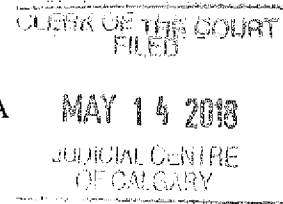


Clerk's stamp:

COURT FILE NO. 1801 - 06866  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY



IN THE MATTER OF THE RECEIVERSHIP OF MUSTANG WELL SERVICES LTD., KKSER ENTERPRISES LTD., COMPLETE OILFIELD MANUFACTURING INC., REACTION OILFIELD SUPPLY (2012) LTD. and MRBD Ltd.

APPLICANT ATB FINANCIAL

RESPONDENTS MUSTANG WELL SERVICES LTD., KKSER ENTERPRISES LTD., COMPLETE OILFIELD MANUFACTURING INC., REACTION OILFIELD SUPPLY (2012) LTD. and MRBD LTD.

DOCUMENT: <sup>original</sup> NOTICE OF APPLICATION

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT: GOWLING WLG (CANADA) LLP  
Barristers & Solicitors  
Tom Cumming  
1600, 421 - 7th Avenue SW  
Calgary, Alberta, T2P 4K9  
Telephone: 403-298-1938  
Facsimile: 403-695-3538  
Email: [tom.cumming@gowlingwlg.com](mailto:tom.cumming@gowlingwlg.com)  
File: A155881

**NOTICE TO THE RESPONDENTS:**

This application is made against you. You are respondents.

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

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

Date: Thursday, May 17, 2018  
Time: 10:00 a.m.  
Where: Calgary Courts Centre,  
601 - 5 Street SW  
Calgary, Alberta T2P 5P7  
Before: The Honourable Mr. Justice A. D. Macleod, on the Commercial List

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. ATB Financial (“ATB”) applies for relief in respect of Mustang Well Services Ltd. (“**Mustang**”), KKS SR Enterprises Ltd. (“**KKS SR**”), Complete Oilfield Manufacturing Inc. (“**Complete**”), Reaction Oilfield Supply (2012) Ltd. (“**Reaction**”) (collectively, the “**Borrowers**”) and MRBD Ltd. (“**MRBD**”, and together with the Borrowers, the “**Debtors**” and individually, a “**Debtor**”), substantially in the form of the Orders attached as **Schedules “A”** and “**B**” hereto:
  - (a) abridging the time for service of the notice of this application (the “**Application**”) and supporting materials to the date service was effected, declaring this Application is properly returnable on May 17, 2018, that service of the Application in the manner described in the corresponding affidavit of service is good and sufficient, and that no other persons are entitled to service of the Application or any orders arising therefrom;
  - (b) appointing FTI Consulting Canada Inc. (“**FTI**”) as the receiver of all of the Debtors’ present and after acquired assets, undertakings and properties pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the “**BIA**”), section 49 of the *Law of Property Act*, R.S.A. 2000, c L-7 and section 13(2) of the *Judicature Act*, R.S.A. 2000, c J-2, without security;
  - (c) approving the sale of certain real property (the “**KKS SR Property**”) of KKS SR pursuant to a commercial purchase contract dated February 20, 2018 (the “**Sale Agreement**”) between KKS SR as vendor and 1625066 Ontario Ltd. as purchaser (the “**Purchaser**”), and vesting in the Purchaser the right, title and interest of KKS SR in and to the KKS SR Property; and
  - (d) such further and other relief as this Honourable Court may deem just.

**Grounds for making this Application:**

*The Parties*

2. ATB is a financial institution formed under the laws of the Province of Alberta (“**Alberta**”) and carries on business in Alberta.
3. The Debtors are private corporations incorporated pursuant to the laws of Alberta and are servicers to the oil and gas sector. Royden Wideman and Michael Kallal each own 50% of the voting shares of each Debtor. Mustang is the main operating entity within the group and owns and operates 12 service rigs and two cement units in Alberta, British Columbia and Saskatchewan. The other Debtors carry out the following activities:
  - (a) Complete manufactures equipment and rigs and provides repair and maintenance services to Mustang and third party clients;

- (b) Reaction supplies oilfield service parts and materials to Mustang, Complete and third party clients;
- (c) MRBD holds certain equipment for the group including four hybrid service rigs and wireline units known as innovator rigs; and
- (d) KKRS holds certain real estate in Camrose County on which fabrication shops and yards of Mustang and Complete are located, and leases the Debtors' shared office space in Calgary.

#### *Loan Agreement and Security*

4. Pursuant to an amended and restated commitment letter dated July 26, 2017 (the "**Commitment Letter**") between ATB as lender, Mustang, KKSR, Reaction and Complete as borrowers, and Mustang, KKSR, Reaction, Complete, MRBD, Royden Wideman and Michael Kallal as guarantors (the "**Guarantors**"), as amended by amending agreements dated August 10, 2017, October 23, 2017, December 15, 2017 and March 9, 2018 (the Commitment Letter, as amended being the "**Loan Agreement**"), ATB amended and continued nine (9) separate credit facilities (collectively, the "**Facilities**" and each, a "**Facility**") in favour of the Borrowers, of which four were revolving operating Facilities (and in respect of each Borrower had a specific Facility it could receive draws under), two were non-revolving, and three were MasterCard facilities. The indebtedness under the Facilities is payable on demand.
5. As of May 9, 2018, the aggregate indebtedness of the Borrowers under the Loan Agreement and MBRD and the other guarantors under their guarantees is \$17,520,953.05 (which, together with interest accruing thereon and the costs and expenses of ATB, is referred to as the "**Indebtedness**").
6. The Indebtedness of Mustang was guaranteed by MRBD, KKSR, Complete and Reaction, Mustang guaranteed the Indebtedness of KKSR and Complete, and each of the Borrowers was jointly as severally liable as principal debtors for the Indebtedness under all of the Facilities.
7. The Indebtedness is secured by (a) separate general security agreements by each Debtor in favour of ATB which created security interests against all of the present and after-acquired personal property of the Debtors (collectively, the "**GSAs**"); and (b) a mortgage (the "**Mortgage**") and general assignment of leases and rents (the "**GALR**") granted by KKSR to ATB against certain lands owned by KKSR, including the KKSR Property (all such lands being collectively the "**KKSR Lands**", and the GSAs, Mortgage and GALR being collectively the "**Security Documents**").
8. ATB perfected the security interests created by the GSAs under the *Personal Property Security Act* of Alberta (the "**APPSA**"), the *Personal Property Security Act* of British Columbia (the "**BC PPSA**") and the *Personal Property Security Act* Saskatchewan (the "**SPPSA**"), to the extent that the relevant Debtor had Property in the relevant jurisdiction, and registered the Mortgage and GALR against title to the KKSR Lands on October 22, 2013 by instrument numbers 132 341 378 and 132 341 379 respectively.

*Financial Deterioration of the Debtors*

9. The prolonged downturn in the oil and gas markets since 2014 had a significant negative impact on the business, financial condition and cash flow of the Debtors. Between 2015 and 2018, management of the Debtors attempted to reduce operating and other costs and to maintain market share with customers, but the Debtors have continued to have a higher cost structure relative to industry averages and have been unable to generate sufficient cash flow to allow them to comply with their obligations under the Loan Agreement.
10. Between August of 2017 and March of 2018, management of the Debtors requested four amendments to the Commitment Letter to provide temporary increases in the maximum amounts available under the Debtors' main revolving operating Facility ("**Facility 1**"). ATB agreed to four of these requests and entered into amending agreements to reflect these accommodations.
11. As of the time of the filing of this Application:
  - (a) the maximum principal amount that Mustang was permitted to borrow under Facility 1 was the lesser of \$2,450,000 or 75% of its good accounts receivable;
  - (b) the principal amount outstanding under Facility 1 was \$3,250,000, which exceeded the maximum limit by \$800,000, and as a result of significant declines in Mustang's accounts receivable, exceed the 75% margin by \$1,700,000;
  - (c) the capital expenditures of Mustang for the fiscal year ending December 31, 2017 were \$672,910, whereas under section 11(b) of the Loan Agreement, the Borrowers and Guarantors covenanted and agreed that Mustang would not expend more than \$650,000 in any fiscal year on capital expenditures; and
  - (d) as of December 31, 2017, the actual EBITDA (as defined in the Loan Agreement) was \$2,189,742 and the forecast EBITDA was \$2,750,000, which actual EBITDA was approximately 79.6% of the forecasted EBITDA, whereas under section 11(c) of the Loan Agreement, the Borrowers and Guarantors covenanted and agreed that Mustang would not permit actual EBITDA to fall below 85% of forecasted EBITDA on a year to date basis.
12. Mustang engaged Sageworth Partners Inc. ("**Sageworth**") to run a marketing and sale process (the "**Sale Process**") in an attempt to sell all of the businesses and assets of the Debtors. Only seven expressions of interest were received and none, either alone or in combination, would have generated proceeds of sale sufficient to repay the Indebtedness. The only potential purchaser of the business on a going concern basis was withdrawn.
13. In late April, 2018, management of the Debtors again requested relaxation of the maximum limit under Facility 1. However, given the continued financial deterioration of the Debtors and the lack of any expressions of interest arising from the Sale Process which could lead to transactions that would repay the Indebtedness, the Debtors' continued cash flow and financial deterioration, and the erosion of the security position of ATB, ATB was unwilling to further increase the amount available under Facility 1, make

further advances to the Borrowers, or to forbear from enforcing its rights and remedies under the Loan Agreement and the Security Documents.

*Demand and Ten Day Notice*

14. The Facilities remain due and payable on demand by ATB and by letter dated May 11, 2018, ATB demanded that the Borrowers and Guarantors repay in full of the Indebtedness and terminated the Facilities and issued a notice of intention to enforce security under section 244(1) of the BIA. Subsequent to receiving the notice of intention, the Debtors signed a consent to the immediate enforcement of the Security Documents.

*Appointment of a Receiver*

15. ATB is applying for the appointment of FTI as receiver because:
- (a) notwithstanding multiple relaxations of limits under Facility 1 to accommodate the cash flow shortfalls of the Debtors, the Debtors have been unable to restore their financial condition or comply with their obligations under the Loan Agreement;
  - (b) ATB has demanded repayment in full of the Indebtedness and the Debtors have no prospect of either repaying or refinancing either the Indebtedness or any other obligations of the Debtors;
  - (c) there is no realistic possibility of the Debtors being able to restructure or reorganize in a manner that would make them financially viable;
  - (d) the Debtors have no access to liquidity and are therefore unable to continue as viable businesses, which creates significant risk to ATB's security position and materially prejudices ATB and other creditors of the Debtors;
  - (e) there have been no expressions of interest in the Sale Process that would result in the Indebtedness being repaid;
  - (f) a receiver would provide stability to the situation and would secure the equipment and assets of the Debtors in order to permit them to be sold and realized upon in an orderly manner; and
  - (g) there are multiple secured parties who have competing security in various equipment and serial number goods of the Debtors and therefore a receiver is appropriate to prevent disorderly, piecemeal enforcement by individual secured parties and to attempt to maximize the amounts available for creditors in a process that is binding on all parties.
16. FTI has consented to being appointed as receiver of the assets, undertakings and properties of the Debtors.

Sale of KKSR Property

17. Pursuant to the Sale Agreement, KKSR has agreed to sell the KKSR Property to the Purchaser, which sale is scheduled to close on May 31, 2018. ATB supports the transaction and therefore applies to this Honourable Court for an Approval and Vesting Order to approve the sale and vest the KKSR Property in the Purchaser free and clear of all financial encumbrances.
18. FTI also supports the potential sale and will be submitting a pre-filing report (the "Pre-Filing Report") to this Honourable Court in support thereof.

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

19. Affidavit of Trina Holland, sworn May 14, 2018 (filed).
20. Pre-Filing Report.
21. Affidavit of Service.
22. Such further and other grounds as counsel may advise.

**Applicable rules:**

23. Rules 1.3 and 13.5 of the *Alberta Rules of Court*, AR 124/2010.
24. Rule 6 of the *Bankruptcy and Insolvency General Rules*, C.R.C. 1978, c. 368, as amended.
25. Such further and other rules as counsel may advise.

**Applicable Acts and regulations:**

26. Section 13(2), *Judicature Act*, R.S.A. 2000, c. J-2, as amended.
27. Section 243(1), *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended.
28. The inherent jurisdiction of this Honourable Court.
29. Such further and other Acts and regulations as counsel may advise.

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

30. None.

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

31. In person.

**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 time shown at the beginning of this 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.

Clerk's stamp:

COURT FILE NUMBER: 1801-  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE OF CALGARY  
IN THE MATTER OF THE RECEIVERSHIP OF  
MUSTANG WELL SERVICES LTD., KKS  
ENTERPRISES LTD., COMPLETE OILFIELD  
MANUFACTURING INC., REACTION OILFIELD  
SUPPLY (2012) LTD. and MRBD LTD.  
APPLICANT: ATB FINANCIAL  
RESPONDENTS: MUSTANG WELL SERVICES LTD., KKS  
ENTERPRISES LTD., COMPLETE OILFIELD  
MANUFACTURING INC., REACTION OILFIELD  
SUPPLY (2012) LTD. and MRBD LTD.  
DOCUMENT: **RECEIVERSHIP ORDER**  
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
GOWLING WLG (CANADA) LLP  
Barristers & Solicitors  
Tom Cumming  
1600, 421 – 7th Avenue SW  
Calgary, Alberta, T2P 4K9  
Telephone: 403-298-1938  
Facsimile: 403-695-3538  
Email: tom.cumming@gowlingwlg.com  
File: A155881  
**DATE ON WHICH ORDER WAS PRONOUNCED:** May 17, 2018  
**NAME OF JUDGE WHO MADE THIS ORDER:** The Honourable Justice A.D.  
MacLeod  
**LOCATION OF HEARING:** Calgary

**UPON** the application of ATB Financial ("ATB") for an order appointing FTI Consulting Canada Inc. ("FTI") as receiver of the assets, undertakings and properties of Mustang Well Services Ltd., KKS Enterprises Ltd., Complete Oilfield Manufacturing Inc., Reaction Oilfield Supply (2012) Ltd. and MRBD Ltd. (collectively, the "Debtors" and each individually, a "Debtor"); **AND UPON** having read the Application, the Affidavit of Trina Holland; the Affidavit of Service of Kristy DeJure and the pre-filing report of FTI, filed; **AND UPON** reading the consent



of FTI to act as receiver (“Receiver”), filed; **AND UPON** noting the consent endorsed hereon of the Debtors; **AND UPON** hearing counsel for the Lender and the Debtors; **IT IS HEREBY ORDERED AND DECLARED THAT:**

### **SERVICE**

1. The time for service of the notice of application for this order is hereby abridged and service thereof is deemed good and sufficient.

### **APPOINTMENT**

2. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (“BIA”), and sections 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2, and 49 of the *Law of Property Act*, R.S.A. 2000, c.L-7, FTI is hereby appointed Receiver, without security, of all of the Debtors’ current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “Property”).

### **RECEIVER'S POWERS**

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
  - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel; the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
  - (c) to manage, operate and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of

business, cease to carry on all or any part other business, or cease to perform any contracts of the Debtors;

- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$250,000.00 provided that the aggregate consideration for all such transactions does not exceed \$1,000,000.00; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 shall not be required;
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors or any Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by any of the Debtors;

- (r) to make an assignment for and on behalf of any Debtor of its Property for the general benefit of its creditors under section 49 of the BIA and sign and file on such Debtor's behalf all documentation required in respect thereof; and
- (s) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

4. (i) The Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependant on maintaining possession) to the Receiver upon the Receiver's request.
5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto,

provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

7. No proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

#### **NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY**

8. No Proceeding against or in respect of any Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the any or the Property are hereby stayed and suspended pending further Order of this Court, provided,

however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph 8; and (ii) affect a Regulatory Body's investigation in respect of any Debtor or an action, suit or proceeding that is taken in respect of such Debtor by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "**Regulatory Body**" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a province.

#### **NO EXERCISE OF RIGHTS OF REMEDIES**

9. All rights and remedies (including, without limitation, set-off rights) against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" (as defined in the BIA), and further provided that nothing in this paragraph shall (i) empower the Receiver or a Debtor to carry on any business which such Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or a Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

#### **NO INTERFERENCE WITH THE RECEIVER**

10. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by any Debtor, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

## CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with any Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to such Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and this Court directs that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

## RECEIVER TO HOLD FUNDS

12. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

## EMPLOYEES

13. All employees of each of the Debtors shall be deemed to be terminated effective on the issuance of this Order. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section

14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47 (“WEPPA”).

14. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “Sale”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

#### LIMITATION ON ENVIRONMENTAL LIABILITIES

15. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
- (i) before the Receiver's appointment; or
  - (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the



Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,

- (i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:
  - A. complies with the order, or
  - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
- (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,
  - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
  - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- (iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

### LIMITATION ON THE RECEIVER'S LIABILITY

16. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

### RECEIVER'S ACCOUNTS

17. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, incurred both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) and 88 of the BIA.
18. The Receiver and its legal counsel shall pass their accounts from time to time.
19. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

### FUNDING OF THE RECEIVERSHIP

20. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed **\$500,000.00**

(or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “**Receiver's Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) and 88 of the BIA.

21. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
22. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule “A” hereto (the “**Receiver's Certificates**”) for any amount borrowed by it pursuant to this Order.
23. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

#### **ALLOCATION**

24. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property.

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#### **GENERAL**

25. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

26. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence.
  27. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.
  28. 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 and 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.
  29. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
  30. The Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estates with such priority and at such time as this Court may determine.
  31. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.
-

**FILING**

32. The Receiver shall establish and maintain a website in respect of these proceedings at <http://cfcanada.fticonsulting.com/Mustang/> and shall post there as soon as practicable:

- (a) all materials prescribed by statute or regulation to be made publically available; and
- (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

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Justice of the Court of Queen's Bench of Alberta

CONSENTED TO this \_\_\_\_ day of May,  
2018

**Mustang Well Services Ltd., Complete  
Oilfield Manufacturing Inc., Reaction  
Oilfield Supply (2012) Ltd., KKS  
Enterprises Ltd. and MRBD Ltd.**

By:

\_\_\_\_\_  
Name:

Title:

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that FTI Consulting Canada Inc., the receiver (the "Receiver") of all of the assets, undertakings and properties of Mustang Well Services Ltd., KKSER Enterprises Ltd., Complete Oilfield Manufacturing Inc., Reaction Oilfield Supply (2012) Ltd. and MRBD Ltd., appointed by Order of the Court of Queen's Bench of Alberta and Court of Queen's Bench of Alberta in Bankruptcy and Insolvency (collectively, the "Court") dated the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "Order") made in action numbers \_\_\_\_\_, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ \_\_\_\_\_, being part of the total principal sum of \$ \_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] [monthly not in advance on the \_\_\_\_\_ day of each month] after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime commercial lending rate of Bank of \_\_\_\_\_ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at \_\_\_\_\_.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property) as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**FTI Consulting Canada Inc.**, solely in its capacity as Receiver of the Property (as defined in the Order) of **Mustang Well Services Ltd.**, **KKSR Enterprises Ltd.**, **Complete Oilfield Manufacturing Inc.**, **Reaction Oilfield Supply (2012) Ltd.** and **MRBD Ltd.**, and not in its personal capacity

Per: \_\_\_\_\_  
Name:  
Title:

Schedule "B"

Rule 9.1

COURT FILE NUMBER 1801-

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE RECEIVERSHIP OF MUSTANG WELL SERVICES LTD., KKSr ENTERPRISES LTD., COMPLETE OILFIELD MANUFACTURING INC., REACTION OILFIELD SUPPLY (2012) LTD. and MRBD LTD.

APPLICANT ATB FINANCIAL

RESPONDENT(S) MUSTANG WELL SERVICES LTD., KKSr ENTERPRISES LTD., COMPLETE OILFIELD MANUFACTURING INC., REACTION OILFIELD SUPPLY (2012) LTD. and MRBD LTD.

DOCUMENT **SALE APPROVAL AND VESTING ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT  
GOWLING WLG (CANADA) LLP  
Barristers & Solicitors  
Tom Cumming  
1600, 421 - 7th Avenue SW  
Calgary, Alberta, T2P 4K9  
Telephone: 403-298-1938  
Facsimile: 403-695-3538  
Email: tom.cumming@gowlingwlg.com  
File: A155881

DATE ON WHICH ORDER WAS PRONOUNCED: May 17, 2017

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary Courts Centre

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice A.D. MacLeod

**UPON THE APPLICATION** of ATB Financial ("ATB"), the first mortgagee of the lands and premises legally described as Plan 1323928 Block 1 Lot 9, excepting thereout all mines and minerals, having an area of 2.44 hectares (6.03 acres) more or less and having a civic address of 135 46272 Highway 56, Rural Camrose County, Alberta (the "Property"), for an order



approving the sale transaction (the “**Transaction**”)–contemplated by the commercial purchase contract dated February 20, 2018 (the “**Sale Agreement**”) between KKSER Enterprises Ltd. (the “**Debtor**”) as vendor and 1625066 Ontario Ltd. (the “**Purchaser**”) as buyer and appended to the pre-filing report of FTI Consulting Canada Inc. (“**FTI**”) dated May 14, 2018 (the “**Pre-Filing Report**”) and vesting in the Purchaser the Debtor’s right, title and interest in and to the Property, title to which Property is evidenced by Land Title Certificate No. 132 341 377 which is attached hereto as **Schedule “A”** (the “**Certificate of Title**”); **AND UPON HAVING READ** the Affidavit of Trina Holland, the Pre-Filing Report, and the Affidavit of Service of Kristy DeLure, filed; **AND UPON HEARING** the submissions of counsel for the ATB, FTI in its capacity as receiver of the assets, undertaking and property of the Debtor appointed pursuant to an Order of this Honourable Court pronounced on this date (in such capacity, the “**Receiver**”, and such Order, the “**Receivership Order**”), and other interested parties;

**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.

**Approval of Sale Agreement**

2. The Transaction is hereby approved with such amendments as the Receiver may deem necessary. The Sale Agreement is hereby declared to be valid, binding and enforceable pursuant to its terms, and the requirement for KKSER to execute the Sale Agreement is hereby dispensed with. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents, for and on behalf of the Debtor, as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Property to the Purchaser.

**Vesting of Property**

3. Upon the delivery of a Receiver’s certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "B"** hereto (the “**Receiver's Certificate**”), all of the Debtor’s right, title and interest in and to the Property shall vest absolutely in

the name of the Purchaser (subject to paragraph 5(a) of this Order), free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, caveats, 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**”), including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) the lease in favour of Mustang Well Services Ltd. registered against title to the Property by Instrument No. 142 049 655
- (c) a mortgage in favour of ATB registered against title to the Property by Instrument No. 132 341 378;
- (d) an assignment of rents and leases in favour of ATB registered against title to the Property by Instrument No. 132 341 379;
- (e) a tax notification registered by Camrose County against title to the Property as Instrument No. 182 089 420;
- (f) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system

(all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the interests, caveats, easements and restrictive covenants listed on **Schedule “C”** (the “**Permitted Encumbrances**”)), and, for greater certainty, this Court orders that all of the Claims and Encumbrances affecting or relating to the Property are hereby expunged and discharged as against the Property.

4. 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 of Land Titles of

Alberta (the "Registrar") is hereby authorized, requested, and directed to (a) cancel the Certificate of Title for the Property, (b) to transfer title to the Property to and in the name of the Purchaser, (c) to cancel any registrations of the Encumbrances against title to the Property, (d) to issue a new certificate of title for the Property in the name of the Purchaser, and (e) to register such transfers, discharges, discharge statements of conveyances, as may be required to convey clear title to the Property to the Purchaser, which certificate of title shall be subject only to the Permitted Encumbrances, and presentment of a certified copy of this Order together with the Receiver's Certificate shall be the Registrar's sole and sufficient authority.

5. This Order shall be registered by the Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.
6. For the purposes of determining the nature and priority of the Claims and Encumbrances, the net proceeds from the sale of the Property (the "Proceeds") shall stand in the place and stead of the Property and shall be held in trust by the Receiver, and from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the Proceeds with the same priority as they had with respect to the Property immediately prior to the sale, as if the Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
7. The Debtor and all persons who claim by, through or under the Debtor in respect of the Property, 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 Property and, to the extent that any such persons remains in possession or control of any of the Property, they shall forthwith deliver possession thereof to the Purchaser.
8. The Purchaser shall be entitled to enter into and upon, hold and enjoy the Property 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.

9. ~~Immediately after the closing of the~~ Transaction, the holders of the ~~Permitted~~ Encumbrances shall have no claim whatsoever against the Receiver or the Debtor.
10. The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser.
11. Except for the payment of taxes evidence by the Encumbrance referred to in paragraph 3(e) hereof, the Receiver shall not distribute the Proceeds without further order of this Honourable Court.
12. Nothing in this Order shall prejudice any person's *in personam* claim against the Debtor.
13. 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 Property in the Purchaser 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.

14. The Receiver, the Purchaser 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.

**Miscellaneous**

15. In connection with the completion of the Transaction, FTI shall act only in its capacity as Receiver and shall have no liability or obligations in its personal or corporate capacity in respect thereof or under the Sale Agreement, including without limitation with respect to any representations and warranties by the Debtor in favour of the Purchaser.
16. 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.
17. 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.
18. Service of this Order on any party not attending this application is hereby dispensed with.

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J.C.C.Q.B.A.

Schedule "B"

**SCHEDULE "A"**  
**CERTIFICATE OF TITLE**



LAND TITLE CERTIFICATE

S  
LINC                      SHORT LEGAL                      TITLE NUMBER  
0035 811 918            1323928;1;9                      132 341 377

LEGAL DESCRIPTION  
PLAN 1323928  
BLOCK 1  
LOT 9  
EXCEPTING THEREOUT ALL MINES AND MINERALS  
AREA: 2.44 HECTARES (6.03 ACRES) MORE OR LESS

ESTATE: FEE SIMPLE  
ATS REFERENCE: 4;19;46;17;NE

MUNICIPALITY: CAMROSE COUNTY

REFERENCE NUMBER: 132 294 083 +8

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REGISTERED OWNER(S)				
REGISTRATION	DATE (DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
132 341 377	22/10/2013	TRANSFER OF LAND	\$180,000	\$180,000

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OWNERS

KKSR ENTERPRISES LTD.  
OF BOX 1467  
CAMROSE  
ALBERTA T0B 4J0

---

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION	DATE (D/M/Y)	PARTICULARS
NUMBER		
<del>5578UT</del>	<del>09/09/1974</del>	<del>UTILITY RIGHT OF WAY</del> <del>GRANTEE - ANKERTON GAS CO-OP LTD.</del>
052 245 832	21/06/2005	UTILITY RIGHT OF WAY GRANTEE - BATTLE RIVER RURAL ELECTRIFICATION ASSOCIATION LIMITED. BOX 1420 CAMROSE

( CONTINUED )

## ENCUMBRANCES, LIENS &amp; INTERESTS

PAGE 2

# 132 341 377

## REGISTRATION

NUMBER

DATE (D/M/Y)

PARTICULARS

ALBERTA T4V1X3

122 226 817 18/07/2012 CAVEAT  
RE : UTILITY RIGHT OF WAY  
CAVEATOR - FORTISALBERTA INC.  
700, 801 - 7 AVE SW  
CALGARY  
ALBERTA T2P3P7  
AGENT - JOSH DEAN

132 294 084 17/09/2013 CAVEAT  
RE : DEVELOPMENT AGREEMENT PURSUANT TO MUNICIPAL  
GOVERNMENT ACT  
CAVEATOR - CAMROSE COUNTY.  
3755-43 AVENUE  
CAMROSE  
ALBERTA T4V3S8  
AGENT - A HOWARD

132 294 085 17/09/2013 UTILITY RIGHT OF WAY  
GRANTEE - CAMROSE COUNTY.

132 294 086 17/09/2013 CAVEAT  
RE : DEVELOPMENT AGREEMENT PURSUANT TO MUNICIPAL  
GOVERNMENT ACT  
CAVEATOR - CAMROSE COUNTY.  
3755-43 AVENUE  
CAMROSE  
ALBERTA T4V3S8  
AGENT - A HOWARD

132 341 378 22/10/2013 MORTGAGE  
MORTGAGEE - ALBERTA TREASURY BRANCHES.  
700 7300 48 AVE  
CAMROSE  
ALBERTA T4V4W2  
ORIGINAL PRINCIPAL AMOUNT: \$2,800,000

132 341 379 22/10/2013 CAVEAT  
RE : ASSIGNMENT OF RENTS AND LEASES  
CAVEATOR - ALBERTA TREASURY BRANCHES.  
700-7300-48 AVE  
CAMROSE  
ALBERTA T4V4W2  
AGENT - WAYNE THRONDSO

142 049 655 14/02/2014 CAVEAT  
RE : LEASE INTEREST  
CAVEATOR - MUSTANG WELL SERVICES LTD.  
3200 MANULIFE PLACE, 10180 101 ST

( CONTINUED )



REGISTRATION  
NUMBER      DATE (D/M/Y)      PARTICULARS

EDMONTON  
ALBERTA T5J3W8  
AGENT - WESLEY M PEDRUSKI

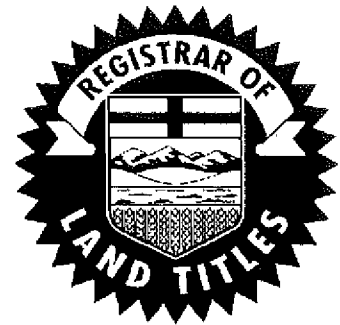
182 089 420    20/04/2018 TAX NOTIFICATION  
BY - CAMROSE COUNTY.  
3755-43 AVENUE  
CAMROSE, ALBERTA  
T4V3S8

TOTAL INSTRUMENTS: 010

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN  
ACCURATE REPRODUCTION OF THE CERTIFICATE OF  
TITLE REPRESENTED HEREIN THIS 11 DAY OF MAY,  
2018 AT 12:28 P.M.

ORDER NUMBER:    35086459

CUSTOMER FILE NUMBER:    A155881



\*END OF CERTIFICATE\*

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED  
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,  
SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM  
INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION,  
APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS  
PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING  
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

**SCHEDULE "B"**  
**RECEIVER'S CERTIFICATE**

COURT FILE NUMBER 1801-  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY

Clerk's Stamp:

IN THE MATTER OF THE RECEIVERSHIP OF MUSTANG WELL SERVICES LTD., KKSr ENTERPRISES LTD., COMPLETE OILFIELD MANUFACTURING INC., REACTION OILFIELD SUPPLY (2012) LTD. and MRBD LTD.

APPLICANTS ATB FINANCIAL  
RESPONDENT(S) MUSTANG WELL SERVICES LTD., KKSr ENTERPRISES LTD., COMPLETE OILFIELD MANUFACTURING INC., REACTION OILFIELD SUPPLY (2012) LTD. and MRBD LTD.  
DOCUMENT **CERTIFICATE**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

CASSELS BROCK & BLACKWELL LLP  
Barristers & Solicitors  
Jeffrey Oliver  
Suite 3810, Bankers Hall West  
888 3rd Street SW, Calgary, Alberta, T2P 5C5  
Telephone: 403-351-2921  
Facsimile: 403-648-1151  
Email: joliver@casselsbrock.com

**RECITALS**

A. Pursuant to an Order of the Honourable Justice A.D. MacLeod of the Court of Queen's Bench of Alberta (the "**Court**") pronounced on May 17, 2018, FTI Consulting Canada Inc. ("**FTI**") was appointed as receiver of the assets, undertaking and property of KKSr Enterprises Ltd. (the "**Debtor**" and FTI, in such capacity, the "**Receiver**").

B. Pursuant to an Order of the Honourable Justice A.D. MacLeod of the Court of Queen's Bench of Alberta (the "**Order**") pronounced on May 17, 2018, the Court approved the sale

transaction contemplated by the commercial purchase contract dated February 20, 2018 (the “**Sale Agreement**” and such transaction being the “**Transaction**”) between KKSER Enterprises Ltd. (the “**Debtor**”) as vendor and 1625066 Ontario Ltd. (the “**Purchaser**”) as buyer and provided for the vesting in the Purchaser of KKSER’s right, title and interest in and to the KKSER Property, which vesting is to be effective with respect to the Property (as defined in the Order) upon the delivery to the Purchaser of a certificate of the Receiver confirming (i) the payment by the Purchaser of the purchase price for the Property (the “**Purchase Price**”); (ii) that the conditions to closing of the Transaction (the “**Conditions**”) have been satisfied or waived; and (iii) the Transaction has been completed.

**ATB FINANCIAL CERTIFIES** the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Property payable on the closing pursuant to the Sale Agreement;
2. The Conditions have been satisfied or waived by the Receiver or Purchaser, as applicable; and
3. The Transaction has been completed.

This Certificate was delivered by the Receiver to the Purchaser at : pm on , 2018.

**FTI CONSULTING CANADA INC.**, in its capacity as receiver of the assets, undertaking and property of **KKSER Enterprises Inc.**, and not in its personal or corporate capacity

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

Name:

Title:

SCHEDULE "C"  
PERMITTED ENCUMBRANCES

Interest Number	Particulars
5578UT	Utility Right of Way GRANTEE - ANKERTON GAS CO-OP LTD.
052 245 832	Utility Right of Way GRANTEE - BATTLE RIVER RURAL ELECTRIFICATION ASSOCIATION LIMITED.
122 226 817	Utility Right of Way CAVEATOR - FORTISALBERTA INC
132 294 084	Caveat RE : DEVELOPMENT AGREEMENT PURSUANT TO MUNICIPAL GOVERNMENT ACT CAVEATOR - CAMROSE COUNTY
132 294 085	Utility Right of Way GRANTEE - CAMROSE COUNTY
132 294 086	Caveat RE : DEVELOPMENT AGREEMENT PURSUANT TO MUNICIPAL GOVERNMENT ACT CAVEATOR - CAMROSE COUNTY.