter | Unsubscribe

From: Kruger, Josef G. A. [mailto:JKruger@blg.com]
Sent: Monday, October 15, 2018 11:33 AM
To: Maria Mancia
Cc: CommercialCoordinator QBCalgary; Zahara, Ryan; Christa Nicholson
Subject: RE: ITMO the Receivership of Ranch Energy Corporation, et al 1801 09188

We have received your message and will act as instructed by Justice Horner, thank you Ms. Mancia.

Josef G.A. Kruger, Q.C.
Partner
T 403.232.9563 | F 403.266.1395 | JKruger@blg.com
Centennial Place, East Tower, 1900, 520 – 3rd Ave S W, Calgary, AB, Canada T2P 0R3

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From: Maria Mancia [mailto:Maria.Mancia@albertacourts.ca]
Sent: October-15-18 11:18 AM
To: ryan.zahara@blakes.com; Kruger, Josef G. A. <JKruger@blg.com>; Christa Nicholson <nicholsonc@jssbarristers.ca>
Cc: CommercialCoordinator QBCalgary <CommercialCoordinator.QBCalgary@albertacourts.ca>
Subject: ITMO the Receivership of Ranch Energy Corporation, et al 1801 09188

Message sent on behalf of The Hon. Madam Justice Horner

Ryan Zahara, Blake Cassels & Graydon LLP
Josef Kruger, Borden Ladner Gervais
Christa Nicholson, JSS Barristers

Dear Counsel:

I am in receipt of the correspondence of Mr. Zahara of Oct 11, Mr. Kruger of Oct 12 and Ms. Nicholson of Oct 12. I will see counsel on **Thursday, Oct 18, 2018 at 1:30 pm**. At that time the matter that will be addressed is whether Predator's application is urgent and whether an interim Order of the court can or should be granted with respect to the operation of the assets.

I leave it to counsel to determine if notice of the hearing should be given to others. I also leave to counsel as to what materials should be filed. Any material that counsel seeks to rely on that has not already been filed must be filed with a courtesy copy delivered to me by 4:00 pm Wed Oct 17. Further, if there is filed material counsel wish me to review then I require a letter to that effect to be sent as quickly as possible and in any event before 4:00 pm Oct 17.

Yours truly,

Justice Horner

KMH/mm

Maria Mancia
Judicial Assistant, Court of Queen's Bench
2401 N 601 - 5th St. SW Calgary, AB T2P 5P7
Phone (403) 297 2253 Fax (403) 297 7536