

COURT FILE NUMBER	1803 22289
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
PLAINTIFF	ATB FINANCIAL
DEFENDANT	D.L.M. OILFIELD ENTERPRISES LTD.
APPLICANT	ERNST & YOUNG INC. in its capacity as the Court-appointed Receiver of D.L.M. OILFIELD ENTERPRISES LTD.
DOCUMENT	ORDER (Approval of Interim Distribution)
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MLT AIKINS LLP Barristers and Solicitors 10235 101 Street NW, Suite 2200 Edmonton, Alberta T5J 3G1 Phone: 780.969.3506 Fax: 780.969.3549 Attention: Dana M. Nowak File: 7230-35 Counsel for the Receiver, Ernst & Young Inc.



DATE ON WHICH ORDER WAS PRONOUNCED:	September 21, 2020
LOCATION OF HEARING OR TRIAL:	EDMONTON, ALBERTA
NAME OF JUDGE WHO MADE THIS ORDER:	Justice M.J. Lema

UPON THE APPLICATION of Ernst & Young Inc. in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of D.L.M. Oilfield Enterprises Ltd. (the "**Debtor**" or "**DLM**") for an Order seeking: (i) an interim distribution of proceeds and (ii) direction from the Court with respect to Canadian Natural Resources Ltd.'s ("**CNRL**") trust claims (the "**CNRL Trust Claim Issue**"); **AND UPON** having read the Receiver's First Report dated June 17, 2019 and any confidential supplements appended thereto, Second Report dated October 22, 2019 and any confidential supplements appended thereto, and Third Report dated November 25, 2019, and all of the Supplements to the Third Report (collectively the "**Receiver's Third Report**"), and the Affidavit of Service of Leona Normandeau; **AND UPON** being advised by counsel for the Receiver that the distribution set out below does not include: (i) a holdback

totalling \$1,324,967.70 which amount continues to be held by the Receiver pending the resolution or adjudication of the priority dispute between ATB Financial and Bond Mezzanine Fund III Limited Partnership as described in the Receiver's Supplement to its Third Report filed on December 5, 2019 (the "**ATB / Bond Priority Dispute**"), and (ii) an amount totalling \$392,707.78 which amount continues to be held by the Receiver in respect of the CNRL Trust Claim Issue pending this Court's adjudication of same; **AND UPON** hearing counsel for the Receiver and all other parties present; **AND UPON** being satisfied that it is appropriate to do so,

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials (collectively the "**Application**") is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.

INTERIM DISTRIBUTION

2. The Receiver is authorized and directed to make an interim distribution totalling \$4,727,778.53 to the creditors of DLM as follows:
 - a. \$415,000.00 shall be paid to ATB Financial ("**ATB**") in respect of repayment of the Receiver's Certificate as described at paragraph 13 and Schedule "C" of the Fourth Supplement to the Receiver's Third Report;
 - b. \$20,199.74 shall be paid to Service Canada in respect of a priority claim under the *Wage Earners Protection Program Act*, SC 2005, c 47, s 1, as described at paragraph 28 of the Receiver's Third Report;
 - c. upon the Receiver's receipt of a fully executed settlement agreement as among the Bank of Montreal ("**BMO**") and the Laurentian Bank of Canada:
 - i. \$56,050.00 shall be paid to BMO, as described at paragraph 8(a) of the Receiver's Third Supplement to the Receiver's Third Report;
 - ii. \$1,682.50 shall be paid to Ritchie Bros Auctioneers, as described at paragraph 8(b) of the Receiver's Third Supplement to the Receiver's Third Report;
 - d. \$17,297.48 shall be paid to Diamond International Trucks Ltd. to satisfy its garage keepers' lien as described at paragraph 13 and Schedule "C" of the Fourth Supplement to the Receiver's Third Report;

- e. \$2,782.50 shall be paid to Lash Enterprises Ltd. to satisfy its garage keepers' lien as described at paragraph 13 and Schedule "C" of the Fourth Supplement to the Receiver's Third Report;
 - f. \$13,012.31 shall be paid to J.C. Inspections And Associates Ltd. to satisfy its garage keepers' lien as described at paragraph 13 and Schedule "C" of the Fourth Supplement to the Receiver's Third Report; and
 - g. the following payments shall be made to other secured creditors of the DLM as follows, all of which is particularized at paragraph 13 and Schedule "C" of the Fourth Supplement to the Receiver's Third Report:
 - i. \$3,523,892.75 payable to ATB;
 - ii. \$2,388.84 payable to ARI Financial Services Inc.;
 - iii. \$118,400.50 payable to De Lage Landen Financial Services Canada Inc.;
 - iv. \$22,227.83 payable to GM Financial Leasing Ltd.;
 - v. \$49,934.34 payable to Greatwest Truck and Lease Rentals Ltd.;
 - vi. \$375,498.70 payable to PACCAR Financial Ltd.;
 - vii. \$3,119.70 payable to RCAP Leasing Inc.; and
 - viii. \$106,291.33 payable to Triton Enterprises Ltd.
3. Notwithstanding that this Order provides for an interim distribution of funds to the creditors, the distributions made to all creditors shall constitute final distributions, except for ATB and Bond Capital, as the case may be.

APPROVAL OF RECEIVER'S ACTIVITIES

4. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of any in fraud, gross negligence or willful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred, provided however that this provision shall not apply to the Receiver's activities in respect of: (i) the ATB / Bond Priority Dispute and (ii) the CNRL Trust Claim Issue. Approval of the Receiver's activities in respect of the ATB / Bond Priority Dispute and the CNRL Trust Claim Issue shall be considered by this Court concurrent with or subsequent to its

determination of same or, alternatively, subsequent to settlement of same, as the case may be.


Justice of the Court of Queen's Bench of Alberta

Confirmed as the Order Granted:

McCarthy Tétrault LLP

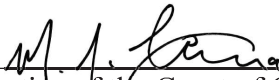
Pantelis Kyriakakis, counsel for
ATB Financial

Parlee McLaws LLP



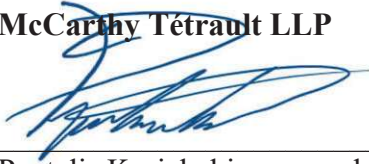
Brent Mescall, counsel for
Canadian Natural Resources Ltd.

determination of same or, alternatively, subsequent to settlement of same, as the case may be.

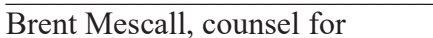

Justice of the Court of Queen's Bench of Alberta

Confirmed as the Order Granted:

McCarthy Tétrault LLP


Pantelis Kyriakakis, counsel for
ATB Financial

Parlee McLaws LLP


Brent Mescall, counsel for
Canadian Natural Resources Ltd.