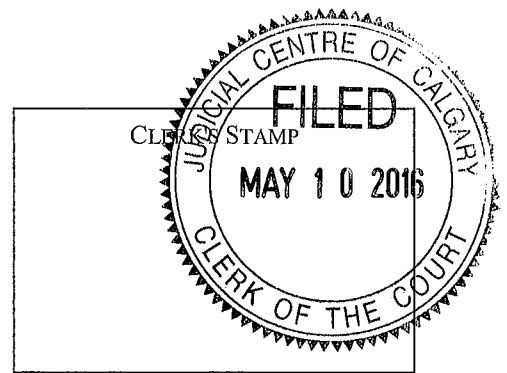


I hereby certify this to be a true copy of
the original order

Dated this 10 day of May / 16

[Signature]
for Clerk of the Court



COURT FILE NUMBER

1601-01675

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANTS

**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
ARRANGEMENT OF ARGENT ENERGY
TRUST, ARGENT ENERGY (CANADA)
HOLDINGS INC. and ARGENT ENERGY
(US) HOLDINGS INC.**

DOCUMENT

ORDER (INTERIM DISTRIBUTION)

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

BENNETT JONES LLP
Barristers and Solicitors
4500 Bankers Hall East
855 – 2nd Street SW
Calgary, Alberta T2P 4K7

Attention: Kelsey Meyer / Sean Zweig
Telephone No.: 403.298.3323 / 416.777.6254
Fax No.: 403.265.7219 / 416.863.1716
Client File No.: 68859.14

**DATE ON WHICH ORDER WAS
PRONOUNCED:**

Tuesday, May 10, 2016

**LOCATION WHERE ORDER WAS
PRONOUNCED:**

Calgary Courts Centre

**NAME OF JUSTICE
WHO MADE THIS ORDER:**

The Honourable Mr. Justice D.B. Nixon

UPON the application of Argent Energy Trust (the "**Trust**"), Argent Energy (Canada) Holdings Inc. ("**Argent Canada**"), and Argent Energy (US) Holdings Inc. ("**Argent US**", and

together with the Trust and Argent Canada, the "**Applicants**" or "**Argent**"); **AND UPON** having read the Application, the Affidavit of Sean Bovingdon sworn April 14, 2016 (the "**Bovingdon Affidavit No. 3**"), the Second Report of FTI Consulting Canada Inc., the Court-appointed Monitor of the Applicants (the "**Monitor**"), and the Brief of the Applicants, all filed, and the Confidential Affidavit of Harrison Williams sworn April 14, 2016 (the "**Williams Affidavit No. 2**"); **AND UPON** hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for the Syndicate (as defined in the Affidavit of Sean Bovingdon sworn February 16, 2016, being the "**Bovingdon Affidavit No. 1**"), counsel for the Ad Hoc Committee of Subordinated Debentureholders (as defined in the Affidavit of Sean Bovingdon sworn February 29, 2016, being the "**Bovingdon Affidavit No. 2**"), and counsel for other interested parties;

IT IS HEREBY ORDERED AND DECLARED THAT:

Service and Defined Terms

1. Service of notice of this Application and supporting documents is hereby declared to be good and sufficient, the time for notice is hereby abridged to the time provided, and no other person is required to have been served with notice of this Application.
2. Unless otherwise defined in this Order, all capitalized terms used in this Order shall have the meanings given to them in the purchase and sale agreement between Argent US and the Buyer, BXP Partners IV, L.P. (the "**Sale Agreement**").

Distribution

3. Subject to the Monitor confirming that the security of the Syndicate is valid, the Monitor is hereby authorized and directed to disburse within five (5) business days after the day of filing the Monitor's Certificate referred to in the Approval and Vesting Order (the "**Monitor's Certificate**") to The Bank of Nova Scotia as administrative agent (the "**Agent**") for the Syndicate, an amount not exceeding the maximum amount of the Syndicate's secured obligations ("**Senior Secured Obligations**") owing by the Applicants under the Credit Agreement dated October 25, 2012, as amended (the "**Syndicate Distribution**"), subject to the maintenance of a holdback of funds in the Monitor's

account (the "**Holdback**"), in an amount satisfactory to the Monitor in consultation with the Applicants or in an amount determined by the Court, for the following:

- (a) completion costs (including, but without limitation, the amount to be held in escrow pursuant to 9.02(a)(v) of the Sale Agreement, applicable sales taxes, transfer taxes, legal and other costs, expenses and disbursements of Argent US and the Monitor, which costs and expenses shall include, for greater certainty, all amounts due and payable to The Oil & Gas Asset Clearinghouse, LLC, in accordance with the Letter Agreement attached as Exhibit "21" to the Bovingdon Affidavit No. 1) and other usual completion costs incurred as part of the Transaction or necessary to complete these CCAA proceedings or the ancillary recognition proceedings in the United States Bankruptcy Court for the Southern District of Texas (Corpus Christi Division) (the "**Bankruptcy Court**") filed by Argent Canada and Argent US in accordance with the wind-down budget set out in **Schedule "A"** (collectively, the "**Completion Costs**");
- (b) an amount necessary to satisfy claims or potential claims under the court-ordered Charges (as defined in paragraph 41 of the Amended and Restated Initial Order filed March 17, 2016), including the recognition proceedings in the Bankruptcy Court filed by Argent Canada and Argent US (collectively, the "**Post-Filing Expenses**");
- (c) the amounts claimed and up to the amounts shown in relation to the liens listed on **Schedule "B"** hereto and the amounts of any other liens registered against the assets of Argent US on or before the Closing Date (the "**Liens**"), without prejudice to all rights and remedies of Argent US in relation to those claimed lien amounts, including, but not limited to, all rights to challenge the validity, priority, and amounts of the said Liens;
- (d) an amount necessary to satisfy cure payments up to the amounts shown on **Schedule "C"**, or in amounts otherwise agreed upon by the Monitor, the Applicants and the Syndicate or otherwise determined by the Court, in respect of all Contracts assumed by and assigned to the Buyer from Argent US pursuant to

the Sale Agreement and the Bankruptcy Court's Order approving the assumption and assignment of the Contracts (collectively, the "**Cure Costs**"); and

- (e) an amount necessary to satisfy all secured tax claims asserted against Argent US (the "**Tax Claims**"), without prejudice to all rights and remedies of Argent US in relation to those claimed tax amounts, including, but not limited to, all rights to challenge the validity, priority, and amounts of the said secured tax claims.
4. Subject to the Monitor confirming that the security of the Syndicate is valid, the Monitor is hereby authorized and directed to make further distributions to the Agent from the Monitor's account from time to time, up to a maximum amount of the Syndicate's Secured Obligations (the "**Additional Syndicate Distributions**"), but in each case subject to the Holdback.
 5. The Monitor, on instruction from the Applicants and on behalf of the Applicants, is hereby authorized and empowered, without further Order of the Court, to disburse from the Monitor's account, from time to time, amounts owing by the Applicants in respect of the Completion Costs, the Post-Filing Expenses or the Cure Costs.
 6. The Monitor, on instruction from the Applicants and on behalf of the Applicants, is hereby authorized and empowered to disburse from the Monitor's account, from time to time, amounts owing by the Applicants in respect of the Tax Claims and the Liens, if any, provided that the Agent has been provided at least seven days' notice of any Tax Claims payment or Liens payment setting out the quantum and scheduled date of such payment and has not provided the Monitor with a written objection to such payment at least one day before the scheduled date of such payment. If such written objection is received by the Monitor, the applicable Tax Claims payment or Liens payment shall not be made unless and until the objection is resolved by agreement to the satisfaction of the Monitor, the Applicants, the Agent and the applicable Tax Claims or Liens claimant or by further Order of the Bankruptcy Court.
 7. Argent, or its authorized representative, is authorized or empowered to do such things, and execute and deliver such additional, related and ancillary documents and assurances

governing or giving effect to the distribution, which, in Argent's discretion, or in the discretion of Argent's authorized representative, are reasonably necessary or advisable to properly give effect to the distribution or this Order.

8. The holdbacks, payments, distributions and disbursements contemplated in this Order are made free and clear of any Encumbrances (as defined in the Approval and Vesting Order), and notwithstanding the pendency of these proceedings, the distribution shall not be void or voidable at the instance of creditors and claimants and shall not constitute nor shall be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, oppressive conduct, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada), or any other applicable federal or provincial legislation.

Foreign Recognition

9. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist Argent, the Monitor and their agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to Argent and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist Argent and the Monitor and their agents in carrying out the terms of this Order.

"D. B. NIXON"

The Honourable Mr. Justice D. B. Nixon
J.C.C.Q.B.A.

SCHEDULE "A"

WIND-DOWN BUDGET

Argent Energy
Wind down budget
US\$

As at: Apr 14

	2nd half May	June	July	August	September	Post Sept
Projected Costs						
Staff costs	137,096	121,628	67,463	56,630	21,013	4,063
Office rent		5,000	5,000	5,000	5,000	
		2,756	2,756	2,756	2,756	
Office supplies, phone		2,000	2,000	2,000	1,000	1,000
Office insurance		1,000				
Storage prepaid			10,000			
Tax advisory			20,000	10,000		
Legal fees	40,000	20,000	10,000	10,000	10,000	20,000
		15,000	15,000	10,000	10,000	20,000
		20,000			10,000	
					10,000	
					5,000	
			2,500		2,500	
		15,000	5,000			
Contingency	10,000	10,000	5,000	5,000	5,000	5,000
TOTAL	367,096	214,884	144,719	91,386	82,269	30,063

930,417

use retainer for part May
use retainer for May
use retainer through August

SCHEDULE "B"

Chart of Liens Asserted Against Argent

Lienholder Name	Amount Asserted	Nature of Lien	Notes
Baker Hughes Oilfield Operations, Inc.	\$7,764.14	M&M Lien	Asserted 3/23/2016 re: Reno, WY property
Baker Hughes Oilfield Operations, Inc.	\$636.00	M&M Lien	Asserted 3/22/2016 re: Mellott Ranch (Crook), WY property
Baker Hughes Oilfield Operations, Inc.	\$636.00	M&M Lien	Asserted 3/22/2016 re: Mellott Ranch (Campbell), WY property
Basic Energy Services, L.P.	\$9,888.23	M&M Lien	Asserted 3/2/2016 re: Tilicek, TX property
Basic Energy Services, L.P.	\$24,206.78	M&M Lien	Asserted 3/2/2016 re: Hrncir, TX property
Basic Energy Services, L.P.	\$11,376.64	M&M Lien	Asserted 3/2/2016 re: Haydens, TX property
Key Energy Services, LLC	\$838.00	M&M Lien	Asserted 4/7/2016 re: Haydens, TX property
Key Energy Services, LLC	\$21,424.59	M&M Lien	Asserted 4/7/2016 re: Hrncir, TX property
Key Energy Services, LLC	\$2,997.88	M&M Lien	Asserted 4/7/2016 re: Trevino, TX property
Baker Hughes Oilfield Operations, Inc.	\$7,764.14	M&M Lien	Asserted 4/5/2016 re: Johnson, WY property
Liberty Lift Solutions, LLC	\$4,522.69	M&M Lien	Asserted 4/11/2016 re: Fayette, TX property
Liberty Lift Solutions, LLC	\$4,059.38	M&M Lien	Asserted 4/11/2016 re: Gonzales, TX property
Key Energy Services, LLC	\$3,871.98	M&M Lien	Asserted 4/20/2016 re: Violeta Ranch, TX property
Key Energy Services, LLC	\$1,886.56	M&M Lien	Asserted 4/20/2016 re: Peeler Ranch 1H,

			TX property
Key Energy Services, LLC	\$1,524.14	M&M Lien	Asserted 4/20/2016 re: Peeler Ranch 2H, TX property
Key Energy Services, LLC	\$1,931.50	M&M Lien	Asserted 4/20/2016 re: Makers, TX property
Key Energy Services, LLC	\$223.50	M&M Lien	Asserted 4/20/2016 re: Brisco, TX property
Key Energy Services, LLC	\$855.00	M&M Lien	Asserted 4/20/2016 re: Moesker, TX property
Archrock Services LP	\$26,775.65	M&M Lien	Asserted 4/25/2016 re: Tyler, TX property
Archrock Services LP	\$12,875.69	M&M Lien	Asserted 4/25/2016 re: Polk, TX property
Archrock Services LP	\$8,777.93	M&M Lien	Asserted 4/25/2016 re: Tyler, TX property
Archrock Services LP	\$5,900.49	M&M Lien	Asserted 4/25/2016 re: Tyler, TX property

SCHEDULE "C"

CURE COSTS

USD \$1,152,504.45 (total amount)