Clerk's Stamp

COURT FILE NUMBER	1601-06131
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
	AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CONNACHER OIL AND GAS LIMITED
DOCUMENT	**APPLICATION**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT:	McCarthy Tétrault LLP 4000, 421 – 7th Avenue SW Calgary, Alberta T2P 4K9 Attention: Sean Collins / Walker W. MacLeod / Erinn Wilson Tel: 403-260-3531 / 3710 / 3682 Fax: 403-260-3501 Email: scollins@mccarthy.ca / wmacleod@mccarthy.ca / erinnwilson@mccarthy.ca

NOTICE TO RESPONDENT(S)

This application is made against you. You are a respondent.

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

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

Date:	April 18, 2023
Time:	10:00 a.m.
Where:	Calgary Law Courts (Virtual Courtroom via WebEx – see Schedule "**A**" hereto)
Before Whom:	The Honourable Justice B.B. Johnston

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

Remedy claimed or sought: Ernst & Young Inc., in its capacity as the court-appointed monitor (the "**Monitor**") of Connacher Oil and Gas Limited (the "**Applicant**") pursuant to the Order issued in the within proceedings on May 17, 2016 (the "**Initial Order**") granted under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**"), in the within proceedings (the "**CCAA Proceedings**"), applies for the following relief:

1. an order (the “**Discharge and Termination Order**”), substantially in the form attached as Schedule “**B**” hereto:

(a) if necessary, declaring that the time for service of this application (the “**Application**”) and the Twenty-Fifth Report of the Monitor, dated April 11, 2023 (the “**Twenty-Fifth Monitor’s Report**”), is abridged, that the Application is properly returnable on April 18, 2023, that service of the Application and the Twenty-Fifth Monitor’s Report, on the service list, is good and sufficient, and that no persons other than those on the service list are entitled to service of the Twenty-Fifth Monitor’s Report, the Application, or any orders arising therefrom;

(b) approving the Monitor’s final statement of receipts and disbursements with respect to the Applicant, as set out in paragraphs 22 to 24 of the Twenty-Fifth Monitor’s Report;

(c) approving the fees and disbursements of the Monitor and of McCarthy Tétrault LLP, as counsel to the Monitor, incurred in these CCAA Proceedings, as set out in paragraph 25 of the Twenty-Fifth Monitor’s Report;

(d) authorizing and empowering the Monitor to make the distribution of the Remaining Administrative Reserve Balance (as defined in the Twenty-Fifth Monitor’s Report) to the Applicant;

(e) declaring that, as of the date of the Twenty-Fifth Monitor’s Report and based on the evidence that is currently before the Court:

(i) the actions and conduct of the Monitor are approved;

(ii) the Monitor has satisfied all of its duties and obligations as Monitor of the Applicant;

(iii) the Monitor shall not be liable for any act or omission including, without limitation, any act or omission pertaining to the discharge of the Monitor’s duties as monitor of the Applicant, save and except for any liability arising out of fraud, gross negligence, or wilful misconduct on the part of the Monitor;

(iv) any and all claims against the Monitor arising from, relating to, or in connection with, the performance of the Monitor's duties and obligations, as monitor of the Applicant, save and except for any claims based on fraud or wilful misconduct, on the part of the Monitor, shall be forever barred and extinguished;

(v) ordering and declaring that, effective immediately upon the Monitor filing a certificate confirming that all remaining steps required to complete these CCAA Proceedings (collectively, as set out in Schedule "**A**" to the proposed form of Discharge and Termination Order) have been completed (the "**Monitor's Termination Certificate**"), the Monitor shall be discharged as monitor of the Applicant and relieved of all further duties and obligations, in respect of the Applicant;

(vi) declaring that no action or proceeding arising from, relating to, or in connection with, the performance of the Monitor's duties and obligations, as monitor of the Applicant, may be commenced or continued, without the prior leave of this Honourable Court, on notice to the Monitor, and on such terms as this Honourable Court may direct; and,

(vii) declaring that notwithstanding the discharge of the Monitor, the Monitor remains empowered with residual jurisdiction to take such steps and actions as it deems necessary to address any ancillary or incidental matters, as required in connection with its capacity as Monitor following the termination of the CCAA Proceedings, and in completing or addressing any such ancillary or incidental matters, Ernst & Young Inc., shall continue to have the benefit of the provisions of the CCAA and provisions of all Orders made in the CCAA Proceedings in relation to its capacity as Monitor.

2. Ordering and declaring that service of any orders arising from this Application by email, facsimile, registered mail, courier, regular mail, or personal delivery, to the persons listed on the service list, present at the Application, or who were otherwise served with the Application, shall constitute good and sufficient service of such orders and that no persons other than those on the service list are entitled to be served with a copy of such orders.

3. Such further and other relief as counsel for the Monitor may advise and this Honourable Court considers to be just and appropriate in the circumstances.

Grounds for Making this Application: The grounds for the Application are as follows:

Background

4. The Monitor was appointed as the monitor of the Applicant pursuant to the Initial Order.

5. On August 24, 2016 and August 22, 2018, this Honourable Court granted the Claims Procedure Order and the Supplemental Claims Procedure Order (collectively, the "**Claims Procedure Order**") which, *inter alia*, authorized the Applicant to commence a Claims Procedure and Supplemental Claims Procedure (as defined in the Claims Procedure Order).

6. On May 6, 2019, an amended and restated support agreement (the "**Amended and Restated Support Agreement**") was entered into between the Applicant, the Consenting First Lien Lenders and the First Lien Agent (both as defined in the Amended and Restated Support Agreement). The Amended and Restated Support Agreement was approved by this Honourable Court on May 16, 2019.

7. Pursuant to the Amended and Restated Support Agreement, the Applicant would proceed to complete a transaction whereby the First Lien Lenders would own the Applicant's business through an exchange of a portion of the first lien debt for new senior secured debt of the Applicant and all of the Applicant's equity by way of a CCAA plan of compromise and arrangement (the "**2019 CCAA Plan**").

8. On May 16, 2019 this Honourable Court granted an order (the "**2019 Creditors' Meeting Order**") authorizing meetings of the Applicant's creditors (the "**2019 Creditors' Meetings**") to be held on June 19, 2019, for the purpose of analysing and considering the approval of the 2019 CCAA Plan.

9. The 2019 CCAA Plan was approved by 100% of the Affected Creditors (as defined in the 2019 CCAA Plan) who were present and voted in person or by proxy at the 2019 Creditors' Meetings.

10. On July 16, 2019, this Honourable Court granted an Order (the "**Plan Sanction Order**") sanctioning the 2019 CCAA Plan.

11. Pursuant to the 2019 CCAA Plan, the Monitor was required to withhold funds from the Plan Implementation Fund (as defined in the 2019 CCAA Plan) to settle any secured claims related to the credit bid key employee retention plan ("**Credit Bid KERP**").

12. On September 30, 2019, the Monitor remitted the Credit Bid KERP funds to certain employees, satisfying the conditions of the 2019 CCAA Plan.

13. On September 30, 2019, the Monitor delivered the Monitor's Certificate (as defined in the Plan Sanction Order), pursuant to paragraph 18 of the Plan Sanction Order and Section 8.3 of the 2019 CCAA Plan, which certified that:

(a) the Monitor had received written notice from the Applicant that the conditions set out in Section 8.2 of the 2019 CCAA Plan and the Plan Sanction Order;

(b) the Monitor had received the Plan Implementation Fund (as defined in the 2019 CCAA Plan) in accordance with the terms of the 2019 CCAA Plan; and,

(c) the Monitor's Certificate was delivered by the Monitor to the Applicant and counsel to the Consenting First Lien Lenders on September 30, 2019.

14. After issuing the Monitor's Certificate, the Monitor proceeded to implement the 2019 CCAA Plan, in consultation with the Applicant. In accordance with Section 7.2 of the 2019 CCAA Plan, the Monitor made distributions to the General Creditor Class (as defined in the 2019 CCAA Plan), from September 30, 2019 to October 7, 2019.

15. As at March 30, 2021, the Monitor had unclaimed distributions of $440.54 owing to eight creditors (the "**Unclaimed Distributions**"). The Unclaimed Distributions are distributions that have been issued by the Monitor in connection with the 2019 CCAA Plan, but not deposited by the claimants. Despite the Monitor's efforts to locate these creditors, the Unclaimed Distributions remained outstanding for more than six months.

16. In accordance with the Section 7.6 of the 2019 CCAA Plan, any claim of any creditor with respect to Unclaimed Distributions outstanding for longer than six months shall be discharged and forever barred, and the Unclaimed Distributions should be returned by the Monitor to the Company. Accordingly, the Unclaimed Distributions were returned to the Company on March 30, 2021.

Return of the Administrative Reserve

17. In accordance with the 2019 CCAA Plan, the Monitor withheld funds, in the initial amount of $750,000, from the Plan Implementation Fund as an administrative reserve (the "**Administrative Reserve**").

18. Section 3.4 of the 2019 CCAA Plan, provides that the Administrative Reserve Fund is to be held in escrow until:

> payment by the Monitor out of the Administrative Reserve Fund of reasonable fees and disbursements (plus any applicable Taxes thereon) for any services rendered by Cassels, other legal counsel and advisors to the Company, the Monitor, legal counsel to the Monitor, or other Persons from time to time retained by the Company or the Monitor and any other reasonable costs and expenses incurred by the Company or the Monitor in connection with the implementation of the Plan, the administration of the Plan Implementation Fund, the resolution of Disputed Claims (but, for greater certainty, not for any payments or distributions in respect thereof), and the wind up of the CCAA Proceeding (collectively, "**Administration Expenses**").

19. As of April 7, 2023, the Administrative Reserve balance was approximately $612,000.

20. The Monitor intends to settle the Administrative Expenses from the Administrative Reserve and remit the remaining balance to the Applicant in accordance with the 2019 CCAA Plan (the "**Remaining Administrative Reserve Balance**").

Fee Approval

21. Pursuant to paragraph 30 of the Initial Order, the Monitor and its counsel shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicant as part of the cost of these CCAA Proceedings. Pursuant to paragraph 31 of the Initial Order, the Monitor and its counsel shall pass their accounts from time to time.

22. A summary of the fees and disbursements of the Monitor and the Monitor's counsel (the "**Monitor's Fees**" and the "**Monitor's Counsel's Fees**"), including the estimated unbilled fees accrued in connection with the Application, is included in the Twenty-Fifth Monitor's Report. The Monitor's Fees and the Monitor's Counsel's Fees are reasonable and appropriate given the activities carried out by such persons in the within proceedings.

Discharge of the Monitor

23. The creditors of the Applicant have been identified under the Claims Procedure Order and the Plan Sanction Order and distributions have been made to the Affected Creditors (as defined in the Plan Sanction Order).

24. The Monitor has determined that there are no further collections or recoveries available to the Applicant. Other than the remittance of the Remaining Administrative Reserve Balance to the Applicant, the Monitor has completed its duties to effect distributions, disbursements and payments in accordance with the 2019 CCAA Plan.

25. The Monitor has properly discharged and performed its duties and obligations in these CCAA Proceedings, in compliance and in accordance with the CCAA and all orders of this Court made in these CCAA Proceedings.

26. It is appropriate for the Monitor to be discharged on the terms set forth of Discharge and Termination Order.

27. Such further and other grounds as counsel for the Monitor may advise.

Affidavit or other Evidence and Materials to be used in Support of this Application:

28. Report of the Proposed Monitor, dated May 16, 2016, filed.

29. The First Report of the Monitor, dated June 6, 2016, filed.

30. The Second Report of the Monitor, dated August 5, 2016, filed.

31. The Third Report of the Monitor, dated August 18, 2016, filed.

32. The Fourth Report of the Monitor, dated September 8, 2016, filed.

33. The Fifth Report of the Monitor, dated November 9, 2016, filed.

34. The Sixth Report of the Monitor, dated January 5, 2017, filed.

35. The Seventh Report of the Monitor, dated January 31, 2017, filed.

36. The Eighth Report of the Monitor, dated April 12, 2017, filed.

37. The Ninth Report of the Monitor, dated June 21, 2017, filed.

38. The Tenth Report of the Monitor, dated August 11, 2017, filed.

39. The Eleventh Report of the Monitor, dated October 27, 2017, filed.

40. The Twelfth Report of the Monitor, dated November 6, 2017, filed.

41. The Thirteenth Report of the Monitor, dated January 25, 2018, filed.

42. The Fourteenth Report of the Monitor, dated February 22, 2018, filed.

43. The Fifteenth Report of the Monitor, dated March 22, 2018, filed.

44. The Sixteenth Report of the Monitor, dated June 7, 2018, filed.

45. The Seventeenth Report of the Monitor, dated August 17, 2018, filed.

46. The Supplement to the Seventeenth Report of the Monitor, dated September 28, 2018, filed.

47. The Eighteenth Report of the Monitor, dated October 3, 2018, filed.

48. The Nineteenth Report of the Monitor, dated January 21, 2019, filed.

49. The Twentieth Report of the Monitor, dated March 6, 2019, filed.

50. The Twenty-First Report of the Monitor, dated May 8, 2019, filed.

51. The Amended Twenty-First Report of the Monitor, dated May 15, 2019, filed.

52. The Twenty-Second Report of the Monitor, dated June 13, 2019, filed.

53. The Twenty-Third Report of the Monitor, dated June 19, 2019, filed.

54. The Twenty-Fourth Report of the Monitor, dated September 25, 2019, filed.

55. The Twenty-Fifth Report of the Monitor, dated April 11, 2023, to be filed.

56. All such further reports, confidential reports, supplements, appendices, affidavits, and pleadings filed in the within proceedings.

57. Such further and other evidence or materials as counsel may advise and this Honourable Court may permit.

Applicable Rules:

58. Rule 6.3, 6.9, 6.28, and 11.27 of the *Alberta Rules Of Court*, Alta. Reg. 124/2010.

59. Such further and other rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and Regulations:

60. The *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended.

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

Any Irregularity Complained of or Objection Relied On:

62. There are no irregularities complained of or objections relied on.

How the Application is Proposed to be Heard or Considered:

63. The Monitor proposes that this Application be heard via WebEx with one, some, or all of the parties present.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.

WARNING

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

SCHEDULE "A" TO THE APPLICATION
WEBEX INSTRUCTIONS

Virtual Courtroom 60 has been assigned for the above noted matter:

Virtual Courtroom Link:
https://albertacourts.webex.com/meet/virtual.courtroom60

Instructions for Connecting to the Meeting

1. Click on the link above or open up Chrome or Firefox and cut and paste it into your browser address bar.

2. If you do not have the Cisco Webex application already installed on your device, the site will have a button to install it. Follow installation instructions. Enter your full name and email address when prompted

3. Click on the **Open Cisco Webex Meeting**.

4. You will see a preview screen. Click on **Join Meeting**.

Key considerations for those attending:

1. Please connect to the courtroom **15 minutes prior** to the start of the hearing.

2. Please ensure that your microphone is muted and remains muted for the duration of the proceeding, unless you are speaking. Ensure that you state your name each time you speak.

3. If bandwidth becomes an issue, some participants may be asked to turn off their video and participate by audio only.

4. **Note: Recording or rebroadcasting of the video is prohibited.**

5. **Note: It is highly recommended you use headphones with a microphone or a headset when using Webex. This prevents feedback.**

If you are a non-lawyer attending this hearing remotely, **you must** complete the undertaking located here:
https://www.albertacourts.ca/qb/resources/announcements/undertaking-and-agreement-for-non-lawyers

For more information relating to Webex protocols and procedures, please visit: https://www.albertacourts.ca/qb/court-operations-schedules/webex-remote-hearings-protocol

You can also join the meeting via the "Cisco Webex Meetings" App on your smartphone/tablet or other smart device. You can download this via the App marketplace and join via the link provided above.

SCHEDULE "B" TO THE APPLICATION
ORDER (DISCHARGE AND FEE APPROVAL)

Clerk's Stamp

COURT FILE NUMBER	1601-06131
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
	AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CONNACHER OIL AND GAS LIMITED
DOCUMENT	**ORDER (Discharge and Fee Approval)**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT:	McCarthy Tétrault LLP 4000, 421 – 7th Avenue SW Calgary, Alberta T2P 4K9 Attention: Sean Collins / Walker W. MacLeod / Erinn Wilson Tel: 403-260-3531 / 3710 / 3682 Fax: 403-260-3501 Email: scollins@mccarthy.ca / wmacleod@mccarthy.ca / erinnwilson@mccarthy.ca

DATE ON WHICH ORDER WAS PRONOUNCED: **April 18, 2023**

LOCATION OF HEARING OR TRIAL: **Calgary, Alberta**

NAME OF JUDGE WHO MADE THIS ORDER: **Justice B.B. Johnston**

UPON the application (the "**Application**") of Ernst & Young Inc., in its capacity as the court-appointed monitor (the "**Monitor**") of Connacher Oil and Gas Limited (the "**Applicant**") pursuant to the order issued in the within proceedings on May 17, 2016 (the "**Initial Order**") under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**"); **AND UPON** reading the Twenty-Fifth Report of the Monitor, dated April 11, 2023 (the "**Twenty-Fifth Monitor's Report**"), filed; **AND UPON** reading the Affidavit of Service of Katie Hynne, sworn on April ●, 2023 (the "**Service Affidavit**"), filed; **AND UPON** hearing counsel for the Monitor and for any other parties who may be present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the Application, and the Twenty-Fifth Monitor's Report is abridged, the Application is properly returnable today, service of Application, and the Twenty-Fifth Monitor's Report on the service list, in the manner described in the Service Affidavit, is good and sufficient, and no other persons, other than those listed on the service list (the "**Service List**") attached as an exhibit to the Service Affidavit, are entitled to service of the Application or the Twenty-Fifth Monitor's Report.

APPROVAL OF ACCOUNTS & ACTIVITIES

2. The Monitor's accounts for its fees and disbursements, including unbilled accrued fees and disbursements, as set out in paragraph 25 to the Twenty-Fifth Monitor's Report, are hereby approved, without the necessity of a formal passing of such accounts.

3. The accounts of the Monitor's legal counsel, McCarthy Tétrault LLP, for its fees and disbursements, including unbilled accrued fees and disbursements, as set out in paragraph 25 of the Twenty-Fifth Monitor's Report, are hereby approved, without the necessity of a formal assessment of its accounts.

4. The Monitor's activities, as set out in the Twenty-Fifth Monitor's Report and in all of its other reports, supplements, affidavits, pleadings, and materials, filed in the within proceedings, and the final statement of receipts and disbursements as set out in paragraphs 22 to 24 of the Twenty-Fifth Monitor's Report, are hereby ratified and approved.

DISTRIBUTION

5. Subject to and upon the Monitor establishing appropriate holdbacks, to settle the unbilled fees of the Monitor and the Monitor's legal counsel, McCarthy Tétrault LLP, as described in paragraph 25 of the Twenty-Fifth Monitor's Report, the Monitor is hereby authorized and empowered to make the distribute the Remaining Administrative Reserve Balance to the Applicant.

DISCHARGE OF THE MONITOR

6. On the evidence before this Honourable Court, the Monitor has satisfied its obligations

under and pursuant to the terms of the Orders granted in the within CCAA Proceedings up to and including the date hereof, and the Monitor 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 CCAA Proceedings, save and except for any liability arising out of any in fraud, gross negligence or willful misconduct on the part of the Monitor, or with leave of the Court. Subject to the foregoing any claims against the Monitor in connection with the performance of its duties are hereby stayed, extinguished and forever barred.

7. No action or other proceedings shall be commenced against the Monitor in any way arising from or relate to its capacity or conduct as Monitor, except with prior leave of this Court, on notice to the Monitor, and upon such terms as this Court may direct.

8. Upon the Monitor filing with the Clerk of the Court a certificate, substantially in the form attached as Schedule "**A**" hereto, confirming that all authorized distributions have been completed, the Monitor shall be discharged as Monitor of the Applicant, provided however that notwithstanding the Monitor's discharge herein:

(a) the Monitor shall remain Monitor for the performance of such incidental duties as may be required to complete the administration of the Applicant herein or the within proceedings; and,

(b) the Monitor shall continue to have the benefit of the provisions of all Orders made in the within proceedings, including all approvals, protections, and stays of proceedings in favour of the Monitor, in its capacity as Monitor.

<u>MISCELLAENOUS MATTERS</u>

9. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.

10. Service of this Order on any party not attending this application is hereby dispensed with.

____
J.C.C.K.B.A.

SCHEDULE "A" TO THE ORDER (DISCHARGE AND FEE APPROVAL)
MONITOR'S DISCHARGE CERTIFICATE

	Clerk's Stamp
COURT FILE NUMBER	1601-06131
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
	IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
	AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CONNACHER OIL AND GAS LIMITED
DOCUMENT	**MONITOR'S DISCHARGE CERTIFICATE**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT:	McCarthy Tétrault LLP 4000, 421 – 7th Avenue SW Calgary, Alberta T2P 4K9 Attention: Sean Collins / Walker W. MacLeod / Erinn Wilson Tel: 403-260-3531 / 3710 / 3682 Fax: 403-260-3501 Email: scollins@mccarthy.ca / wmacleod@mccarthy.ca / erinnwilson@mccarthy.ca

MONITOR'S DISCHARGE CERTIFICATE

1. All capitalized terms used in this Monitor's Discharge Certificate and not otherwise defined shall have the meaning ascribed to them in the Order issued by The Honourable Justice B.B. Johnston of the Court of King's Bench of Alberta, in the within proceedings, granted on April 18, 2023 (the "**Discharge Order**").

2. Pursuant to the Discharge Order, the Court provided for the discharge of the Monitor, upon the filing of this certificate, by the Monitor, confirming that all remaining and residual funds have been distributed.

THE MONITOR HEREBY CONFIRMS AND CERTIFIES THE FOLLOWING:

1. All remaining and residual funds have been distributed.

DATE THIS _____ DAY OF _________________, 2023

ERNST & YOUNG INC., in its capacity as monitor of **CONNACHER OIL AND GAS LIMITED,** and not in its personal or corporate capacity.

Per: ______________________________
Name:
Title: