



COURT FILE NUMBER 1701-10909

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF RAZOR ENERGY CORP.

DEFENDANT'S BLENDFORCE ENERGY SERVICES INC. and  
FORTALEZA ENERGY INC.

AND IN THE MATTER OF THE RECEIVERSHIP OF  
BLENDFORCE ENERGY SERVICES INC.

APPLICANT FTI CONSULTING CANADA INC. in its capacity as  
Court-appointed Receiver and Manager of the assets,  
undertakings and properties of BLENDFORCE ENERGY  
SERVICES INC.

DOCUMENT **APPLICATION**  
**(Approval and Vesting Order, Bankruptcy Order and  
Discharge Order)**

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS  
DOCUMENT

Torys LLP  
4600 Eighth Avenue Place East  
525 - Eighth Ave SW  
Calgary, AB T2P 1G1

Attention: Kyle Kashuba  
Telephone: + 1 403.776.3744  
Fax: +1 403.776.3800  
Email: [kkashuba@torys.com](mailto:kkashuba@torys.com)  
File No. 39586-2001

**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 Justice.

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

Date:	Thursday, November 9, 2017
Time:	10:00 a.m.
Where:	Calgary Courts Centre

Before Whom:	Mr. Justice C.M. Jones, of the Commercial List
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Go to the end of this document to see what else you can do and when you must do it.

**Remedy claimed or sought:**

1. An Approval and Vesting Order in substantially the same form as that attached as Schedule “A” to this Application, granting the following relief and directions:
  - 1.1 abridging, if necessary, the time for service of this Application and deeming service good and sufficient;
  - 1.2 authorizing, approving and ratifying the sale transaction between FTI Consulting Canada Inc. (“FTI”) in its capacity as the Court-appointed receiver and manager (the “Receiver”) of the assets, undertakings and properties of BlendForce Energy Services Inc. (“BlendForce” or the “Debtor”) and Pure Environmental LP, by its general partner Pure Environmental Waste Management Ltd. (collectively, the “Purchaser”), as described in the First Report of the Receiver, filed November 1, 2017 (the “First Report”);
  - 1.3 approving the actions of the Receiver and the Receiver’s legal counsel to date, and approving the Receiver’s receipts and disbursements to date, and in particular, approving the Receiver’s sale process that has been undertaken;
  - 1.4 authorizing and directing the Receiver to take such steps and execute all such deeds, documents and instruments as may be reasonably necessary to consummate the transaction as contemplated with the Purchaser (collectively, the “Transaction”);
  - 1.5 vesting the Debtor’s right, title and interest, in and to the BlendForce Facility (as described and defined in the First Report, also referred to as the “Assets”) to be sold to the Purchaser, free from all claims and encumbrances;
  - 1.6 authorizing and directing the Receiver to deliver to the Purchaser, at the closing of the Transaction, an instrument of transfer of the BlendForce Facility, signed by the Receiver, along with the conveyances necessary to convey title of the BlendForce Facility to the Purchaser or the Purchaser’s nominee;
  - 1.7 authorizing and directing the Receiver to make a distribution to Razor Energy Corp. (“Razor” or the “Lender”) as a full and final repayment of the indebtedness owing by BlendForce to Razor, from the net sale proceeds derived from the closing of the Transaction; and
  - 1.8 granting leave to the Receiver to apply or reapply to this or any court or administrative body in any province of Canada for advice, assistance and directions as may be necessary to carry out the terms of the Order sought.

2. A Bankruptcy Order in substantially the form as attached as Schedule “B” to this Application, declaring and adjudging that:
  - 2.1 BlendForce, a corporation incorporated pursuant to the laws of the Province of Alberta, be adjudged bankrupt and that a Bankruptcy Order be made in respect of the property of the Debtor; and
  - 2.2 FTI be appointed as trustee in bankruptcy of BlendForce.
3. A Discharge Order in substantially the same form as that attached as Schedule “C” to this Application, granting the following relief and directions:
  - 3.1 approving the Receiver’s actions and those of its legal counsel to date;
  - 3.2 the review and approval of the professional fees, receipts and disbursements of the Receiver, and those of the Receiver’s legal counsel, as set out in the First Report;
  - 3.3 discharging FTI as Receiver of the BlendForce Property, upon the conclusion of the remaining specified and administrative duties as described in the First Report; and
  - 3.4 granting leave to the Receiver to apply to this Court for advice and directions as may be necessary to carry out the terms of the Order sought.
4. Such further and other relief, advice and directions as counsel may advise and this Honourable Court may deem just and appropriate.

**Grounds for making this Application:**

5. On August 18, 2017, following the Application of Razor, FTI was appointed as Receiver over the Property of Debtor, by Order of the Honourable Mr. Justice A.D. Macleod (the “Receivership Order”).

*i. Approval and Vesting Order*

6. Pursuant to the terms of the Receivership Order, and in particular subparagraphs 3(l)(i) and (ii) thereof, the Receiver is entitled to sell, convey, transfer, lease or assign the Debtor’s Property, or any part or parts thereof, out of the ordinary course of business without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000 and, with the approval of this Court in respect of any transaction in which the purchase price exceeds the amounts referenced in this paragraph.
7. The Receiver has duly marketed and arranged for a sale of certain of the Debtor’s Property, in compliance with the Receivership Order, as set out and described in the First Report.
8. The Receiver has entered into an agreement for sale of the BlendForce Facility to the Purchaser, which is subject to the approval of this Honourable Court.

9. The sales process and manner in which offers have been received has been fair, with the interests of all parties being considered, and the Receiver has made significant efforts to obtain the best price for the Assets in the circumstances.
10. The sale of the Assets described in the First Report, and the utilization of sale proceeds as proposed, are just, appropriate and in the best interest of the administration of the Debtor's receivership estate and the stakeholders affected thereby.
11. The Lender's security is valid, enforceable and properly registered, and a distribution to the secured and priority creditors as set out and described in the Receiver's First Report is just and appropriate.
12. The terms as set out in the proposed form of Order attached hereto as Schedule "A" are necessary to effect the sale of the Assets as contemplated by the Receiver and the Purchaser.
13. Razor, as Lender, supports the proposed sale to the Purchaser.

**ii. Bankruptcy Order**

14. BlendForce is an insolvent person within the meaning of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, and has at some time during the year immediately preceding the filing of this Application resided or carried on business in the City of Calgary, in the Province of Alberta, and whose current address is 7874 - 10 St NE, Calgary, AB T2E 8W1, within the jurisdiction of this Honourable Court.
15. Pursuant to the terms of the Receivership Order, and in particular subparagraph 3(s) thereof, upon the application of the Receiver to this Court upon notice to all affected and interested parties, and where the Court is of the opinion on the making of such an application that it is proper and in the best interests of the estates, the Receiver is authorized and empowered to obtain a Bankruptcy Order in respect of the Debtor.
16. Pursuant to paragraph 27 of the Receivership Order, nothing in the said Receivership Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
17. The BlendForce receivership proceedings remain ongoing as at the present date.
18. As at October 31, 2017, BlendForce is justly and truly indebted to its creditors in an amount far in excess of \$1,000, plus interest and costs continuing to accrue.
19. Within the 6 months preceding the filing of this Application for Bankruptcy Order, BlendForce has failed to meet its liabilities generally as they become due in that BlendForce has failed to meet its obligations to Razor and to other creditors, such obligations which exceed \$1,000.
20. There are no remaining directors within BlendForce and all of the employees, including senior management, of BlendForce, have been terminated.

21. A bankruptcy process with respect to the remaining property of BlendForce will allow for an efficient and orderly winding down of its estates, and will allow for an alignment of priority claims and the crystallizing of various creditor claims.
22. Deryck Helkaa, of the City of Calgary, in the Province of Alberta, is a person qualified to act as trustee in bankruptcy (the “Trustee”) of the property of BlendForce and has agreed to act as such.
23. The terms as set out in the proposed form of Bankruptcy Order attached hereto as Schedule “B” are necessary to effect the bankruptcy of the Debtor as contemplated by the Receiver.
24. Razor, as lender, supports the proposed Bankruptcy Order and supports Deryck Helkaa of FTI to act as the Proposed Trustee.

### *iii. Discharge Order*

25. The Receiver has now completed, or is about to complete, all aspects concerning the administration of the within receivership proceedings.
26. There are certain funds remaining in the receivership estate, which the Receiver intends on using to pay outstanding obligations of the receivership estate and the estimated costs to complete the administration of the estate.
27. The distribution of remaining funds as proposed in the First Report is necessary, just and appropriate, and in the best interest of the receivership estate and the stakeholders affected thereby.
28. All of the actions in respect of the fees and disbursements incurred by the Receiver and its legal counsel during the course of the administration of the within proceedings are reasonable, have been validly incurred in connection with the conduct of the Receiver’s obligations herein, and have now been or are about to be completed.
29. The Receiver is not aware of any reason that it should be required for any further purposes herein, and should be discharged as Receiver of the Property of BlendForce upon the conclusion of the remaining specified and other administrative duties as described in the First Report.
30. The discharge of the Receiver as proposed is just, appropriate and in the best interest of the administration of the receivership estate and the stakeholders affected thereby.
31. Razor, as Lender, supports the discharge of the Receiver on the terms proposed.
32. Such further and other grounds as counsel may advise and this Honourable Court may permit.

### **Material or evidence to be relied on:**

33. All pleadings and proceedings filed in the within action, including the Receivership Order.
34. The First Report of the Receiver, filed.

35. The proposed forms of Orders attached as Schedules "A", "B" and "C" to this Application.
36. The inherent jurisdiction of this Honourable Court to control its own process.
37. Such further and other material and evidence as counsel may advise and this Honourable Court may permit.

**Applicable rules:**

38. Rules 6.3(1), 6.47(e) and (f), 6.9(1)(a) and 11.27, and, *Bankruptcy and Insolvency General Rules*, CRC 1985, c 368, as amended, and in particular Rules 11, 69, 72 and 83, thereof, and such further and other Rules as counsel may advise and that this Honourable Court may permit.

**Applicable Acts and regulations:**

39. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, the *Judicature Act*, RSA 2000, c J-2, as amended, and such other Rules, Acts and Regulations as counsel may advise and that this Honourable Court may permit.

**Any irregularity complained of or objection relied on:**

40. None.

**How the Application is proposed to be heard or considered:**

41. Oral submissions by counsel at an Application in Justice Chambers as agreed and scheduled by counsel, before Mr. Justice C.M. Jones of the Commercial List, at the Calgary Courts Centre, 601 - 5<sup>th</sup> Street SW, at Calgary, Alberta, on Thursday, November 9, 2017 at 10:00 a.m. or as soon thereafter as counsel may be heard.

**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 materials to the Applicant.

**SCHEDULE "A"**  
**APPROVAL AND VESTING ORDER**

## Schedule "A"

COURT FILE NUMBER 1701-10909

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF RAZOR ENERGY CORP.

DEFENDANTS BLENDFORCE ENERGY SERVICES INC. and  
FORTALEZA ENERGY INC.

AND IN THE MATTER OF THE RECEIVERSHIP OF  
BLENDFORCE ENERGY SERVICES INC.

APPLICANT FTI CONSULTING CANADA INC. in its capacity as  
Court-appointed Receiver and Manager of the assets,  
undertakings and properties of BLENDFORCE ENERGY  
SERVICES INC.

DOCUMENT **APPROVAL AND VESTING ORDER (Sale by  
Receiver)**

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS  
DOCUMENT  
Torys LLP  
4600 Eighth Avenue Place East  
525 - Eighth Ave SW  
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Attention: Kyle Kashuba  
Telephone: + 1 403.776.3744  
Fax: +1 403.776.3800  
Email: [kkashuba@torys.com](mailto:kkashuba@torys.com)  
File No. 39586-2001

**DATE ON WHICH ORDER WAS PRONOUNCED:** November 9, 2017

**NAME OF JUSTICE WHO MADE THIS ORDER:** Mr. Justice C.M. Jones

**LOCATION OF HEARING:** Calgary, Alberta

**UPON THE APPLICATION** by FTI Consulting Canada Inc. in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of the assets, undertakings and properties of BlendForce Energy Services Inc. ("**BlendForce**" or the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**PSA**")



between the Receiver and the Purchaser, Pure Environmental LP, by its general partner Pure Environmental Waste Management Ltd., dated October 6, 2017 and appended to the First Report of the Receiver dated and filed November 1, 2017 (the “**First Report**”), and vesting in the Purchaser (or its nominee) the Debtor’s right, title and interest in and to the assets described in the PSA (the “**BlendForce Facility**” or the “**Assets**”);

**AND UPON HAVING READ** the Receivership Order dated August 18, 2017 (the “**Receivership Order**”), the First Report and the Affidavit of Service, to be filed (the “**Affidavit of Service**”); **AND UPON HEARING** the submissions of counsel for the Receiver, counsel for Razor Energy Corp. (“**Razor**”), counsel to the Purchaser, and from any other interested parties who may be present, with no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

1. Service of notice of this Application and supporting materials 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.

**RECEIVER’S ACTIVITIES**

2. The actions, conduct and activities of the Receiver as reported in the First Report, are hereby authorized and approved.
3. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the First Report.

**APPROVAL OF TRANSACTIONS**

4. The Transaction is hereby approved, and the execution of the PSA by the Receiver is hereby authorized and approved, and is deemed to be commercially reasonable and in the best interests of the receivership estate and the stakeholders affected thereby, with such minor amendments as the Receiver may deem necessary and as may be agreed upon by the Receiver

and the Purchaser. The Receiver is hereby authorized and directed, subject to the terms and conditions of this Order and the PSA, to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the BlendForce Facility to the Purchaser (or its nominee).

## VESTING OF PROPERTY

5. Subject only to approval of the transfer of applicable leases, rights of way or easements, licenses (including, without limitation, licences of occupation), permits, and approvals by the Alberta Energy Regulator under section 23 of the *Oil and Gas Conservation Act* (Alberta) and section 18 of the *Pipeline Act* (Alberta), effective immediately upon the delivery by the Receiver of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Certificate**") confirming the closing of the Transaction contemplated by the PSA, all of the Debtor's right, title and interest in and to the Assets described in the PSA, including without limitation the lands attached hereto as **Schedule "B"**, shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**", which term shall explicitly not include the Permitted Encumbrances (as defined below)) including, without limiting the generality of the foregoing:
- (a) any encumbrances or charges created by the Receivership Order or any further orders granted in these proceedings; and
  - (b) all charges, security interests or claims evidenced by registration, filing, or publication pursuant to any or all of the following: (a) the *Personal Property Security Act* (Alberta); (b) the *Land Titles Act* (Alberta); (c) the *Mines and Minerals Act* (Alberta); or (d) any other personal property, mineral, or real property registry system (collectively, the "**Registries**");

for greater certainty, this Court orders that all of the Claims, other than the permitted encumbrances described in the PSA and listed on **Schedule "C"** hereto (the "**Permitted**

**Encumbrances**”), affecting or relating to the Assets are hereby expunged and discharged as against the Assets.

6. Upon the delivery of the Receiver’s Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, the Registrar or Registrars under the *Land Titles Act* (Alberta), the Department of Energy and the Minister of Energy Alberta, the Registries, and all other government ministries and authorities in Alberta and British Columbia, respectively, exercising jurisdiction with respect to or over the Assets (collectively, the “**Governmental Authorities**”), as applicable, are hereby authorized, requested and directed to (in each case as applicable):
  - (a) enter the Purchaser as the owner, lessee, and/or licensee of the Assets;
  - (b) cancel the existing Certificates of Title to the Assets and issue new Certificates of Title for the Assets, in the name of the Purchaser (or its nominee);
  - (c) cancel, delete or expunge from the existing title documents concerning the Assets all applicable Claims, including all Encumbrances other than the Permitted Encumbrances; and
  - (d) register such transfers, discharge statements, or conveyances, as may be required to convey clear title to the Assets to the Purchaser, subject only to the Permitted Encumbrances.
7. This Order shall be registered and the steps set out in paragraph 6 shall be carried out by the applicable Registrar and/or Governmental Authorities notwithstanding the requirements of section 191(1) of the *Land Titles Act* (Alberta) and the requirements of the *Land Title Act* (British Columbia) and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.
8. The Receiver is authorized to discharge from the Registries any claim or encumbrance registered against any of the personal property being purchased by the Purchaser, to the extent the security interest is registered against the interest of the Debtor.

## CLOSING OF THE SALE TRANSACTION

9. The closing of the transaction shall be effected in accordance with the terms of the PSA and such amendments to the PSA as may be agreed to in writing between the Purchaser and the Receiver.
10. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Assets shall stand in the place and stead of the Assets, and shall be held by the Receiver in accordance with the terms of the PSA, and from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Assets, with the same priority as they had with respect to the Assets immediately prior to the sale, as if the Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
11. The Purchaser (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtor.
12. The Debtor and all persons who claim by, through or under the Debtor in respect of the Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Assets and, to the extent that any such persons remains in possession or control of any of the Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
13. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by or through or against the Debtor.
14. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver or the Debtor.
15. The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser (or its nominee).

16. Pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act* and section 20(e) of the Alberta *Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees, including personal information of those employees listed in the PSA. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

17. Notwithstanding:

- (a) The pendency of these proceedings;
- (b) Any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) Any assignment in bankruptcy made in respect of the Debtor

the vesting of the Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

18. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

19. The Receiver's statement of receipts and disbursements, as attached to the First Report, is hereby approved.

## MISCELLANEOUS

20. 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 the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
21. 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.
22. Service of this Order on any party not attending this Application is hereby dispensed with.

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Justice of the Court of Queen's Bench of Alberta

Schedule "A"

Form of Receiver's Certificate

COURT FILE NUMBER 1701-10909  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
PLAINTIFF RAZOR ENERGY CORP.  
DEFENDANTS BLENDFORCE ENERGY SERVICES INC.  
and FORTALEZA ENERGY INC.

Clerk's Stamp

AND IN THE MATTER OF THE  
RECEIVERSHIP OF BLENDFORCE  
ENERGY SERVICES INC.

DOCUMENT RECEIVER'S CERTIFICATE

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY  
FILING THIS DOCUMENT  
Torys LLP  
4600 Eighth Avenue Place East  
525 - Eighth Ave SW  
Calgary, AB T2P 1G1

Attention: Kyle Kashuba  
Telephone: + 1 403.776.3744  
Fax: +1 403.776.3800  
Email: [kkashuba@torys.com](mailto:kkashuba@torys.com)  
File No. 39586-2001

RECITALS

- A. Pursuant to an Order of the Honourable Justice A.D. Macleod of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "Court") dated August 18, 2017, FTI Consulting Canada Inc. was appointed as the receiver (the "Receiver") of the assets, undertakings and properties of BlendForce Energy Services Inc. ("BlendForce" or the "Debtor").
- B. Pursuant to an Order of the Court dated November 9, 2017, the Court approved the agreement of purchase and sale made as of October 6, 2017 (the "PSA") between the Receiver and Pure Environmental LP, by its general partner Pure Environmental Waste Management

Ltd. (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Assets, which vesting is to be effective with respect to the Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Assets; (ii) that the conditions to Closing as set out in Article 3 of the PSA have been satisfied or waived by the Receiver and the Purchaser, as applicable; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the PSA.

**THE RECEIVER CERTIFIES** the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Assets payable on the Closing Date pursuant to the PSA;
2. The conditions to Closing as set out in Article 3 of the PSA have been satisfied or waived by the Receiver and the Purchaser (or its nominee), as applicable; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at **[Time]** on **[Date]**.

**FTI Consulting Canada Inc., in its capacity as Court-appointed Receiver and Manager of the undertaking, property and assets of BlendForce Energy Services Inc., and not in its personal capacity.**

**Per:** \_\_\_\_\_

**Name:**

**Title:**



## Schedule "B"

### Lands:

The class 1B disposal well located in Swan Hills, Alberta with unique well identifier 02-14-066-10W5M, including the wellbores and any and all casing and together with all well licences relating thereto.

## Schedule "C"

### Permitted Encumbrances

- (a) **"Permitted Encumbrances"** means:
- (i) easements, rights of way, servitudes or other similar rights in land including, without limiting the generality of the foregoing, rights of way and servitudes for railways, highways and other roads, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone, telegraph or cable television conduits, poles, wires and cables;
  - (ii) the right reserved to or vested in any Governmental Authority or other public authority or by any Applicable Law to terminate any of the Title and Operating Documents, leases, licenses, franchises or grants or to require annual or other periodic payments as a condition of the continuance thereof, which relate to obligations not accrued, due, or delinquent at or prior the Closing Date;
  - (iii) rights reserved to or vested in any municipality or Governmental Authority to control or regulate any of the Assets in any manner, and all applicable laws, rules and orders of any Governmental Authority;
  - (iv) undetermined or inchoate liens incurred or created as security in favour of the Person with respect to the operation of any of the Assets, as regards BlendForce's or Vendor's proportionate share of the costs and expenses of such development or operations of or on the Assets, which relate to obligations not accrued, due, or delinquent at or prior the Closing Date; and
  - (v) liens granted in the ordinary course of business to a public utility or Governmental Authority in connection with operations conducted with respect to the Assets, which relate to obligations not accrued, due, or delinquent at or prior the Closing Date.

**SCHEDULE "B"**  
**BANKRUPTCY ORDER**

Schedule "B"

COURT FILE NUMBER 1701-10909

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF RAZOR ENERGY CORP.

DEFENDANTS BLENDFORCE ENERGY SERVICES INC. and  
FORTALEZA ENERGY INC.

AND IN THE MATTER OF THE RECEIVERSHIP OF  
BLENDFORCE ENERGY SERVICES INC.

APPLICANT FTI CONSULTING CANADA INC. in its capacity as  
Court-appointed Receiver and Manager of the assets,  
undertakings and properties of BLENDFORCE ENERGY  
SERVICES INC.

DOCUMENT **BANKRUPTCY ORDER**

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS  
DOCUMENT

Torys LLP  
4600 Eighth Avenue Place East  
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Attention: Kyle Kashuba  
Telephone: + 1 403.776.3744  
Fax: +1 403.776.3800  
Email: [kkashuba@torys.com](mailto:kkashuba@torys.com)  
File No. 39586-2001

**DATE ON WHICH ORDER WAS PRONOUNCED:** November 9, 2017

**NAME OF JUSTICE WHO MADE THIS ORDER:** Mr. Justice C.M. Jones

**LOCATION OF HEARING:** Calgary, Alberta

**UPON THE APPLICATION FOR BANKRUPTCY ORDER** being made by FTI Consulting Canada Inc., having an office at 720, 440 - 2nd Avenue SW, Calgary, AB T2P 5E9, in its capacity as the Court-appointed receiver and manager (the "Receiver") of the assets, undertakings and properties of BlendForce Energy Services Inc. ("BlendForce" or the "Debtor"), having their office at 7874 - 10 St NE, Calgary, AB T2E 8W1; **AND UPON HAVING READ** the Receivership

Order dated August 18, 2017 (the “**Receivership Order**”), the First Report of the Receiver dated and filed November 1, 2017 (the “**First Report**”) and the Affidavit of Service, to be filed (the “**Affidavit of Service**”); **AND UPON** reading the consent of FTI Consulting Canada Inc. to act as trustee in bankruptcy of the estate of BlendForce; **AND UPON HEARING** the submissions of counsel for the Receiver, counsel for Razor Energy Corp., and from any other interested parties who may be present, with no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service; **AND UPON** it appearing that all interested and affected parties have been served with notice of this Application; **AND UPON** it appearing to the Court that the following acts of bankruptcy have been committed by the Debtor:

- (a) the debts owing by BlendForce exceed \$1,000; and
- (b) within the 6 months preceding the date of filing of the Application for Bankruptcy Order, BlendForce ceased to meet its liabilities generally as they become due.

**IT IS HEREBY ORDERED AND DECLARED THAT:**

1. Service of notice of this Application and supporting materials 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.
2. BlendForce, a corporation incorporated pursuant to the laws of the Province of Alberta, be and is hereby adjudged bankrupt and that a Bankruptcy Order is hereby made against BlendForce.
3. FTI Consulting Canada Inc. be and is hereby appointed as trustee of the estate of the bankrupt BlendForce, without security.
4. The costs of and incidental to this Application and of this Order be paid to the Applicant, on a full indemnity, solicitor and his own client basis, out of the assets of the estate of the bankrupt BlendForce, forthwith.
5. 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.

6. Service of this Order on any party not attending this Application is hereby dispensed with.

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Justice of the Court of Queen's Bench of Alberta

**SCHEDULE "C"**  
**DISCHARGE ORDER**

## Schedule "C"

COURT FILE NUMBER 1701-10909

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF RAZOR ENERGY CORP.

DEFENDANTS BLENDFORCE ENERGY SERVICES INC. and  
FORTALEZA ENERGY INC.

AND IN THE MATTER OF THE RECEIVERSHIP OF  
BLENDFORCE ENERGY SERVICES INC.

APPLICANT FTI CONSULTING CANADA INC. in its capacity as  
Court-appointed Receiver and Manager of the assets,  
undertakings and properties of BLENDFORCE ENERGY  
SERVICES INC.

DOCUMENT **DISCHARGE ORDER (Final Distribution, the  
Approval of the Receiver's Activities, Fees and  
Disbursements, and the Receiver's Discharge)**

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS  
DOCUMENT Torys LLP  
4600 Eighth Avenue Place East  
525 - Eighth Ave SW  
Calgary, AB T2P 1G1  
  
Attention: Kyle Kashuba  
Telephone: + 1 403.776.3744  
Fax: +1 403.776.3800  
Email: [kkashuba@torys.com](mailto:kkashuba@torys.com)  
File No. 39586-2001

**DATE ON WHICH ORDER WAS PRONOUNCED:** November 9, 2017

**NAME OF JUSTICE WHO MADE THIS ORDER:** Mr. Justice C.M. Jones

**LOCATION OF HEARING:** Calgary, Alberta

**UPON THE APPLICATION** of FTI Consulting Canada Inc. in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of the assets, undertakings and properties of BlendForce Energy Services Inc. ("**BlendForce**" or the "**Debtor**") for an Order for the final distribution of proceeds, approval of the Receiver's fees and disbursements, approval of the Receiver's



activities and discharge of the Receiver; **AND UPON HAVING READ** the Receivership Order dated August 18, 2017 (the “**Receivership Order**”), the First Report of the Receiver dated and filed November 1, 2017, and the Affidavit of Service, to be filed (the “**Affidavit of Service**”); **AND UPON HEARING** the submissions of counsel for the Receiver, counsel for Razor Energy Corp., and from any other interested parties who may be present, with no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

1. Service of notice of this Application and supporting materials 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.

**DISTRIBUTION OF FUNDS**

2. The Receiver is authorized and directed to make a interim distribution of funds as proposed in the First Report.

**DISCHARGE OF THE RECEIVER**

3. The Receiver is hereby authorized to have all of the Debtor’s remaining books and records transferred to the trustee in bankruptcy of BlendForce, to be dealt with in the course of the BlendForce bankruptcy proceedings.
4. The Receiver’s accounts for fees and disbursements, as set out in the Receiver’s First Report are hereby approved without the necessity of a formal passing of its accounts.
5. The accounts of the Receiver’s legal counsel, Torys LLP, for its fees and disbursements, as set out in the Receiver’s First Report are hereby approved without the necessity of a formal assessment of its accounts.
6. The Receiver is hereby authorized to pay any remaining professional fees up to the discharge of the Receiver, particulars of which are set out in the First Report.
7. The Receiver’s activities as set out in the First Report and any other reports filed herein, and the Statement of Receipts and Disbursements as attached to the First Report, are hereby ratified and approved.

8. 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 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.
9. No action or other proceeding shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on notice to the Receiver, and upon such terms as the Court may direct.
10. Upon the Receiver filing with the Clerk of the Court a sworn Affidavit of a licensed Trustee employed by the Receiver confirming that:
  - (a) all matters set out in paragraph 2 and 3 of this Order have been completed; and
  - (b) all steps relating to assignment into bankruptcy of the Debtor have been completed;
  - (c) the transaction concerning the sale of the BlendForce assets, as set out and described in the First Report, has been closed; and
  - (d) all other minor administrative tasks required of the Receiver have been taken,then the Receiver shall be discharged as Receiver of the Debtor, provided however, that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of the Receiver in its capacity as Receiver.
11. The Receiver is at liberty to reapply for further advice, assistance and direction as may be necessary to give full force and effect to, and in carrying out the terms of, this Order.
12. 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.
13. Service of this Order on any party not attending this Application is hereby dispensed with.

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Justice of the Court of Queen's Bench of Alberta