

CLERK OF THE COURT
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OCT 10 2018
CALGARY, ALBERTA

COURT FILE NUMBER 1801-06866
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
APPLICANT ATB FINANCIAL
RESPONDENTS MUSTANG WELL SERVICES LTD., KKS
R ENTERPRISES LTD., COMPLETE OILFIELD
MANUFACTURING INC., REACTION OILFIELD
SUPPLY (2012) LTD., AND MRBD LTD.
DOCUMENT **SECOND REPORT OF FTI CONSULTING
CANADA INC., IN ITS CAPACITY AS
COURT APPOINTED RECEIVER AND
MANAGER OF MUSTANG WELL SERVICES
LTD., KKS R ENTERPRISES LTD.,
COMPLETE OILFIELD MANUFACTURING
INC., REACTION OILFIELD SUPPLY (2012)
LTD., AND MRBD LTD.**

October 9, 2018

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

RECEIVER

FTI Consulting Canada Inc.
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Calgary, AB T2P 3R7
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COUNSEL

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888 3rd Street SW
Calgary, AB T2P 5C5
Jeff Oliver
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Fax: (403) 648-1151
Email: joliver@casselsbrock.com

INTRODUCTION

1. On May 17, 2018 (the “**Date of Appointment**”), FTI Consulting Canada Inc. was appointed as receiver and manager (the “**Receiver**”) of all of the assets, undertakings and properties (the “**Property**” or “**Business**”) of Mustang Well Services Ltd. (“**Mustang**”), KKS SR Enterprises Ltd. (“**KKS SR**”) Complete Oilfield Manufacturing Ltd. (“**Complete**”), Reaction Oilfield Supply (2012) Ltd. (“**Reaction**”) and MRBD Ltd. (“**MRDB**”) pursuant to an Order of the Honourable Justice Jones (the “**Receivership Order**”). Mustang, KKS SR, Complete, Reaction and MRDB are collectively referred to as the “**Debtors**” or the “**Company**”.
2. The Receivership Order authorized the Receiver, among other things, to manage, operate and carry on the Business of the Company, to market any or all of the Property including advertising and soliciting offers to purchase the Property, and to make such arrangements or agreements as deemed necessary by the Receiver.
3. On May 17, 2018, an Order (the “**Sale Approval Order**”) was granted approving the sale of a building legally described as Plan 1323928 Block 1 Lot 9, having a civic address of 135 46272 Highway 56, Rural Camrose County, Alberta which was owned by KKS SR (the “**KKS SR Building #1**”).
4. On June 4, 2018, the Receiver filed a Receiver’s Certificate certifying that the transaction has been completed. The Receiver closed the sale of the KKS SR Building #1 on May 31, 2018.
5. On September 5, 2018 two Orders were granted:
 - (a) An Order (“**Second Sale Approval Order**”) approving the sale of a building located near Camrose, Alberta at Plan 9922651 Lot 3 (“**KKS SR Building #2**”) and various equipment/inventory;

- (b) An order (“**Auction Order**”) approving an auction services agreement (the “**Auction Agreement**”) between the Receiver and Tiger Capital Group, LLC (“**Auctioneer**”) to sell the remaining equipment and inventory (“**Remaining Equipment**”). The Auction Order also approved an interim distribution of the net proceeds from the sale of KKRS Building #1 and KKSR Building #2.
6. The Receiver’s reports and other publicly available information in respect of these proceedings (the “**Receivership Proceedings**”) are posted on the Receiver’s website at <http://cfcanada.fticonsulting.com/Mustang> (the “**Receiver’s Website**”).
7. The purpose of this report (“**Second Report**”) is to:
- (a) Advise this Honourable Court regarding a priority dispute (“**Priority Dispute**”) between two creditor groups, Haymax Energy Inc. / McPhedran Consulting Inc. (collectively referred to as “**Haymax McPhederan**”) and ATB, over various pieces of equipment, including the following serial number goods:
- i. 2010 Rykar Mobile Rig serial number 2RCR545S2A16F8386;
 - ii. 2010 Rykar 72-140 Mast serial number RK6091010;
 - iii. 2005 Western Star T800 serial number 5KJRALCK55PN28007;
and
 - iv. 1998 Western Star T800 serial number 2WLPCD2G4YK960579;
- (collectively referred to as “**Rig #8**”)

- (b) Provide this Honourable Court with information and documents including security documents, personal property search information and correspondence that in the Receiver's view are relevant to the Priority Dispute; and
- (c) Seek this Honourable Court's advice and direction in respect of the Priority Dispute.

TERMS OF REFERENCE

- 8. In preparing this Second Report, the Receiver has relied upon audited and unaudited financial information, other information available to the Receiver and, where appropriate, the Company's books and records and discussions with various parties (collectively, the "**Information**").
- 9. Except as described in this Second Report:
 - (a) The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook; and
 - (b) The Receiver has not examined or reviewed financial forecasts and projections referred to in this Second Report in a manner that would comply with the procedures described in the Canadian Institute of Chartered Accountants Handbook.
- 10. Future oriented financial information reported or relied on in preparing this Second Report is based on assumptions regarding future events. Actual results may vary from forecasts and such variations may be material.

11. The Receiver has prepared this Second Report in connection with the Receiver's Application on October 19, 2018. This Second Report should not be relied on for other purposes.
12. Information and advice described in this Second Report that has been provided to the Receiver by its legal counsel, Cassels Brock & Blackwell LLP (the "Receiver's Counsel"), was provided to assist the Receiver in considering its course of action, is not intended as legal or other advice to, and may not be relied upon by, any other person.
13. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

BACKGROUND

Rig #8 Priority Dispute

14. On June 4, 2018 the Receiver was contacted by Bill Darling, a representative of Haymax Energy Inc., who advised the Receiver that Haymax McPhedran held a security interest in Rig #8 and wished to remove Rig #8 from the Receiver's possession. In response to this request, the Receiver:
 - (a) advised Haymax McPhedran that Rig #8 was an asset of the Debtors' estate and therefore the Receiver intended to retain custody and control of Rig #8 until further analysis could be completed; and
 - (b) requested copies of the Haymax McPhedran security documents in relation to Rig #8.
15. On June 11, 2018, Receiver's Counsel sent a letter to Haymax McPhedran:

- (a) advising that Receiver's Counsel had reviewed the information provided to date and was not in a position to release Rig #8 until various questions and requests for further information were addressed; and
- (b) asking Haymax McPhedran for further information and documents.

A copy of the June 11, 2018 letter is attached as Appendix 1 to this report.

- 16. By email dated June 20, 2018, and in response to the June 11, 2018 letter, Mr. Darling provided additional information and documents (including security documents in support of the alleged Haymax McPhedran security interest) to Receiver's Counsel. A copy of the June 20, 2018 email and attachments are attached as Appendix 2 to this report.
- 17. At that time, the Receiver also contacted ATB and inquired as to ATB's position on their security interest in Rig #8. The Receiver was advised that ATB is of the view that they hold a valid and enforceable first priority security interest in Rig #8.
- 18. On July 20, 2018, Receiver's Counsel sent a further letter to Haymax McPhedran seeking to confirm certain facts in relation to Rig #8 and to advise Haymax McPhedran of an upcoming court application and the relief being sought during that application. A copy of the July 20, 2018 letter is attached as Appendix 3 to this report.
- 19. On August 1, 2018, Receiver's Counsel received a letter from Field Law LLP ("**Haymax McPhedran's Counsel**") confirming that they had been retained to represent Haymax McPhedran, advising that they would respond to the July 20, 2018 letter once they had fully reviewed the relevant documents and advising that Haymax McPhedran would not object to the inclusion of Rig #8 in the auction on the following conditions:

- (a) Haymax McPhedran are provided with details of the proposed method of sale, including the time and location of auction;
- (b) All net proceeds from the sale of Rig #8 would be held in trust pending a determination as to their entitlement; and
- (c) To the extent Rig #8 is sold as part of a larger en bloc sale, a portion of the purchase price shall be expressly allocated to Rig #8 and that allocation shall be supported by an appraisal.

A copy of the August 1, 2018 letter is attached as Appendix 4 to this report.

- 20. On August 9, 2018 and August 17, 2018, Receiver's Counsel and McPhedran Haymax's Counsel had further discussions in relation to the conditions for inclusion of Rig #8 in the auction. A copy of the August 9 and 17 communications are attached as Appendix 5 to this report. At the time this report was finalized, Haymax McPhedran had agreed to the inclusion of Rig #8 in the auction, however an agreement as to the method of allocating a purchase price to Rig #8 in the event of an en bloc sale has yet to be resolved.
- 21. On September 7, 2018, Receiver's Counsel received a letter from Haymax McPhedran's Counsel providing the additional information requested in the July 20, 2018 letter and advising the Receiver that Haymax McPhedran may want to credit bid a minimum amount for Rig #8 rather than having it sold at auction for a lesser return. A copy of the September 7, 2018 letter is attached as Appendix 6 to this report.

22. Following its review of the September 7, 2018 letter, Receiver's Counsel determined that there was sufficient uncertainty surrounding the validity and enforceability of Haymax McPhedran's security interest in Rig #8 that an application for advice and direction would be required. Receiver's Counsel reached out to counsel to ATB ("**ATB's Counsel**") to determine whether ATB would be opposing the Haymax McPhedran security claim.
23. Receiver's Counsel was advised on or about September 27, 2018 that ATB would be opposing the Haymax McPhedran security claim as against Rig #8.
24. By email dated October 1, 2018, Receiver's Counsel advised ATB's Counsel and Haymax McPhedran's Counsel that:
 - (a) based on the information provided and reviewed, the Receiver is not willing to release Rig #8 without further court order;
 - (b) Receiver's Counsel was advised by ATB's Counsel that they intend to oppose Haymax McPhedran's alleged security interest in Rig # 8; and
 - (c) as a result, the Receiver scheduled court time on October 19, 2018 to seek the advice and direction of this Honourable Court.

SUMMARY OF SECURITY INTERESTS AND SECURITY REVIEW

25. A high level summary of the various security interests at play in the Priority Dispute is outlined below. The Receiver is not taking a position on the Priority Dispute and it is the Receiver's understanding that ATB and Haymax McPhedran will be advancing legal arguments regarding what they perceived to be the main issues relating to the validity, enforceability and priority of the ATB Security and the Haymax/McPhedran Security (as those terms are defined below).

Haymax McPhedran Security Interest

26. Based on the Receiver's review of the documents provided by Haymax McPhedran and attached as Appendix 2 to this report (the "**Haymax McPhedran Security**"), it is the Receiver's understanding that pursuant to an asset purchase agreement dated March 18, 2013 (the "**Purchase Agreement**") between, *inter alia*, Big Guns Energy Services Inc. as vendor ("**Big Guns**"), MRBD as purchaser, Mustang and Haymax/McPhedran, Big Guns sold certain assets to MRBD. As consideration for the sale of the assets, MRBD agreed to pay consideration in the amount of \$8,000,000 as follows:
- (a) \$4,000,000 to Big Guns; and
 - (b) \$4,000,000, which Big Guns assigned in favour of and transferred to Haymax/McPhedran (the "**Haymax/McPhedran Consideration**").
27. The Haymax/McPhedran Consideration was to be paid by:
- (a) MRBD issuing preferred shares in favour of each of Haymax/McPhedran, which shares were to be redeemed on an annual basis as set out in an Unanimous Shareholders Agreement dated April 16, 2013 between, *inter alia*, Haymax/McPhedran and MRBD (the "**USA**"); and
 - (b) MRBD and each of Haymax/McPhedran entering into the consulting agreements (collectively, the "**Consulting Agreements**").
28. On March 30, 2015, Haymax/McPhedran and Mustang (via Mike Kallal and Royden Wideman, the sole directors of both Mustang and MRBD) entered into an Amendment Proposal of MRBD Preferred Share Redemption (the "**Amending Agreement**").
29. The Amending Agreement purports to, *inter alia*, (i) modify the share redemption payments under the USA and the payments under the Consulting Agreements from an annual payment plan to a monthly payment plan; and (ii) create a security interest in "unencumbered rig number 8".

The ATB Security

30. Pursuant to an amended and restated commitment letter dated July 26, 2017 (as amended, the “**Loan Agreement**”) between ATB as lender and Mustang, KCSR, Reaction and Complete as borrowers (collectively, the “**Borrowers**”), ATB made available to the Borrowers certain credit facilities.
31. As security for the Loan Agreement, the Borrowers granted various security in favour of ATB including but not limited to separate general security agreement dated March 18, 2013 between Mustang and ATB (the “**ATB Security**”). A copy of the ATB Security is attached as Appendix 7 to this report.

The BDC Security

32. Pursuant to a letter of offer dated March 4, 2016 (the “**Letter of Offer**”), BDC Capital Inc. (“**BDC**”) made available to Mustang certain credit facilities.
33. As security for the Letter of Offer, Mustang granted a general security agreement dated April 11, 2016 in favour of BDC (the “**BDC Security**”). A copy of the BDC security is attached as Appendix 8 to this report.
34. On May 11, 2016, the Borrowers, BDC and ATB entered into a Standstill, Priority and Subordination Agreement, which addresses the priority of, *inter alia*, the ATB Security and the BDC Security.

Registration in the Alberta Personal Property Registry

35. On April 17, 2015, Haymax McPhedran made a registration in the Alberta Personal Property Registry against Mustang in relation to Rig #8.
36. On May 10, 2016, BDC made a registration in the Alberta Personal Property Registry against Mustang in relation to Rig #8.
37. On May 14, 2018, ATB made a registration in the Alberta Personal Property Registry against Mustang in relation to Rig #8.

38. Copies of: (i) an Alberta Personal Property Registry search for Mustang; and (ii) the Alberta Corporate Profile Reports for Mustang and MRBD are attached as Appendices 9 to 11 of this report.

Security Review

39. In an independent security review performed by Receiver's counsel, the ATB Security and the BDC Security were found to be valid, enforceable and perfected within the meaning of the PPSA. The independent security review did not take into account:
- (a) any issues relating to the Haymax McPhedran Security;
 - (b) a no interest letter dated April 1, 2018 pursuant to which ATB appears to have indicated that they have no interest in Rig #8; or
 - (c) the priorities between the various security interests.
40. For clarity, the Receiver is not seeking any determinations with regards to the priority as between the ATB Security and the BDC Security in Rig #8 or any other collateral.

SALE OF RIG #8

41. Rig #8 is comprised of several pieces of equipment including a mobile rig, mast, and two auxiliary trucks (as described in paragraph 7 above). It is the Receiver's understanding that certain of the individual components of Rig #8 can be detached and re-attached to other units/rigs.

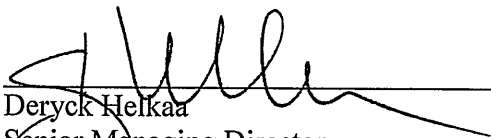
42. As noted in paragraph 20 above, the components of Rig #8 have been included as part of the Remaining Equipment, which is in the process of being marketed for sale in accordance with the Auction Order and Auction Agreement. In the event that the Priority Dispute has not been resolved by the auction date or such other date that an offer is made on some or all of the components of Rig #8 (whether on their own or as part of a larger en bloc sale), the Receiver recommends that Rig #8 be sold and any net proceeds received for Rig #8 be held in trust by the Receiver pending resolution of the Priority Dispute.
43. In the event that Haymax McPhederan wish to 'credit bid' their debt or a portion thereof for Rig #8 prior to the resolution of the Priority Dispute, the Receiver would recommend that Haymax McPhederan be required to put up a cash deposit to cover their bid price for Rig #8. In the event it is determined that Haymax McPhederan do not have a valid and enforceable first priority charge over Rig #8 their cash deposit would go to satisfy their bid price for Rig #8. In the event Haymax McPhederan are determined to have the first secured charge over Rig #8 the cash deposit would be returned to Haymax McPhederan (less any amounts required to cover administration costs or any other cost allocations) and their first secured charge would stand in its place in satisfaction of the bid price.

RECEIVER'S REQUEST FOR ADVICE AND DIRECTION


44. The Receiver respectfully requests this Honourable Court's advice and direction with respect to the Priority Dispute over Rig #8.

All of which is respectfully submitted this 9th day October 2018.

FTI Consulting Canada Inc.,
in its capacity as proposed receiver Mustang
Well Services Ltd., KKSR Enterprises Ltd.,
Complete Oilfield Manufacturing Inc., Reaction
Oilfield Supply (2012) Ltd., AND MRBD Ltd.



Deryck Helkaa
Senior Managing Director



Dustin Olver
Managing Director

Appendix 1



June 11, 2018

By E-mail

Haymax Energy Inc.
900, 332 6th Avenue SW
Calgary, AB T2P 0B2

joliver@casselsbrock.com
tel: +1 403 351 2921
fax: +1 403 648 1151
file # 45306-7

Attention: Bill Darling

McPhedran Consulting Inc.
6539 Laurentian Way SW
Calgary, AB T3E 5N4

Attention: Duncan McPhedran

Dear Sirs:

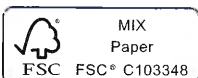
**Re: Receivership of Mustang Well Services Ltd., KKSER Enterprises Ltd., Complete Oilfield Manufacturing Inc., Reaction Oilfield Supply (2012) Ltd. and MRBD Ltd. (collectively, the "Debtors")
Court of Queen's Bench Action No. 1801-06866**

As you are aware, we are counsel to the receiver of the Debtors, FTI Consulting Inc. (the "**Receiver**") in the above-referenced matter. We write further to your email exchange earlier this week with the Receiver and our office in relation to a Rykar Mobile Rig serial number 2RCR545S2A16F8386 and what you have described as ancillary equipment thereto (collectively, the "**Equipment**").

We have reviewed the information that you have provided to date. Please be advised that the Receiver will not be in a position to consider your request for the release of the Equipment until it has had an opportunity to fully consider this matter, and until various questions and requests for further information are addressed.

In that regard, our initial questions and requests for further information are as follows:

- a) the document you provided in support of your claim over the Equipment is dated March 30, 2015 and is titled "Amendment Proposal of MRBD Preferred Share Redemption", (the "**Proposal**"). The Proposal also provides for certain monthly payments to be made. We hereby request all documents in relation to the apparent preferred share redemption referenced in the Proposal and any information you can provide to us so that we understand the circumstances behind the alleged payable referenced in the Proposal of \$3,566,950.00. In particular, please advise how that amount arose and how that figure was arrived at?






- b) Please advise us of the amount of monies you currently assert are outstanding and from which particular Debtor. Further, please advise us of all payments previously made by the Debtors, and the particular party that received them (e.g., each of you personally or to Haymax Energy Inc. or McPhedran Consulting Inc.);
- c) Please provide us with a fully executed copy of the Proposal;
- d) Please generally explain the purpose and background of the Proposal;
- e) Please provide us with any additional documents (if any) which you assert creates a security interest in the following:
 - i. Rykar Mobile Rig Carrier, serial number 2RCR545S2A16F8386;
 - ii. Rykar 72-140 Mast, serial number RK 6091010;
 - iii. Western Star T800, serial number 5KJRALCK55PN28007; and
 - iv. Western Star T800, serial number 2WLPCD2G4YK960579;
- f) Please advise if the Equipment was already in the possession of the Debtors when the you assert the Proposal was signed by Haymax (which we understand to be March 30, 2015) or whether the Equipment was delivered after that date. If it is the latter, please advise when the Equipment was delivered into the possession of a Debtor, and identify the particular Debtor to which it was delivered; and
- g) We repeat our prior request to provide us with any and all documents that support your claim to a security interest in the Equipment and the creation of the financial obligation that you assert is secured by the Proposal (or any other document).

Finally, we have written to you directly on the basis of our understanding that you do not have legal counsel engaged. We strongly recommend that you engage legal counsel for the purpose of addressing these enquiries.

Yours truly,

Cassels Brock & Blackwell LLP



Jeffrey Oliver

JO/rc

cc: Client

Appendix 2

Comstock, Richard

Subject: FW: FTI/Mustang - document batch 3 [IWOV-LEGAL.FID2756645]

From: Bill Darling [<mailto:billdarling1@outlook.com>]

Sent: Wednesday, June 20, 2018 9:05 AM

To: Comstock, Richard; Duncan McPhedran (duncan.mcphedran@bges.ca)

Cc: Helkaa, Deryck; Olver, Dustin; Oliver, Jeffrey

Subject: Mustang/MRBD - 2013 agreements

Sirs and Madam

In response to your letter dated June 11 and after consultation with our lawyer Mr David Phillips I will send a response to each of you questions starting with question (a) as below and attached

Big Guns Energy Services Inc. (plus Messrs. Darling and McPhedran and their personal companies) entered into an agreement dated March 18, 2013 with MRBD and Mustang to sell Big Guns' Innovator business. The sale closed on April 15, 2013. Of the \$8 million purchase price, \$4 million was paid through the issue of redeemable preferred shares of MRBD. Those shares were issued to the personal companies of Messrs. Darling and McPhedran. The shares were to be redeemed for cash in stages on May 1, 2014, 2015 and 2016. In addition, MRBD entered into separate consulting agreement with the personal companies of Messrs. Darling and McPhedran, to pay consulting fees totalling \$,1352,563 in stages on April 14, 2014, 2015 and 2016. MRBD/Mustang did not meet their payment obligations. When the March 30, 2015 amendment was entered into, the amount outstanding was \$3,566,950.

Attached are copies of the signed key agreements for Big Guns' 2013 sale to MRBD/Mustang:

1. 2013-03-18 - purchase and sale agreement - Big Guns sale to MRBD of Innovator Division
2. 2013-04-15 - consulting agreement - Haymax and MRBD
3. 2013-04-15 - consulting agreement - McPhedran Inc. and MRBD
4. 2013-04-16 - unanimous shareholder agreement - MRBD Ltd

THIS AGREEMENT MADE EFFECTIVE THE 18TH DAY OF MARCH 2013.

BETWEEN:

BIG GUNS ENERGY SERVICES INC.,
(hereinafter referred to as the "Vendor")

OF THE FIRST PART,

- AND -

MRBD LTD.,
(hereinafter referred to as the "Purchaser")

OF THE SECOND PART,

-AND-

MUSTANG WELL SERVICES LTD.,
(hereinafter referred to as "Mustang"),

OF THE THIRD PART,

-AND-

WILLIAM DARLING, OF THE CITY OF CALGARY,
(hereinafter referred to as "Darling"),

OF THE FOURTH PART,

-AND-

DUNCAN MCPHEDRAN, OF THE CITY OF CALGARY
(hereinafter referred to as "McPhedran"),

OF THE FIFTH PART,

-AND-

HAYMAX ENERGY INC.
(hereinafter referred to as "Haymax")

OF THE SIXTH PART,

-AND-

McPHEDRRAN CONSULTING INC.,
(hereinafter referred to as "McPhedran Inc."),

OF THE SEVENTH PART.

BD
Dan

RJS
M

WHEREAS:

The Vendor has agreed to sell to the Purchaser and the Purchaser has agreed to purchase from the Vendor the Assets (as hereinafter defined) on the terms and subject to the conditions hereinafter set forth;

NOW THEREFORE THIS AGREEMENT WITNESSETH that the parties hereto, in consideration of the mutual covenants and agreements hereinafter set forth, covenant and agree with each other as follows:

ARTICLE 1 – DEFINITIONS AND INTERPRETATION

1.01 Where used in this Agreement or in any amendment, the following terms shall have the following meanings respectively:

- a. **“Agreement”** means this Agreement of Purchase and Sale, including all schedules, and all instruments supplemental to or in amendment or confirmation of this Agreement;
- b. **“Assets”** means all of the Vendor’s Assets (other than Excluded Assets) owned and used by the Vendor or held by the Vendor for use in, or in respect of the operation of the Innovator Division of the Vendor’s business including, without limitation, the following properties and assets:
 - i. Fixed and operating assets, and specifically including all motor vehicles and all equipment affixed to said motor vehicles, as set out on Schedule A attached hereto;
 - ii. Inventory, save and except for any inventory which is damaged, obsolete or otherwise not usable;
 - iii. Intellectual property that is specific to the Business including without limitation all patents including Canada Patent 2,503,057 and U.S. Patent 7,249,629, all rights to patents, licenses, copyrights and all variations thereof, all software owned or licensed(if any), and all intangible assets;
 - iv. Unfilled sales orders and contracts with suppliers and customers, customer lists, and all books, records, files, software and the right to use same, and other papers and electronic data pertaining to the Business;
 - v. Goodwill of the Business, including the right to the use of the word “Innovator” to describe the Business, and the exclusive right of the Purchaser to represent itself as carrying on the Business in continuation and in succession to the Vendor;

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- vi. all right, title, benefit, good will and interest of the Vendor in respect of or connected to all registered and unregistered trademarks, logos and trade names of or pertaining to the Business, including the name "Innovator";
- vii. all operating supplies and promotional materials used primarily in connection with the Business;
- viii. all right, title and interest of the Vendor in, to and under all contracts and agreements which the Purchaser specifically agrees in writing to have assigned to it pursuant to the terms of this Agreement as set out in Schedule "B" hereto;
- ix. the full benefit of any warranties and warranty rights (implied, express or otherwise) against manufacturers or sellers which apply to any of the Assets insofar as the same can be assigned to the Purchaser;

It being understood by both parties hereto that only the business assets of the Innovator Division are being sold and purchased and it is also understood that the Assets do not include the accounts receivable nor accounts payable.

- c. "**Business**" means the business conducted by the Innovator Division of the Vendor;
- d. "**Closing**" means the completion of the sale to and purchase by the Purchaser of the Assets under this Agreement;
- e. "**Closing Date**" means the 15th day of April A.D. 2013 or such other date as the Parties may agree as the date on which the Closing shall take place;
- f. "**Closing Time**" means 2:00 o'clock p.m. M.S.T. in the City of Calgary, on the Closing Date or any other time on such date as the Parties may agree as the time at which Closing shall take place;
- g. "**Employees**" shall mean all employees of the Innovator Division of the Vendor as of the Closing Date, as set out in Schedule "C" hereto;
- h. "**Excluded Assets**" shall mean all accounts receivable and accounts payable as they exist at the Closing Date;
- i. "**Non-Competition, Non-Solicitation and Confidentiality Agreement**" means the agreement set forth in the attached Schedule "D";
- j. "**Parties**" means the Vendor, the Purchaser, Mustang, Darling, McPhedran, Haymax and McPhedran Inc.;
- k. "**Patents**" means those patents which have been granted to Vendor and specifically Canada Patent #2,503,057 and U.S. Patent #7,249,629;
- l. "**Purchase Price**" means the purchase price to be paid by the Purchaser to the Vendor for the Assets as provided in Section 3.02;

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- m. **"Purchaser's Counsel"** means Wesley M. Pedruski, with Reynolds, Mirth, Richards & Farmer LLP; 3200, 10180 – 101 Street, Edmonton, Alberta, T5J 3W8;
- n. **"Vendor's Counsel"** means Kieran Ryan, with Bennett Jones LLP, 4500 Bankers Hall East, 855 2nd Street, S.W. Calgary, T2P 4K7; and
- o. **"Working Days"** shall mean all days other than Saturdays, Sundays and Statutory Holidays.

1.02 **Interpretation.** In this Agreement, and in all documents contemplated herein, save where the contrary is expressed:

- a. The headings are for convenience of reference only and shall not be used in construction or interpretation.
- b. Any reference to the best of the knowledge of any Party shall mean to the best of the knowledge, information and belief of such Party after reviewing all relevant records and making due inquiries regarding the relevant matter of all relevant employees and senior managers.
- c. Where a period of time is prescribed, dated or calculated from a day or event, the time shall be calculated excluding such day or the day of such event unless a contrary intent appears.
- d. Words importing the singular shall include the plural, and words importing the masculine shall include the feminine or neuter or corporations, or vice versa, as the context or the number or gender of the parties, from time to time, so requires.
- e. Should any provision be illegal, void or otherwise unenforceable, such provision shall be severed from the Agreement and the rest of the Agreement shall remain in full force and effect and be binding upon the Parties as though the said provision or provisions had never been included.
- f. The contra proferentum rule shall not apply to the interpretation of this Agreement or any document or agreement delivered pursuant hereto.
- g. All monetary references herein shall be in Canadian monies.

ARTICLE 2 – SCHEDULES

2.01 The following are the schedules attached to and incorporated into this Agreement by reference:

Schedule "A"	Fixed and Operating Assets being purchased hereunder
Schedule "B"	Contracts Assigned to Purchaser
Schedule "C"	Names, Positions, Present Remuneration and Length of Service of all employees of the Innovator Division of the Vendor

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Schedule "D"	Non-Competition, Non-Solicitation and Confidentiality Agreement
Schedule "E"	MRBD Unanimous Shareholder Agreement
Schedule "F"	Consulting Agreement entered into between the Purchaser and each of Haymax and McPhedran Inc.
Schedule "G"	Employment Agreement between Mustang and Darling

ARTICLE 3 - AGREEMENT OF PURCHASE AND SALE AND PURCHASE PRICE AND PAYMENT OF PURCHASE PRICE

3.01 **Agreement to Purchase.** Subject to the terms and conditions of this Agreement, and subject to any adjustments provided for, the Vendor agrees to sell, assign and transfer to the Purchaser and the Purchaser agrees to purchase from the Vendor, all of its rights, title and interest in and to the Assets on the Closing Date at the Closing Time.

3.02 **Purchase Price.** The Purchase Price payable by the Purchaser to the Vendor for the Assets shall be \$8,000,000.00, and shall be paid as follows:

- a. Upon execution of this Agreement, Purchaser shall pay to the Vendor's Counsel a deposit of \$50,000.00, which shall be held in trust by Vendor's Counsel as a good faith deposit. On completion of the purchase and sale as herein contemplated such deposit shall be released to the Vendor and credited towards the Purchase Price.

In the event that the Purchaser does not satisfy or waive the condition set out in Article 10(c), or the conditions set out in the balance of Article 10 are not fulfilled or performed as set out therein, or waived by the Purchaser, the deposit shall be repaid to the Purchaser. In all other events, the deposit shall be paid to the Vendor.

All interest earned on the deposit shall follow principal and shall be paid as set out above without deduction or set off. The parties hereto agree that if the purchase and sale as contemplated herein does not close, then and in that event, the liability of either party shall be restricted to the deposit as set out above, and neither party shall have any claim against the other for failure to close.

- b. \$2,500,000.00 shall be provided to Vendor's Counsel on Closing to be held in trust with liberty to release said funds as required to obtain discharge of all encumbrances registered against the Assets set out on Schedule A;
- c. \$4,000,000.00, which the Vendor hereby assigns in favor of and transfers to Haymax and McPhedran Inc., to be paid by the Purchaser issuing preferred shares in favor of each Haymax and McPhedran Inc. in accordance with Schedule "E" and by the Purchaser and each of Haymax and McPhedran Inc. entering into the Consulting Agreements in accordance with Schedule "F" hereto;

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- d. \$1,000,000.00 shall be provided to Vendor's Counsel on closing, which shall be immediately releaseable;
- e. \$450,000.00, shall be held in trust by Purchaser's Counsel, and released to Vendor's Counsel upon Vendor complying with all of the terms and conditions of this Agreement.

3.03 **Allocation of Purchase Price.** The Parties agree that the Purchase Price shall be allocated as follows:

- a. \$5,084,000.00 for the fixed and operating Assets, as set out in Schedule A hereto;
- b. \$2,866,000.00 for the exclusive rights to the Patents, as described in article 1(b)(iii) above;
- c. \$50,000.00 for the balance of the Assets as set out above including the Inventory as exists at Closing.

ARTICLE 4 – TRANSFER OF ASSETS

4.01 **Transfer and Delivery of Assets.** The Vendor, as provided for in Article 11, shall execute and deliver to the Purchaser all bills of sale, assignments, instruments of transfer, deeds, assurances, consents, undertakings and other documents as shall be necessary to effectively transfer to the Purchaser all of the Vendor's right, title and interest in, to and under, or in respect of, the Assets, and shall at 2:00 o'clock p.m. M.S.T. on the Closing Date, deliver up to the Purchaser possession of the Assets. Vendor's Counsel shall be at liberty to apply the funds set out in 3.02, as set out therein, so that the Assets are free and clear of any and all liens, charges or encumbrances or rights of third persons, without exception. The Vendor shall co-operate with the authorities as may be required in connection with the transfer of ownership to the Purchaser of the Assets and the registration of the Assets in the name of the Purchaser.

4.02 Each of the Parties hereto shall take the other actions contemplated to be taken by them at the Closing Time as specified in Article 11.

ARTICLE 5 – EMPLOYEES

5.01 Schedule "C" hereto contains a list of the names of all current employees of the Innovator Division of the Vendor as well as their present remuneration and length of service of each.

5.02 Mustang shall offer employment to all salaried employees as set out in Schedule "C" to commence on the Closing Date, on terms which are substantially equivalent or better terms and conditions than those salaried employees currently enjoy. Prior to April 4, 2013, Mustang shall be at liberty to offer employment to all other employees listed on Schedule "C", to commence employment on the Closing Date, on terms which are substantially equivalent or better terms and conditions than these employees currently enjoy. Subject to the foregoing, Mustang may require certain of said employees to enter into employment agreements on such terms as Mustang shall determine, in its sole discretion.

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- 5.03 The Vendor shall satisfy all salaries, wages, holiday pay, unemployment insurance premiums, income tax and Canada pension plan deductions and other benefits and entitlements of all of the Employees up to and including the Closing Date and, without limitation to anything to the contrary herein, the Vendor shall fully indemnify the Purchaser and Mustang from and against any Claims in respect of same.
- 5.04 The Vendor shall terminate the employment of each of the Employees that Mustang offers employment to and the Vendor shall be liable for and shall indemnify and hold the Purchaser and Mustang harmless from and against any claim such employee may make as a result of the termination of his or her employment, including, without limitation, any claim based upon an alleged entitlement (whether by statute or at common law) to pay in lieu of notice of the termination of his or her employment for any period of time during which such Employee was employed by the Vendor.

ARTICLE 6 - NON-ASSUMPTION OF LIABILITIES

- 6.01 **Non-Assumption of Liabilities - Purchaser.** It is understood and agreed between the parties that the Purchaser is not assuming and shall not be liable or responsible for any of the liabilities, debts or obligations of the Vendor or the Business existing or accruing up to and including the Closing Date, whether known or unknown at the Closing Date, and whether or not related to the Business, without exception. The Vendor indemnifies and saves harmless the Purchaser and Mustang and their officers, directors, employees, agents and shareholders from and against all costs, expenses, losses, claims or liabilities, (including legal fees and disbursements on a solicitor-client basis), suffered or incurred by the Purchaser and Mustang and their officers, directors, employees, agents and shareholders arising out of any such liabilities, debts and obligations.

ARTICLE 7 - REPRESENTATIONS AND WARRANTIES

- 7.01 **Representations and Warranties of the Vendor and Darling and McPhedran** The Vendor and Darling and McPhedran hereby jointly and severally represent, warrant and agree to and with the Purchaser that:
- a. The Vendor is a corporation duly incorporated, organized and validly existing under the laws of the Province of Alberta;
 - b. The Vendor has all necessary corporate power, authority and capacity to own the Assets and to carry on the Business as presently conducted and is in good standing in the Province of Alberta;
 - c. The Vendor has all the necessary corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement;
 - d. The execution and delivery of this Agreement and the consummation of all of the transactions contemplated have been duly authorized by all necessary corporate action on the part of the Vendor and where required by Darling and McPhedran;

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- e. The Vendor is not a party to, bound, or affected by or subject to any indenture, mortgage, lease, agreement, instrument, charter or by-law provision, order, judgment or decree which would be violated, contravened or breached by, or which would result in the creation or imposition of any material security interest, lien or other encumbrance on any of the Assets as a consequence of the execution and delivery of this Agreement or the consummation of any of the transactions provided for in this Agreement;
- f. The Vendor is the absolute, legal and beneficial owner of the Assets with good and valid title, free and clear of any mortgages, liens, charges, pledges, security interests or encumbrances, except for the encumbrances which are to be discharged as provided for in Article 3.02, or any rights of others to acquire any ownership interest in any of the Assets and is exclusively entitled to possess and dispose of the same;
- g. Schedule "A" accurately sets forth in all material respects the list of all the fixed and operating Assets of the Business and sets out a complete and correct description including make, model and serial number;
- h. The Assets constitute all of the assets of the Innovator division of the Vendor and represent all of the Assets that are necessary to carry on the Business;
- i. All of the Assets which are of tangible character have been regularly maintained and are in good structural and operating condition and in a state of good repair and maintenance, reasonable wear and tear excepted;
- j. The Vendor shall continue to maintain insurance on the Assets until the close of business on the Closing Date which is of a character usually carried by a prudent owner insuring against liability and loss or damage by fire or other casualty for the full replacement value thereof and the Vendor has not received any notice of cancellation or refusal to renew any policy of insurance;
- k. The Vendor has properly applied for and has been granted the Patents, and subsequent to the granting of the Patents, has taken all steps and made payment of all fees as required to properly maintain the registration of same. Vendor is the sole and rightful holder of the Patents, and has not sold, assigned, disposed, or charged same, without exception;
- l. Neither is aware of any infringement of the Patents and no action has been taken or commenced to enforce the rights associated with the Patents;
- m. Schedule "C" sets forth all of the Employees of the Vendor having regard to the Business and correctly and accurately describes the positions, present remuneration and length of service of all such Employees. The Employees of the Vendor and the Business are not unionized and the Vendor or the Business is not party to any collective agreement with any of their Employees;
- n. The Vendor has no pension, deferred profit sharing or similar agreement with its Employees or any representative;

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- o. The salaries, wages, holiday pay, employment insurance premiums, workers compensation payments and Canada Pension Plan deductions in regards to the Employees of the Vendor primarily employed in relation to the Business, and particularly those Employees identified in Schedule C hereto, are fully paid and up to date, and will be paid and up to date as of the Closing Date;
- p. Except for the written employment contracts with the Vendor's current Employees to be provided by the Vendor to the Purchaser as part of Schedule C, there are no other written or verbal agreements that the Vendor has with its Employees or any one or more of them, nor is there any contract or agreement with any of the Vendor's Employees for the payment of severance entitlements;
- q. There is no suit, action, litigation, investigation, claim, complaint, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or, to the best of the Vendor's knowledge, threatened against, or involving the Vendor or the Business or any judgment, decree, injunction, rule or order of any court, governmental department, commission, agency, instrumentality or arbitrator which, in any case, might adversely affect the business, future prospects or financial condition of the Business or the Assets, or the ability of the Vendor to enter into this Agreement or to consummate the transactions contemplated in this Agreement, and the Vendor is not aware of any existing ground on which any action, suit or proceeding may be commenced with any reasonable likelihood of success;
- r. The Vendor is not now (nor will it be, within 60 days after the Closing Date) a non-resident of Canada for the purposes of the *Income Tax Act* (Canada) and is not an agent or trustee for anyone with an interest in the Assets who now is (or will be, within 60 days after the Closing Date) a non-resident of Canada within the meaning of such term under the *Income Tax Act* (Canada);
- s. The Business has been and is being operated in full compliance with all laws relating to employees, including employment standards and occupational health and safety. All current assessments under the Alberta Workers' Compensation Act in relation to the Business have been paid by the Vendor, and the Business is not subject to any special penalty or assessment under such legislation which has not been paid;
- t. The Vendor is conducting the Business in compliance with all applicable laws, rules and regulations of Canada and of each province and territory within which it is carrying on business and is not in breach of any laws, rules or regulations, and is duly licensed, registered and qualified in Alberta and all other provinces and territories that it conducts its business to enable the Business to be carried on as now conducted, and its property and assets to be owned, leased and operated by the Vendor, and all licenses, registrations and qualifications are valid and subsisting and in good standing, and none of the same has or may have an adverse effect on the operation of the Business;
- u. The Vendor has duly and in a timely manner filed all tax reports and returns required to be filed by it in relation to the Business and has duly and in a timely

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manner paid all taxes and related charges due or claimed to be due from it by federal, provincial, local or foreign taxing authorities;

- v. The Vendor has withheld from any amount paid or credited by it or to the credit of any person including, without limitation, any of its employees, officers or directors, the amount of all taxes and other deductions required by applicable provincial, territorial and federal laws to be withheld from any amount, and has duly and in a timely manner remitted the same to the appropriate governmental authority;
- w. There are no liabilities of the Vendor of any kind whatsoever, whether or not accrued and whether or not determined or determinable, in respect of which the Purchaser may become liable on or after the consummation of the transactions contemplated by this Agreement;
- x. No government or regulatory authorization, approval, order, consent or filing is required on the part of the Vendor in connection with the execution, delivery and performance of this Agreement or any other documents and agreements to be delivered under this Agreement or the performance of the Vendor's obligations under this Agreement;
- y. There are no facts known to the Vendor, Darling and McPhedran which should be disclosed to the Purchaser, in order to make any of the representations and warranties contained in this Agreement not misleading, or which may have a materially adverse effect on the Business or its operations, and no facts are known to the Vendor, Darling and McPhedran which would operate to prevent the Purchaser from using the Assets to operate the Business in the manner in which the Vendor has operated the Business prior to the date of this Agreement;
- z. With respect to the Business and the Assets, the Vendor has never been prosecuted for or convicted of any offence under any Environmental Laws, nor has the Vendor been found liable in any proceeding to pay any fine or judgment to any person as a result of any release or threatened release of any hazardous substance into the environment or the breach of any Environmental Laws. The Vendor does not use in the operation of the Business any equipment or other material containing PCBs;
- aa. The Business has been carried on in the ordinary course and there has been no change in the Business, operations, affairs or condition of the Vendor, financial or otherwise, or arising as a result of any legislative or regulatory change, revocation of any licence or right to do business, fire, explosion, accident, casualty, labour problem or otherwise except changes occurring in the ordinary course of business and which, in the aggregate, have not materially and adversely affected the Business, or the operations, affairs or financial condition of the Vendor;
- bb. There are no outstanding warranties, warranty claims or other claims or obligations with or to customers of the Business and the Vendor is not in default under or in breach of any material contract, agreement (whether written or oral), indenture or other instrument to which it is a party or by which it is bound and to the best of the knowledge of the Vendor, Darling and McPhedran there exists no

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set of facts which, after notice or lapse of time, or both, would constitute such a default or breach and each of such contracts, agreements, indentures or other instruments is now in good standing and in full force and effect without amendment thereto and the Vendor is entitled to all rights and benefits thereunder;

- cc. Without restricting the generality of the foregoing, all agreements and contracts set out in Schedule B have been entered into in the normal course of business with people the Vendor deals with at arms length, are capable of being assigned to the Purchaser, and are in full force and effect without amendment thereto and the same will be assigned to the Purchaser as of the Closing Date whereafter the Purchaser will be entitled to all of the benefits thereunder;
- dd. The Vendor has the unrestricted right to use and assign the customer list and customer history;
- ee. The Vendor has used all employee and customer information in accordance with the governing privacy legislation;
- ff. All taxes assessed under any applicable provincial retail sales tax legislation have been fully paid on each of the Assets and none of the Assets has been the subject of a transfer or was acquired by the Vendor pursuant to a transaction which was tax exempt under such legislation;
- gg. At no time has the Vendor, assigned, conveyed or otherwise transferred any rights whatsoever in any of its software (owned or licensed);

7.02 **Representations and Warranties of the Purchaser and Mustang.** The Purchaser and Mustang represent, warrant, and agree to and with the Vendor that:

- a. That they are each a corporation duly incorporated and existing, and registered under the laws of Alberta;
- b. They each have all necessary corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement;
- c. The execution and delivery of this Agreement and the consummation of all of the transactions contemplated have been duly authorized by all necessary corporate action on the part the Purchaser and Mustang;
- d. Neither is not a party to, bound, or affected by or subject to any indenture, mortgage, lease, agreement, instrument, charter or by-law, provision, order, judgment or decree which would be violated, contravened or breached by the execution and delivery of this Agreement or the consummation of any of the transactions provided for in this Agreement;

7.03 **Non-waiver.** No investigations made by or on behalf of the Purchaser at any time shall have the effect of waiving, diminishing the scope of or otherwise affecting any representation or warranty made in this Agreement.

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- 7.04 **Independent Construction.** The individual clauses in Sections 7.01 and 7.02 above shall be construed independently of one another notwithstanding any repetition or overlapping, and the interpretation of one clause thereof shall not be construed so as to limit any of the rights, protections and entitlements given under any other clauses thereof.
- 7.05 **True As Of Closing Date.** Notwithstanding anything to the contrary herein express or implied, it is expressly agreed and understood that the foregoing covenants, representations and warranties are true on the date hereof and shall be deemed to have been repeated by the Vendor, Darling and McPhedran as at the Closing Date as if separately made on such dates. Notwithstanding the prior tender or delivery of documents hereunder and in any and all events, the effect and enforceability of the same shall be in no manner be mitigated by any investigations or discoveries made by the Purchaser or its counsel.

ARTICLE 8 - SURVIVAL OF REPRESENTATIONS, WARRANTIES AND COVENANTS

- 8.01 **Survival of Representations, Warranties and Covenants of the Vendor, Darling and McPhedran.** The representations, warranties and covenants of the Vendor, Darling and McPhedran contained in this Agreement or contained in any agreement, certificate or other document delivered or given pursuant to this Agreement shall survive the Closing Date and, notwithstanding any such closing or any investigation made by or on behalf of the Purchaser with respect thereto, shall continue in full force and effect for a period of 3 years insofar as the Vendor is concerned and 1 year insofar as Darling and McPhedran are concerned, after Closing, for the benefit of the Purchaser and shall survive any merger, amalgamation, reorganization or winding up of the Vendor.
- 8.02 **Survival of Representations, Warranties and Covenants of the Purchaser and Mustang.** The representations, warranties and covenants of the Purchaser and Mustang contained in this Agreement or in any agreement, certificate or other document delivered or given pursuant to this Agreement shall survive the Closing and, notwithstanding any such closing or any investigation made by or on behalf of the Vendor shall continue in full force and effect for a period of 3 years after Closing for the benefit of the Vendor and shall survive the merger, amalgamation, reorganization or winding up of the Purchaser.

ARTICLE 9 – COVENANTS OF THE VENDOR

- 9.01 **Conduct of Business.** The Vendor and Darling and McPhedran covenant and agree from the date hereof to and including the Closing, the Vendor shall conduct its business diligently in the same manner as heretofore conducted in the ordinary course, and will use its reasonable best efforts to preserve the Business, to keep available to the Purchaser all of the Vendor's current customers and to preserve for the Purchaser the goodwill of each of the Vendor's suppliers, customers and others having business relations with the Vendor.
- 9.02 **Covenant and Indemnity regarding the Assets in Schedule A** – The Vendor and Darling and McPhedran covenant and agree to indemnify and hold harmless the Purchaser from and against:

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- a. any and all claims relating to the Assets set out in Schedule A prior to Closing;
- b. any and all claims and damages or deficiencies resulting from any misrepresentation, breach of warranty or non-fulfillment of any covenant on the part of the Vendor under this Agreement or from any misrepresentation in or omission from any certificate or other instrument furnished or to be furnished to the Purchaser hereunder.

9.03 The Purchaser agrees not to invoke nor rely on the above indemnity provided by each of the Vendor, Darling and McPhedran, unless the amount of indemnity sought exceeds \$50,000.00 in total, whether it be from one claim of indemnity or more.

9.04 The Indemnity provided by each of the Vendor, Darling and McPhedran shall be limited to the sum of \$4,000,000.00.

ARTICLE 10 - PURCHASER'S CONDITIONS OF CLOSING

10.01 **Conditions for the Benefit of the Purchaser.** The sale and purchase of the Assets on the Closing Date, in accordance with the terms of this Agreement, are subject to the following terms and conditions, each of which is hereby declared to be for the exclusive benefit of the Purchaser. Each of such conditions is to be fulfilled and/or performed at or prior Closing on the Closing Date, except as specifically set out herein.

- a. **Truth of Representations and Warranties of the Vendor and Darling and McPhedran.** The representations and warranties of the Vendor and Darling and McPhedran made to the Purchaser contained in this Agreement or in any Schedule hereto or in any certificate or other document delivered or given pursuant to this Agreement (including without limiting the generality of the foregoing, the representations and warranties contained in Article 7.01) shall be true and correct at Closing on the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such time; and the Vendor shall deliver to the Purchaser at the Closing on the Closing Date an Officer's certificate, and each of Darling and McPhedran shall also provide a Certificate, to that effect; provided, however, that the receipt of such evidence and the completion of the transactions contemplated by this Agreement shall not nor be deemed to constitute a waiver of any of the said representations and warranties, all of which representations and warranties shall survive the completion of the transactions contemplated by this Agreement and shall continue in full force and effect for the benefit of the Purchaser as provided for herein;
- b. **No Actions Taken Restricting Sale.** No action or proceeding at law or in equity shall have been commenced or shall be pending or threatened by any person, including any government, governmental authority, regulatory body or agency to enjoin, restrict or prohibit the completion of the transactions provided for in this Agreement;

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- c. **Satisfactory Financing.** The Purchaser, by no later than April 4, 2013, in its sole discretion, shall have obtained satisfactory financing as is required to complete this Agreement, on such terms and conditions as Purchaser, in its sole discretion, deems appropriate;
- d. **No Material Adverse Claims.** From the date hereof to Closing, no action, suit, proceeding or investigation shall have been commenced or threatened against the Vendor which, in the reasonable opinion of the Purchaser or the Purchaser's Counsel, if successful, would have a material adverse effect on the Vendor, the Assets or the Business;
- e. **Consents.** All consents to the transactions contemplated herein as may be required under the terms of any agreement or contract, or under any legislation having application to the aforesaid agreements, shall have been obtained;
- f. **Form of Documents.** The form and substance of all opinions, certificates, instruments of transfer and other agreements and documentation to be signed at Closing, shall be satisfactory in all respects to the Purchaser's Counsel at Closing;
- g. **Environmental Warranty Exception.** The Purchaser shall, in the sole discretion of the Purchaser, be satisfied with any disclosure by the Vendor pursuant to this Agreement, and be satisfied with the results of any environmental audit or investigation concluded by the Purchaser, and be satisfied with the undertaking of the Vendor to reclaim, remove or remediate any object or substance which may be in breach of the Environmental Laws;
- h. **Delivery of Documents, Contracts and Agreements.** The Vendor, prior to the Closing Date, shall provide the Purchaser with copies of and access to all contracts, agreements, customer lists and documents pertaining to the Business.

10.02 **Non-Fulfillment of Conditions for the Benefit of the Purchaser.** In case any condition, obligation or covenant of the Vendor to be performed prior to Closing on the Closing Date, including, without limitation, the conditions set forth in Section 10.01, except for the time to satisfy 10.01(c), shall not be fulfilled and/or performed, the Purchaser, in its absolute discretion, may terminate this Agreement by notice in writing to the Vendor and in such event the Purchaser and all other Parties shall be released from all obligations hereunder.

ARTICLE 11- CLOSING ARRANGEMENTS

11.01 The completion of the transactions contemplated by the Agreement shall take place at Closing on the Closing Date.

11.02 **Closing Arrangements.** At the Closing on the Closing Date, upon the fulfillment of all the conditions hereof which are to be fulfilled on or before such Closing Date and which have not been waived in writing by the Purchaser, the Vendor, as the case may be, shall provide, carry out or deliver the following:

- i. **Transfer and delivery of Assets.** The Vendor shall execute and deliver to the Purchaser:

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- (i) such bills of sale, assignments, instruments of transfer, deeds, assurances, consents and other documents as shall be necessary to effectively transfer to the Purchaser all of the Vendor's right, title and interest in to and under, or in respect of the Assets, including those identified hereunder, and shall deliver up to the Purchaser possession of the Assets free and clear of any liens, charges or encumbrances or rights of third persons, subject to the provisions of Article 3.02 (b):
 - (ii) a Certified copy of a resolution of the Directors and all Shareholders of the Vendor ratifying the execution and delivery of this Agreement, together with all Closing Agreements, by the Vendor (dated no later than the Closing Date);
 - (iii) specifically, and in addition to the above provision, a Bill of Sale (in the form acceptable to the Purchaser's counsel) transferring all right, title and interest in and to the Assets set out in Schedule "A" hereto, to the Vendor free and clear of all encumbrances dated the Closing Date, subject to the provisions of Article 3.02(b) along with such documents as may be necessary to allow the Purchaser to effect registration of said Assets;
 - (iv) such documents as are required for Vendor to assign and transfer to the Purchaser all rights to the Patents, without exception, and such documents as are required to effect registration of said assignment so that Vendor is the sole assignee and rightful owner of the Patents;
- j. **Non-Competition, Non-Solicitation and Confidentiality Agreement.** On the Closing Date, the Vendor, shall enter into a Non-Competition, Non-Solicitation and Confidentiality Agreement in the form attached hereto as Schedule "D";
- k. **Share Purchase, Consulting Agreements and Employment Contract.** On the Closing Date:
- i. Haymax and McPhedran Inc. shall enter the Unanimous Shareholder Agreement with each of the Purchaser, Royden Wideman and Mike Kallal in accordance with the form attached hereto as Schedule "E" and Haymax and McPhedran Inc. shall enter into a Consulting Agreement with the Purchaser, in accordance with the form attached hereto as Schedule "F"; and
 - ii. Darling shall enter into an Employment Agreement with Mustang in accordance with the form attached hereto as Schedule "G";
- l. **Use of Innovator Name.** From and after the Closing Date, the Vendor shall immediately cease to use the name "Innovator" or any derivatives thereof and shall provide the Purchaser such written consents and approvals as may be necessary to enable the Purchaser to register the name "Innovator" or any derivative thereof, as trade names of the Purchaser;
- m. **GST Election.** The Vendor and the Purchaser each warrant to the other that they are registrants for the purposes of collecting and remitting goods and services tax

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("GST") pursuant to the Excise Tax Act(Canada)(the "Act") and that their respective GST registration numbers(which will be provided to each other no later than five (5) days prior to Closing Date)will be valid and in force on Closing Date. The Vendor and the Purchaser shall execute such joint declarations and elections as may be advisable and allowable under the Act to treat the transaction contemplated herein as non-taxable in respect of GST or so that no GST is payable on Closing;

- n. **Purchase Price and funds on account of Cash in Hand.** On the Closing Date the Purchaser shall pay to the Vendor's Counsel the Cash Portion of the Purchase Price to be paid at Closing by solicitors trust cheque, bank draft, or certified cheque and the Purchaser shall issue Preferred Shares in accordance with Article 3.02 (c);
- o. **Certification of Representations and Warranties.** The Vendor and Darling and McPhedran shall provide the Purchaser with certification in writing on the Closing Date that the representations and warranties of the Vendor and Darling and McPhedran made to the Purchaser contained in this Agreement or in any Schedule hereto or in any certificate or other document delivered or given pursuant to this Agreement (including without limiting the generality of the foregoing the representations and warranties contained in Article 7.01) shall be true and correct at Closing on the Closing Date with the same force and effect as if such representations and warranties had been made on and as of such time;
- p. **Contracts Assigned to Purchaser.** The Vendor shall provide to Purchaser on Closing an updated Schedule "B", which sets out at the Closing Date all contracts which are being assigned to the Purchaser;
- q. **Assets Subject to Financing.** If the Assets are subject to a lien or encumbrance on the Closing Date, which is by the terms hereof, the obligation of the Vendor to discharge, Vendor's Counsel may provide Purchaser's Counsel a reasonable period of time following Closing to obtain and discharge such lien or encumbrance;
- r. **Other.** All keys and combinations to all doors, safes, vehicles and other property that forms part of the Assets requiring the same, as well as all of the Business records and documents that form part of the Assets, including all equipment and customer files relating to the Assets, shall be provided to the Purchaser.

ARTICLE 12 - NOTICES

12.01 **Address for Notice.** Any notice required or permitted to be given to any Party hereunder shall be validly given if delivered to the address provided below:

To the Vendor, Darling, McPhedran,
Haymax and McPhedran Inc:

Big Guns Energy Services Inc.
Suite 500 640 8th Avenue SW

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Calgary, Alberta
T2P 1G7

With a copy to:

Bennett Jones LLP
Attn: Kieran Ryan
4500 Bankers Hall East
825-2nd Street, S.W.
Calgary, Alberta, T2P 4K7

To the Purchaser and Mustang: Mustang Well Services Ltd.
P.O. Box 1467
Camrose, Alberta
T4V 1X4

With a copy to:

Reynolds, Mirth, Richards & Farmer LLP
Attn: Wesley M. Pedruski
3200; 10180 – 101 Street
Edmonton, Alberta, T5J 3W8

12.02 **Deemed Receipt.** Any such notice delivered as aforesaid shall be deemed to have been received by and given to the addressee when delivered.

ARTICLE 13 – MISCELLANEOUS

13.01 **Further Assurances.** Each of the Parties hereto upon the request of the other Party or Parties hereto, whether before or after the Closing Time, shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably necessary or desirable to effect and complete the consummation of the transactions contemplated by this Agreement.

13.02 **Announcements.** The Parties hereto agree that no disclosure or public announcement with respect to this Agreement or any of the transactions contemplated by this Agreement shall be made by any Party hereto without the prior written consent of the other Parties hereto, which consent shall not be unreasonably withheld.

13.03 **Time of the Essence.** Time shall be of the essence respecting all dates and time periods in this Agreement; provided however that the Parties may agree in writing to waive or extend any or all of the dates and time periods stated in this Agreement.

13.04 **Expenses.** All costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection with the preparation of this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such expenses.

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- 13.05 **Entire Agreement.** This Agreement, including the Schedules hereto, constitutes the entire agreement between the Parties hereto with respect to the transactions provided for herein and cancels and supersedes any prior understandings, agreements, negotiations and discussions between the Parties hereto with respect thereto except as stated herein and in the instrument and documents to be executed and delivered pursuant hereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements or understandings, express or implied, between the Parties hereto other than is expressly set forth in this Agreement. This Agreement may not be amended or modified in any respect except by written instrument executed by each of the Parties hereto.
- 13.06 **Effect of Closing.** Any provision of this Agreement which is capable of being performed after but which has not been performed at or before the Closing Time and all covenants contained in or entered into pursuant to this Agreement, including the indemnity covenants, shall remain in full force and effect notwithstanding Closing.
- 13.07 **Counterparts.** This Agreement, or any amendments hereto, and all other documents (other than negotiable instruments) to be delivered on Closing (whether so stated therein or not), may be executed by facsimile and in multiple counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same agreement with a facsimile copy being of the same force and effect as an original.
- 13.08 **Assignment.** This Agreement may not be assigned by any of the Parties hereto without the prior written consent of the other Parties.
- 13.09 **Parties in Interest.** This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective heirs, executors, successors including any successor by reason of amalgamation, merger, reorganization or winding up of any Party and their respective administrators and permitted assigns.
- 13.10 **Laws of Alberta.** This Agreement shall be deemed to be made in the Province of Alberta and shall be construed in accordance with and governed by the laws of Alberta exclusively. The Parties hereby irrevocably attorn to the jurisdiction of Alberta for any and all matters related to and arising from this Agreement and transaction.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the day and year first above written.

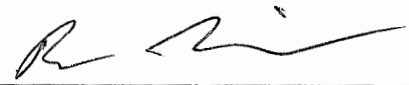
BIG GUNS ENERGY SERVICES INC.

Per: 
WILLIAM DARLING




Per: DUNCAN MCPHEDRAN

MRBD LTD.

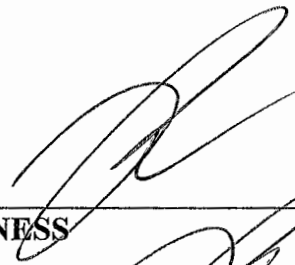
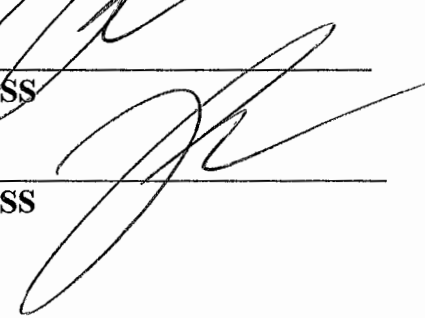
Per: 
ROYDEN WIDEMAN


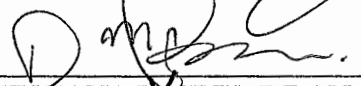
Per: 
MIKE KALLAL

MUSTANG WELL SERVICES LTD.

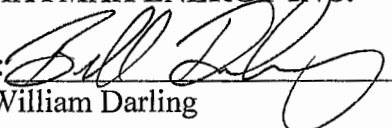
Per: 
ROYDEN WIDEMAN

Per: 
MIKE KALLAL


WITNESS

WITNESS


WILLIAM DARLING

DUNCAN MCPHEDRAN

HAYMAX ENERGY INC.

Per: 
William Darling

MCPHEDRAN CONSULTING INC.


Per: Duncan McPhedran

AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF ALBERTA
TO WIT:

) I, Kieran Ryan,
) of Calgary,
) in the Province of Alberta
) MAKE OATH AND SAY:

- 1. THAT I was personally present and did see Duncan McPhedran, named in the within instrument, who based on identification shown to me are the person(s) named therein, duly sign and execute the same, for the purpose named therein;
- 2. THAT the instrument was executed at Calgary, Alberta and that I am the subscribing witness thereto;
- 3. THAT I believe Duncan McPhedran, whose signature I witnessed is at least eighteen years of age.

Sworn before me at Calgary in the)
 Province of Alberta on March 20, 2013)
M Bertram)
 A Commissioner of Oaths in and for the)
 Province of Alberta)
Megan J. Bertram)
Student-at-Law)



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SCHEDULE "A"

Fixed and Operating Assets

Innovator

IR #1

2013 international 5918X6 s/n 1HTXVSJT8DJ146041 with
Derrick Style Mast Wireline Rig and attachments

IR 61- ST

2012 International 7500 6x4 sin 1HTWAZT0CJ660216
Fiat Deck Support truck

IR - PT

2013 International 5918X6 s/n 1HTNWSMT3DJ603273
Empire E-300 (s/n 1205) Pump, Deckage and Rig Tank

IR #2

2006 International s/n 1HTXTAPT26J225893
with Derrick Style Mast Moline Rig and attachments

IR #2 - ST

2012 International 4400 6X4 s/n 1HTWNAZTICJ603037
Flat Deck Support Truck

IR #2 - PT

1996 Western Star 2WLNCCFF0TK941183
Pump and Tank

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IR #3

2007 International 5618X8 s/n 1HTXSAPT67J407021 w/ Rig Wireline Unit & Derrick
s/n 210681 and attachments

IR 03 - ST

2012 international 7500 6X4 s/n 1HTWNAZT9CJ078969 Flat Deck Support
Truck

IR 63 - PT

2005 Western Star 4900 Tri Drive 5KKPALCK45PU76629
W/ Empire E-300 6X6 pump and deckage & related attachments

IR #4

2011 International 5918X6 #1HTXVAPT2BJ196710
with One CD2-3-280 HD Derrick Style Mast with Double Winch Drum & Control Cab
Installed

IR #4 - ST

2006 International 4400 6X4 1HTMKAAR87H407626 Flat Deck Support

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Truck

IR #4 - PT

2005 International 5600 6X4 #1HTXSAPT35J055979

Pump and Tank and attachments

IR-CT

2007 International 4400 4x2 s/n 1HTMKAAR56H311306

Cement Batch Mixer with Drop Box #1020

Total of ^{4 MK} tandem doghouses designed to be pulled by 5 ton

One set of tubing Jacks capable of 150 tons pulling capacity

4 CCS Data Acquisition systems complete with hardware

4 Multiplex bond tools

4 Gamma ray and CCL's

Miscellaneous tools to operate each unit

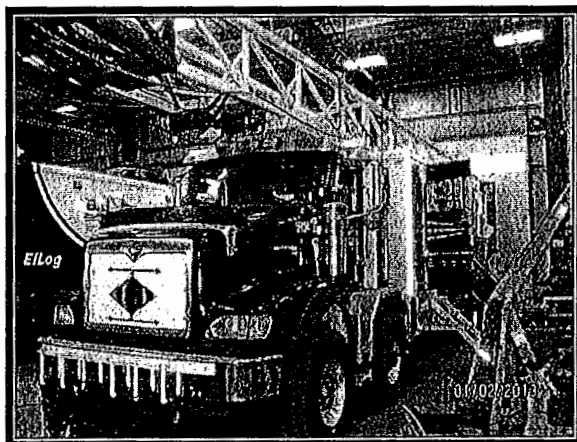
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And all other Assets used in the Business conducted by the Vendor as more specifically set out in the appraisal, dated January 2, 2013, a copy of which is attached hereto.

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Big Guns Perforating & Logging
Appraisal
Of
Wireline Trucks w/ Support Equipment



Effective Date of Appraisal: January 2, 2013

Prepared By:
Aestimo Services Ltd.
Mr. Gordon I. Hollett, CPPA
Aestimo Job No: ASL13-339



JD
Dmr
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mk

Big Guns Perforating & Logging

Wireline Trucks & Support Equipment

Appraisal Report

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Big Guns Perforating & Logging

Section 1.0

Covering Letter

DM
RD *Review*
me



Aestimo Services Ltd.

22 Mt. Gibraltar Heights S.E., Calgary, Alberta, Canada T2Z 3R2

Bus: (403) 254-0835

Fax: (403) 257-8333

January 24, 2013

Ms. Kelly Nicolson
GE Capital Solutions
530 – 8th Avenue SW
Calgary, Alberta
T2P-3S8

Dear Ms. Nicolson:

Re: Appraisal of Big Guns Perforating & Logging. – Wireline Units w/ Support Equipment

Further to your instructions an appraisal has been conducted on the above referenced assets in accordance with the following definitions of value.

➤ **Auction Value (FLV);**

The gross proceeds realized from a sale at a properly advertised public auction. This auction is normally held within 60 days of equipment possession. The value also assumes a default situation where normal maintenance has been deferred. The value DOES NOT consider extra removal or transportation expenses from the original location that may be borne by GE.

➤ **Orderly Liquidation Value (OLV);**

The value realized from an open market sale between a seller under time duress and a willing buyer who is an end user of the equipment. The seller time duress is specified for this quantity of equipment in these market conditions as approximately six months. Both the buyer and seller have knowledge of the use and purpose for which the equipment is adapted and for which it is capable of being used.

This value also assumes the equipment will be sold “as is condition, where is location”, and the buyer assumes the cost to dismantle and remove. Additionally, this value is not discounted for assembling, cleaning, security, advertising, brokerage, or other disposal costs, if any.

➤ **Fair Market Value (FMV);**

The estimated amount expressed in terms of money, that may reasonably be expected for property in exchange between a willing buyer and a willing seller, with equity to both,

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neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts... in the most common market. This value assumes the equipment has been maintained according to the manufacturer's recommendations and performance standards.

Determination is based on the comparable method that is comparing past sales of same or similar property. For inventory or equipment that lacks any relevant comparables, the assets were depreciated based on age, condition, marketability, etc. Further consideration is based on the appraiser's specific knowledge of the subject property and the information provided.

The following are general remarks regarding the appraisal of the assets:

- The appraiser traveled to Big Guns Shop in Red Deer Alberta on January 2, 2013 conducted field viewings on units; IR1, IR2, IR4, IR1PT, IR3PT, ET01, ET04, IR4DH, cement truck and casing jack.
- Units; IR3, IR2PT, IR4PT, ET2, ET3, IR 1,2 & 3 DH were not viewed by the appraiser, their appraisals were based on information provided by Big Guns and OEM. These units have been noted in the appraisal by an asterisk*
- It is the Appraiser's opinion that total life expectancy of a wireline unit would be approximately 20-yrs, prior to design obsolesce & metal fatigue rendering refurbishment to be unfeasible. Units typically average 7-10 yrs before requiring an initial refurbishment, follow by one to two subsequent refurbishments every 4-7 years.
- Straight line depreciation methods are difficult to apply on wireline units. Specific considerations such as; unit specifications, service capabilities, effective age, hours of usage, maintenance, market location, seasonality & owner-manufacturer providence play significant roles in calculating value.

Estimated Deprecation - Wireline Units; Excluding Specific Considerations

New		1 st Refurbishment			2 nd Refurbishment		
Crono Age	Value In %	Crono Age	Refurb Age	Value In %	Crono Age	Refurb Age	Value In %
New	100%	8-yr	New	85%	16-yr	New	60%
1-yr	90%	9-yr	1-yr	75%	17-yr	1-yr	55%
2-yr	85%	10-yr	2-yr	70%	18-yr	2-yr	50%
3-yr	80%	11-yr	3-yr	65%	19-yr	3-yr	45%
4-yr	75%	12-yr	4-yr	60%	20-yr	4-yr	40%
5-yr	70%	13-yr	5-yr	55%	21-yr	5-yr	35%
6-yr	65%	14-yr	6-yr	50%	22-yr	6-yr	30%
7-yr	60%	15-yr	7-yr	45%	23-yr	7-yr	25%

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- The units viewed by the appraiser appeared to be in good to very good condition. The appraiser was advised that each unit receives regular inspections & maintenance as required.
- Conventional wireline van body units are mostly common in design & widely used. This commonality results in a large market potential however is somewhat undermined by existing fleet inventories.
- Mast equipped units are less common than conventional van body units, however are functionally more desirable. They can operate independently, a crane or rig is not required for suspension support in wireline activities.
- TCP equipped units are also not common, however possess considerably more market potential. They can operate independently, not requiring crane suspension or rig support in wireline activities but also can pull tubulars from the well, effectively extending service capabilities to service rig functions. Big guns is the only wireline contractor to offer this service in Alberta currently, it is likely to be increasingly popular amongst consultants & contractors alike.

The appraiser has neither present nor contemplated future interest in the subject appraised nor any other interest that inhibits the conclusion of numerical results, other than compensation of a fair professional fee for the responsibility entailed and the work and expense involved.

The appraiser's duties, pursuant to the employment to make the appraisal are complete upon delivery of the appraisal report. This appraisal report may not be used for any purpose other than that for which it was made. This "Covering Letter", Assumptions & Limiting Conditions" and "Appraisal Summary" form an integral component of the appraisal.

It is therefore stated that the estimated appraised OLV/Auction & FMV values in Canadian Funds for wireline units & their support equipment as of January 2, 2013 are:

Unit No.	Equipment Package	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
IR1	2013 DynaWinch Log & Swab Unit w/ 52-ft Mast and Tandem Drums, Mounted on International Tridrive:	\$ 650,000	\$ 700,000	\$ 800,000
IR2	2005 DynaWinch Log & Swab Unit w/ 52-ft Mast and Tandem Drums, Mounted on International Tridrive:	\$ 375,000	\$ 415,000	\$ 575,000
IR3	2007 DynaWinch Log & Swab Unit w/ 52-ft Mast and Tandem Drums, Mounted on International Tridrive:	\$ 400,000	\$ 440,000	\$ 600,000

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IR4	2011 DynaWinch Log & Swab Unit w/ 62-ft HD Mast and Tandem Drums, Mounted on International Tridrive:	\$ 800,000	\$ 950,000	\$ 1,200,000
IR1PT	2013 International Pump Truck w/ Jolly Pump & Tank:	\$ 300,000	\$ 320,000	\$ 360,000
IR2PT	1996 Western Star Pump Truck w/ Empire pump & Tank:	\$ 150,000	\$ 175,000	\$ 200,000
IR3PT	2005 Western Star Pump Truck w/ Empire Pump & Tank:	\$ 180,000	\$ 210,000	\$ 240,000
IR4PT	2005 Western Star Pump Truck w/ Gardner Denver Pump w/ Tank:	\$ 200,000	\$ 230,000	\$ 260,000
IR1ET	2013 International Truck w/ Dynawinch BOP Support Deck:	\$ 160,000	\$ 170,000	\$ 180,000
IR2ET	2012 International Tandem Truck w/ Dynawinch BOP Support Deck:	\$ 160,000	\$ 170,000	\$ 180,000
IR3ET	2006 International Single Axle Truck w/ Dynawinch BOP Support Deck:	\$ 60,000	\$ 80,000	\$ 120,000
IR4ET	2012 International Tandem Axle Truck w/ Dynawinch BOP Support Deck:	\$ 155,000	\$ 165,000	\$ 175,000
IRCT	2007 International Cement Truck:	\$ 50,000	\$ 75,000	\$ 100,000
▶	Dog Houses and Tubing Jack	\$ 58,000	\$ 81,000	\$ 94,000
Total Estimated Value -- Cdn Funds		\$ 3,698,000	\$ 4,181,000	\$ 5,084,000

Thank-you for the opportunity to prepare this appraisal report. If you have any questions please contact the undersigned.

Sincerely,
Aestimo Services Ltd.



Gordon I. Hollett, CPPA.
President



Big Guns Perforating & Logging

Section 2.0

IR1

Appraisal Summary

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Big Guns Perforating Logging Appraisal Summary Viewed - January 2, 2013

IR 1	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
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2013 DynaWinch Log & Swab Unit w/ 52-ft Mast and Tandem Drums, Mounted on International Tri-drive:

- ▶ 2012 DynaWinch Model CD3-323 recorder body 8-ft 6-in wide x 8-ft 6-in long constructed of 100% aluminum-structure. Recorder body is equipped w/ control console, locking storage cabinets, light table, 12-V & 120-V wiring, interior & exterior lighting, roof-mounted AC/heating unit, bus heater, etc.
- ▶ CSS DAS 2000 data acquisition system with rack mount chassis and printrex printer.
- ▶ Service body 8-ft 6-in wide x 18-ft 6-in long with two rear hydraulic stabilizers and locking storage compartments, class 1.1 B and 1.4 S storage magazines, headache rack/crown stand, rear working platform, (1) 10-Kw hydraulic generator with thermal exchanger and switch gear.
- ▶ Mast; Telescoping 52-ft 6-in overall working height rated for 37,000-lbs w/ 3/4-in diameter line for swabbing. Mast is equipped w/ (1) 16-in sheave grooved for 3/4-in E-Line (approximately 4,800-m line on), (2) TCP sheaves grooved for 3/4-in line (approximately 800-ft line on), (2) 10-in sheaves grooved for 3/8-in winch line, (2) two-stage mast raising cylinders, (2) mast guy lines c/w mounting frame, (2) 9,000-lb utility winches & lighting.
- ▶ Single-drum E-line drawworks; 42-in flange with capacity for 6,000-m of 3/8-in braided line. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, & IEC slip ring. Drawworks is energized by 2-speed planetary gear box unitized
- ▶ Single-drum TCP drawworks; 29-in flange with capacity for 250-m of 3/4-in wire rope. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, control console (located at rear of unit) & weight indicator. Drawworks is energized by 2-speed planetary gear box unitized with Sauer 3-speed hydraulic motor.
- ▶ E-line measuring head assembly; measuring head grooved for 3/8-in E-line c/w encoders & V-Roller guide assembly (side-to-side movement), load cell & electronic depth counter.

Wireline - 20856 \$ 650,000 \$ 700,000 \$ 800,000

Mast - 24030

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**Big Guns Perforating Logging
Appraisal Summary
Viewed - January 2, 2013**

IR 1	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
---------	-------------	---------------------------	---------------------------	---------------------------------	----------------------

- | | |
|--|--|
| <ul style="list-style-type: none"> ▶ 2013 International Paystar Model 5918x6 tri-drive truck; powered by Cummins Model A 475 diesel engine rated at 475-hp @ 1,700-hp unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to 20,000-lb spring-ride front axles mounted on 445/65R22.5 tires with polished aluminum wheels and air-operated brakes. Tri-drive rear axles rated at 54,000 lbs are equipped with air-ride suspension mounted on 11R24.5 tires, polished aluminum wheels and air-operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chalks ▶ Lot of support equipment including; McKissick 35-ton traveling block, casing swab mandrel, Baker 10 & 20 setting tools, (4) 3 ½-in dump bailers, 3 ½-in & 5 ½-in lubricators, Vanoil 5 ½-in R45 x 3000-psi flange, 3 ½-in x 3,000-psi BOP, 5 ½-in x 5,000-psi BOP w/ nace trim, Vanoil 4 ½-in x 5 ½-in x 3,000-psi flotee, set of CSS bow spring logging centralizers, CSS multiplex bond log tool, gamma tool, sinker bar, collar locators, oil saver w/ pump & rubbers, subs, Type 4 & 6 magazines, (3) 17-in sheave wheels grooved for ¾-in line, CCL assembly w/ junk basket & gauge ring noise temp, wire line tools, (1) Laptop, 8-kW hydraulically - powered generator, hand tools etc. | <p>VIN-1HTXVSJT8DJ146041
Eng. - 125HM2Y4157662
Hrs - 137
Kms - 3,326
CVIP - CV2637429
CVIP EXP - Nov-2013
Licence - BJB-2407</p> |
|--|--|

Condition Observations

- ▶ Drive train leaks; **clear**, minor, mod, severe
- ▶ Body/Paint Appearance; **clear**, minor, mod, severe
- ▶ Interior Appearance; **clean**, minor, mod, severe
- ▶ Glass; **clear**, minor, mod, severe
- ▶ Tires; matched & remaining tread averaged 18-mm (front) / 18-mm (rear).

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Big Guns Perforating & Logging

Section 2.1

IR1

Photographic Record

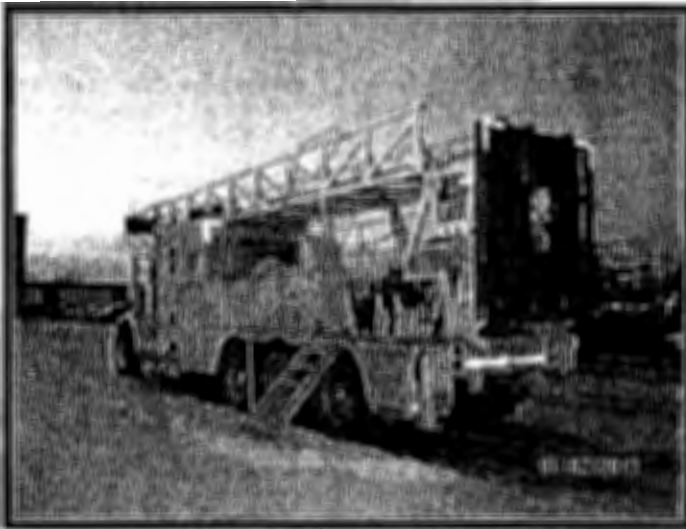
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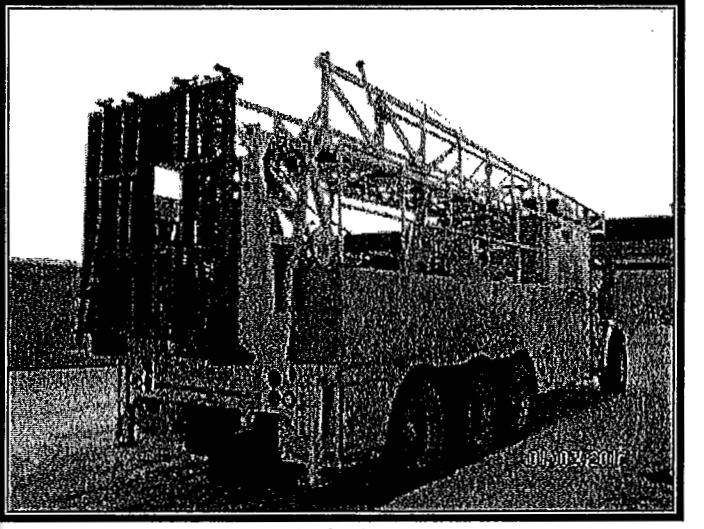
Front Right View



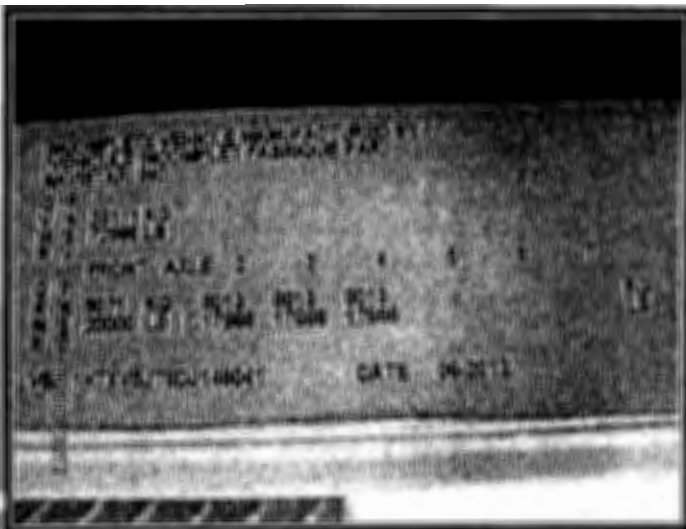
Front Left View



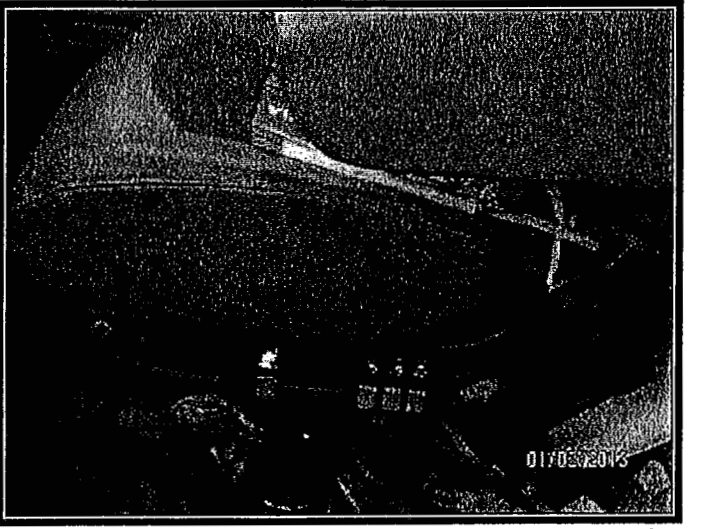
Rear Left View



Rear Right View



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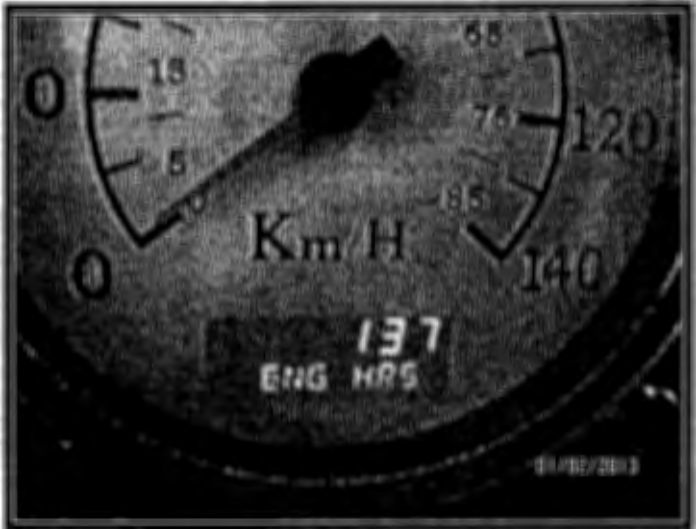


Passenger Air-Ride

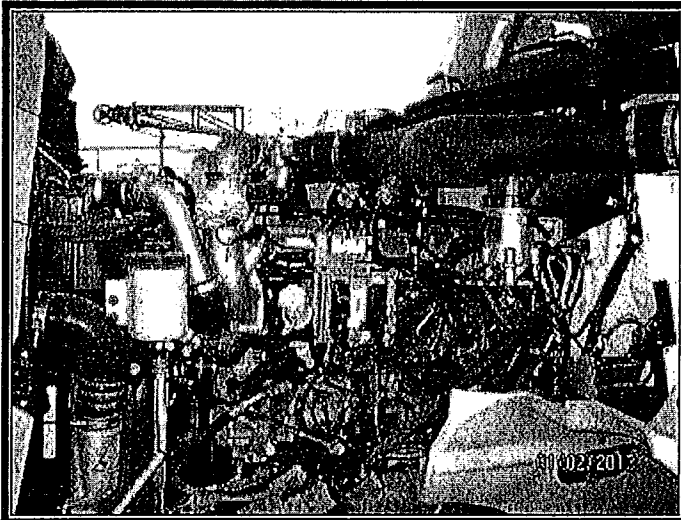
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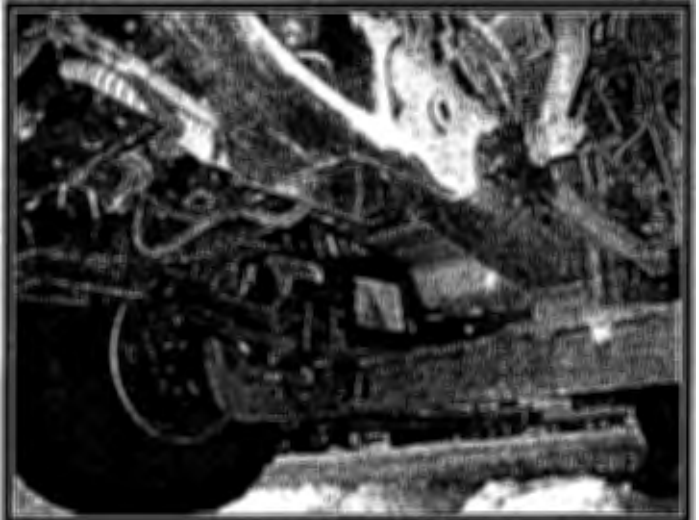
Odometer



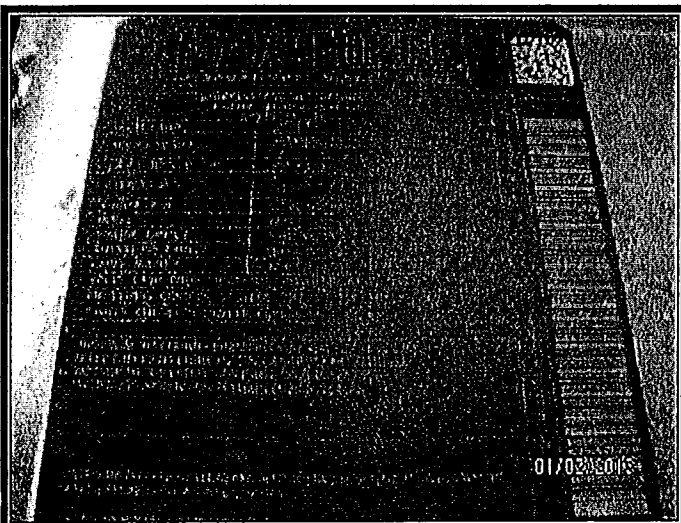
Hr Meter



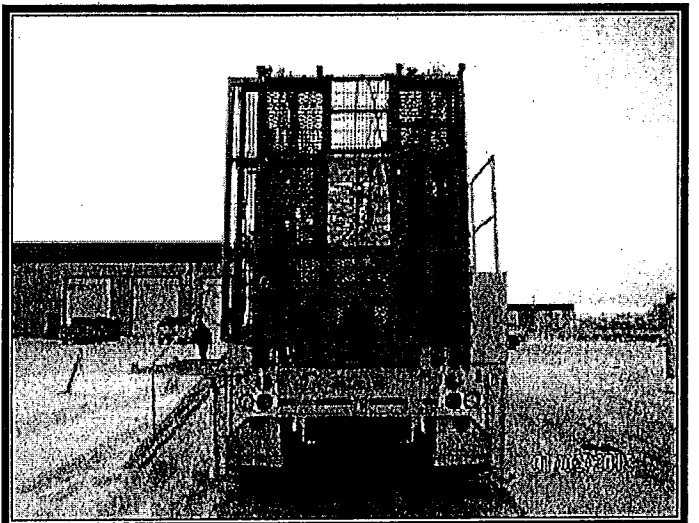
Engine



Engine Base

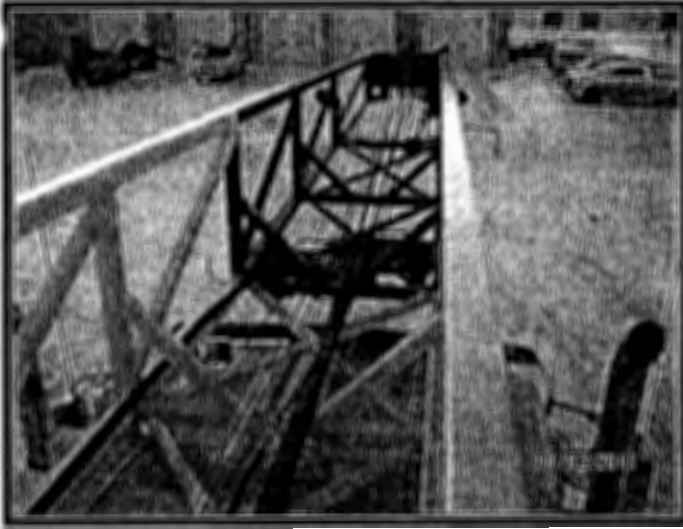


Engine ID Placard

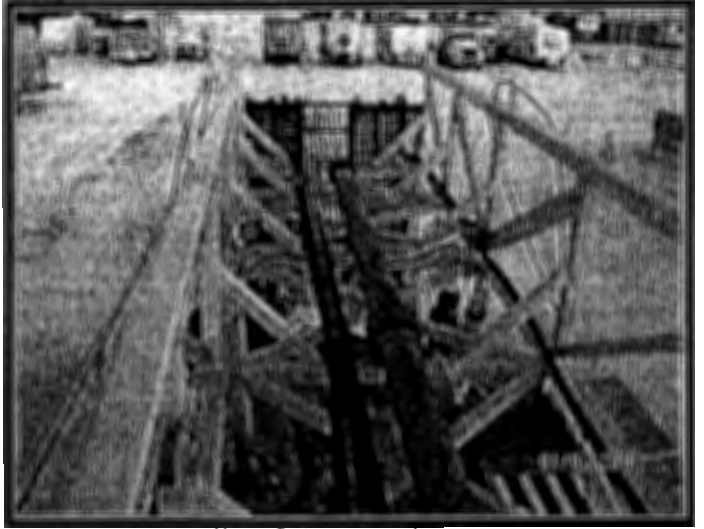


Rear View

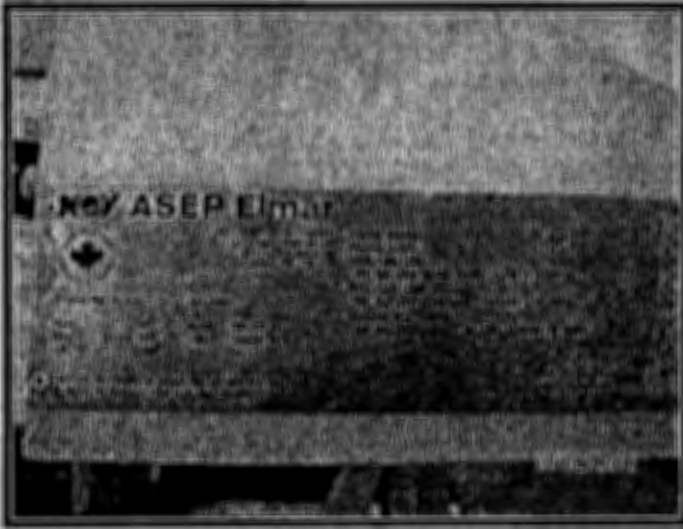
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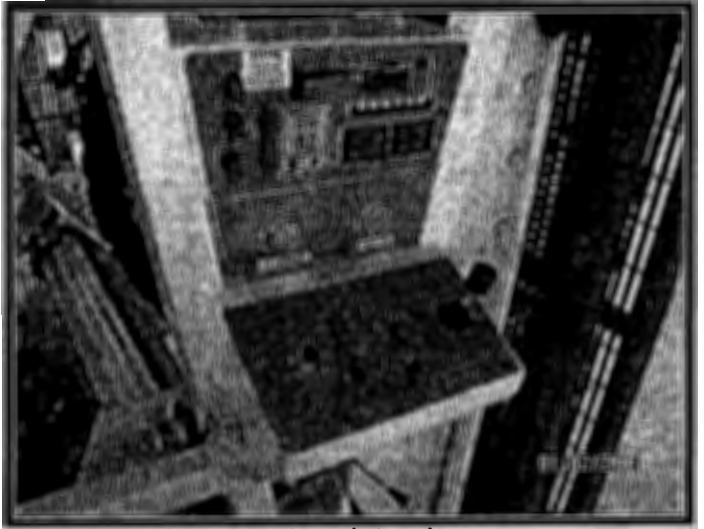
Mast Top Section



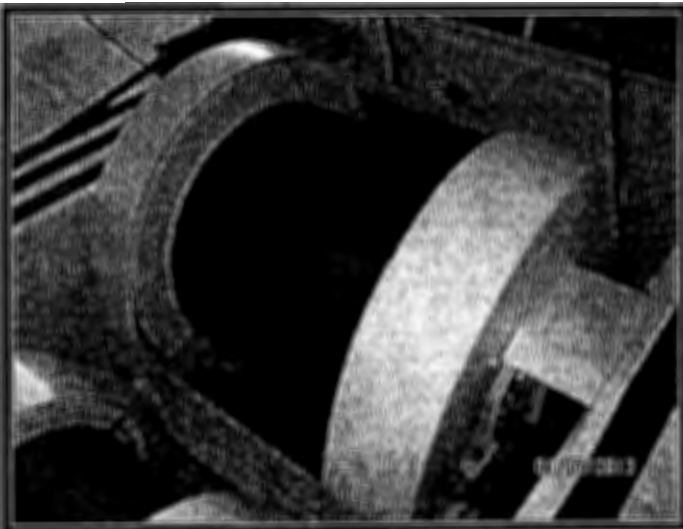
Mast Bottom Section



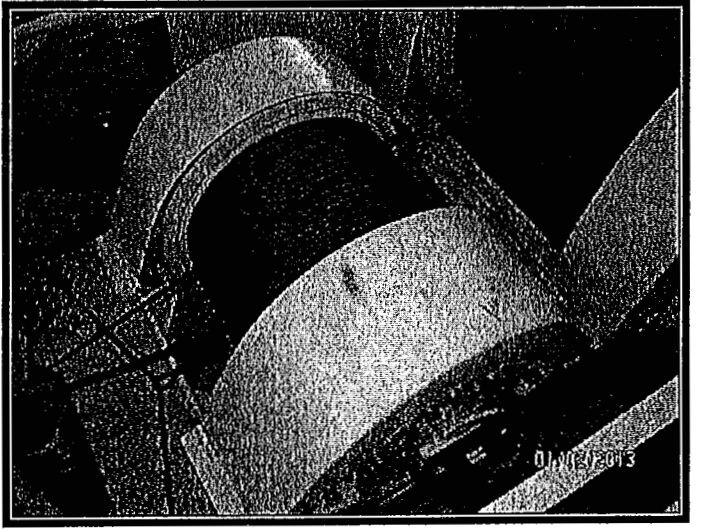
Mast ID Placard



Operators Control Console

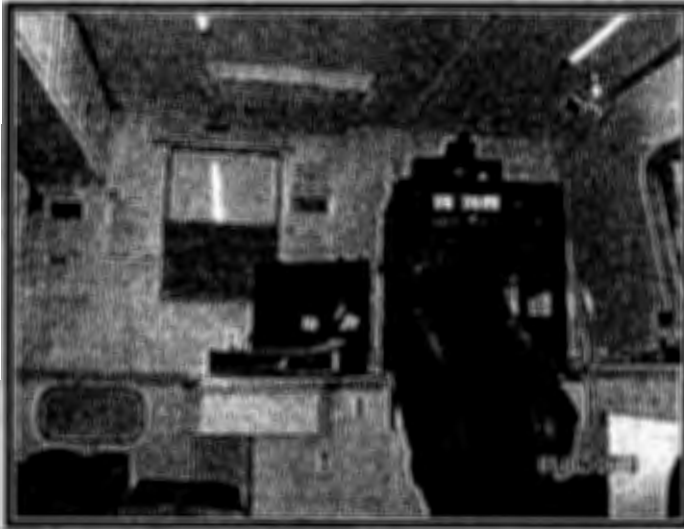


E-Line Drawworks

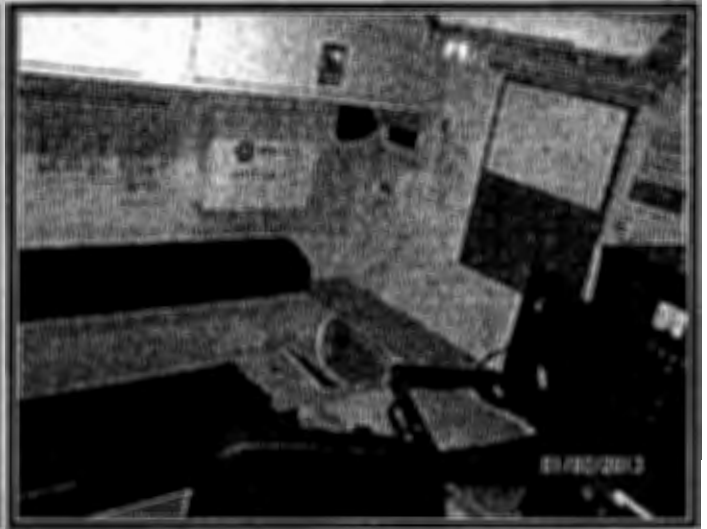


Drilling Line Drawworks

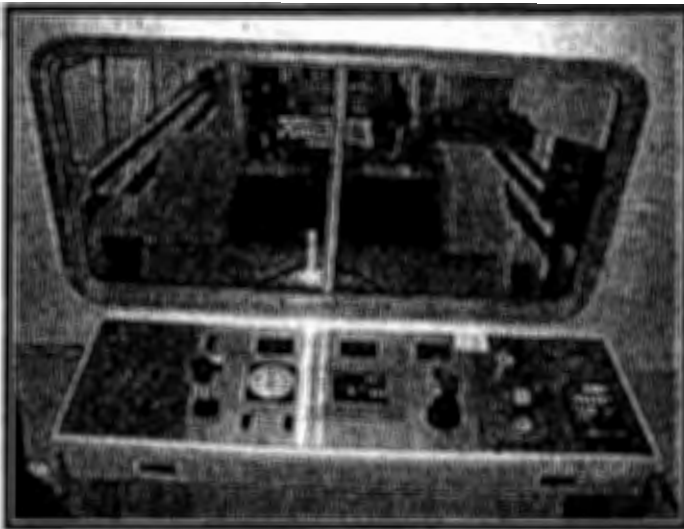
BD Ann
R5W
M



Operator's Cabin



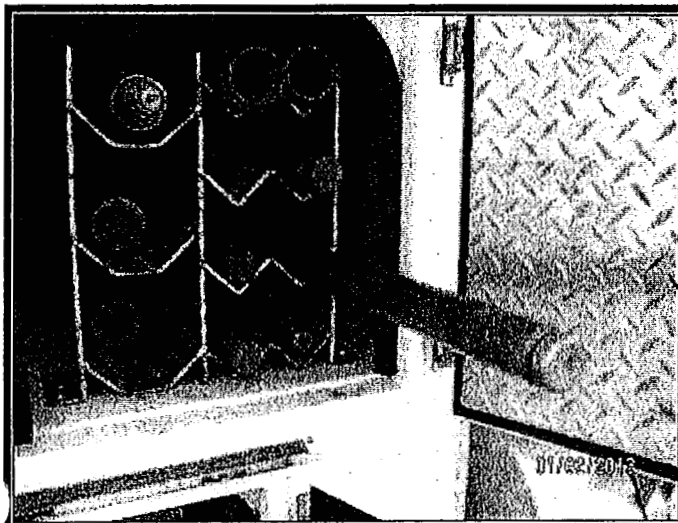
Operator's Cabin



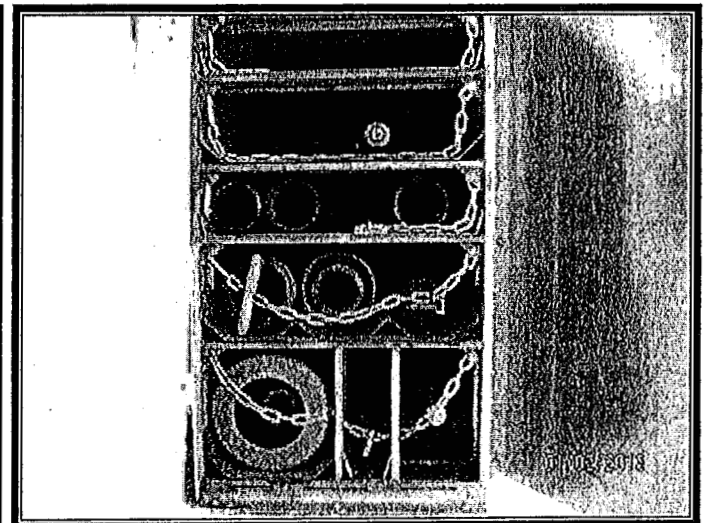
Operator's Main Control Console



Data Logging System

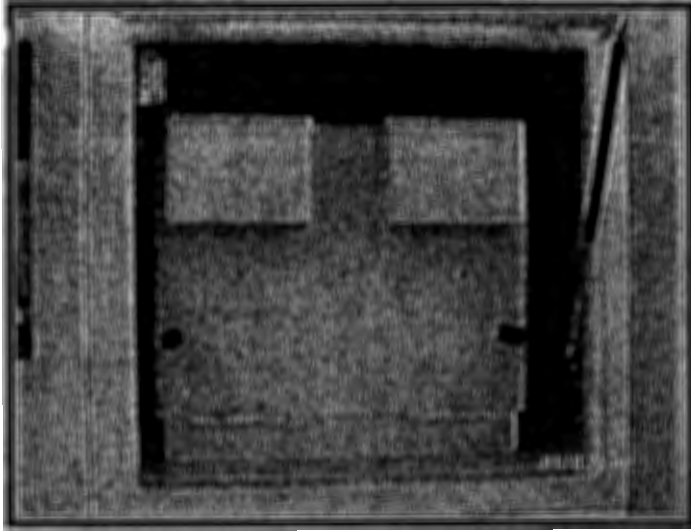


Downhole Tooling, (Gamma Ray in foreview)

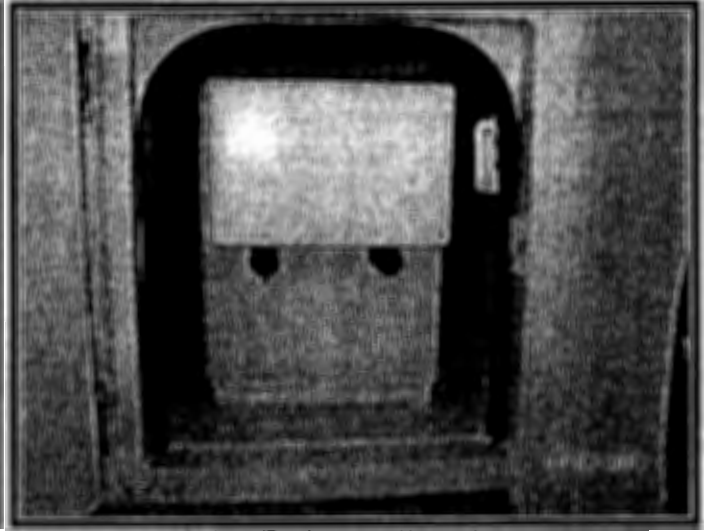


Downhole Tooling

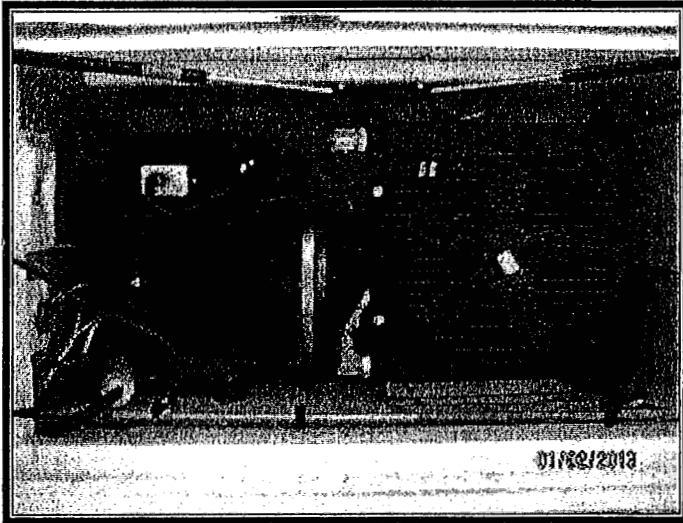
BD Dmm
RJSW
MK



1.4S Explosives Magazine



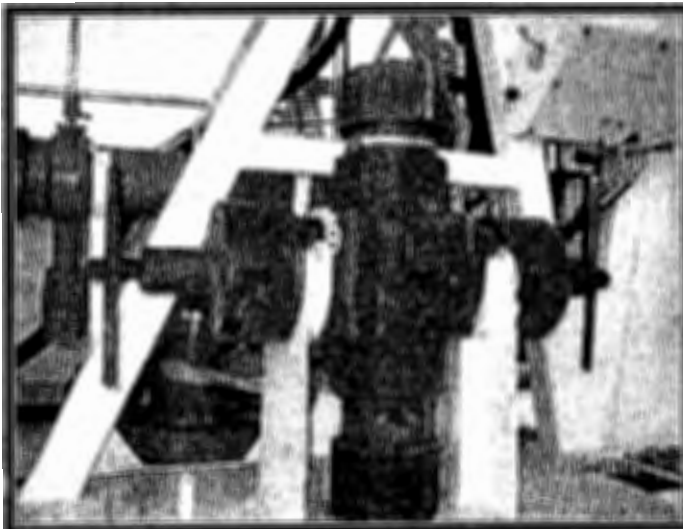
1.1 B Explosives Magazine



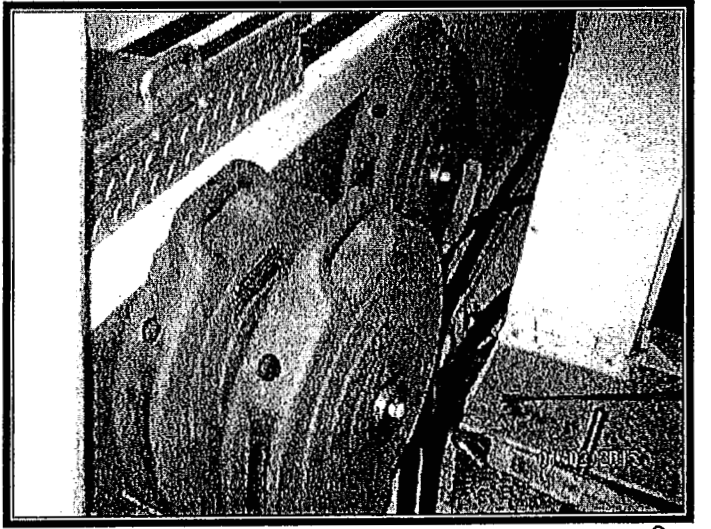
Genset



Swab Cups & Miscellaneous



BOP, 5-in



Sheaves

*BD Ann
RJC
m*

Big Guns Perforating & Logging

Section 3.0

IR2

Appraisal Summary

*BD-RSW
12*

Big Guns Perforating Logging Appraisal Summary Viewed - January 2, 2013

IR 2	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
---------	-------------	---------------------------	---------------------------	---------------------------------	----------------------

2005 DynaWinch Log & Swab Unit w/ 52-ft Mast and Tandem Drums, Mounted on International Tri-drive:

\$ 375,000 \$ 415,000 \$ 575,000

- ▶ 2005 DynaWinch Model CD3-323 recorder body 8-ft 6-in wide x 8-ft 6-in long constructed of 100% aluminum-structure. Recorder body is equipped w/ control console, locking storage cabinets, light table, 12-V & 120-V wiring, interior & exterior lighting, roof-mounted AC/heating unit, bus heater, etc.

Wireline - 21270
Gen - X07K433250

- ▶ CSS DAS 2000 data acquisition system with rack mount chassis and printer 840 DL printer.
- ▶ Service body 8-ft 6-in wide x 18-ft 6-in long with two rear hydraulic stabilizers and locking storage compartments, class 1.1 B and 1.4 S storage magazines, headache rack/crown stand, rear working platform, (1) 10-Kw hydraulic generator with thermal exchanger and switch gear.

- ▶ Mast; Telescoping 52-ft 6-in overall working height rated for 37,000-lbs w/ 3/8-in diameter line for swabbing. Mast is equipped w/ (1) 16-in sheave grooved for 3/8-in E-Line (approximately 4,800-m line on), (2) TCP sheaves grooved for 3/4-in line (approximately 800-ft line on), (2) 10-in sheaves grooved for 3/4-in winch line, (2) two-stage mast raising cylinders, (2) mast guy lines c/w mounting frame, (2) 9,000-lb utility winches & lighting.

Mast - 21270

- ▶ Single-drum E-line drawworks; 42-in flange with capacity for 6,000-m of 3/8-in braided line. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, & IEC slip ring. Drawworks is energized by 2-speed planetary gear box unitized with Sauer hydraulic motor.

DW Motor - 054381889

- ▶ Single-drum TCP drawworks; 29-in flange with capacity for 250-m of 3/4-in wire rope. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, control console (located at rear of unit) & weight indicator. Drawworks is energized by 2-speed planetary gear box unitized with Sauer 2-speed hydraulic motor.

DW Motor - 054081345

- ▶ E-line measuring head assembly; measuring head grooved for 3/8-in E-line c/w encoders & V-Roller guide assembly (side-to-side movement), load cell & electronic depth counter.

*BD Bm
Rsw
M*

**Big Guns Perforating Logging
Appraisal Summary
Viewed - January 2, 2013**

IR 2	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
---------	-------------	---------------------------	---------------------------	---------------------------------	----------------------

- ▶ 2005 International Paystar Model 59001 8x6 tri-drive truck; powered by Cummins Model ISX 450 diesel engine rated at 450-hp @ 2,000-rpm unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to 20,000-lb spring-ride front axles mounted on 445/65R22.5 tires with polished aluminum wheels and air-operated brakes. Tri-drive rear axles rated at 52,000 lbs equipped with air-ride suspension mounted on 11R24.5 tires, polished aluminum wheels and air - operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chalks
- ▶ Lot of support equipment including; McKissick 35-ton traveling block, casing swab mandrel, Baker 10 & 20 setting tools, (4) 3 1/2-in dump bailers, 3 1/2-in & 5 1/2-in lubricators, Vanoil 5 1/2-in R45 x 3000-psi flange, 3 1/2-in x 3,000-psi BOP, 5 1/2-in x 5,000-psi BOP w/ nace trim, Vanoil 4 1/2-in x 5 1/2-in x 3,000-psi flotee, set of CSS bow spring logging centralizers, CSS multiplex bond log tool, gamma tool, sinker bar, collar locators, oil saver w/ pump & rubbers, subs, Type 4 & 6 magazines, (3) 17-in sheave wheels grooved for 3/8-in line, CCL assembly w/ junk basket & gauge ring noise temp, wire line tools, (1) Laptop, 8-kW hydraulically - powered generator, hand tools etc.

VIN-
1HTXTAPT26J225893
Engine - 79103517
Hrs - 23,788
Kms - 240,255
Licence - EWR-754

Block - MLC08915
Flange - R05349
BOP 3,000-psi - P04121
BOP 5,000-psi - P05029
Flotee - R05388

Condition Observations

- ▶ Drive train leaks; clear, minor, **mod**, severe
- ▶ Body/Paint Appearance; clear, **minor**, mod, severe
- ▶ Interior Appearance; clean, **minor**, mod, severe
- ▶ Glass; clear, **minor**, mod, severe
- ▶ Tires; matched & remaining tread averaged 16-mm (front) / 15-mm (rear).

BD *Dmm*
RJW
ML

Big Guns Perforating & Logging

Section 3.1

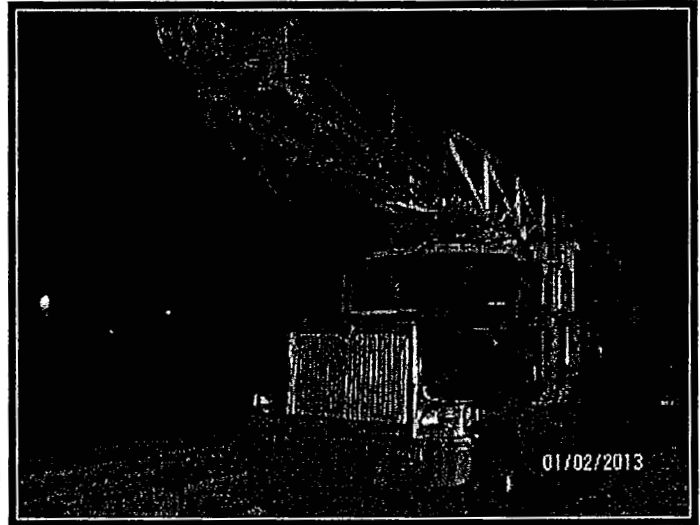
IR2

Photographic Record

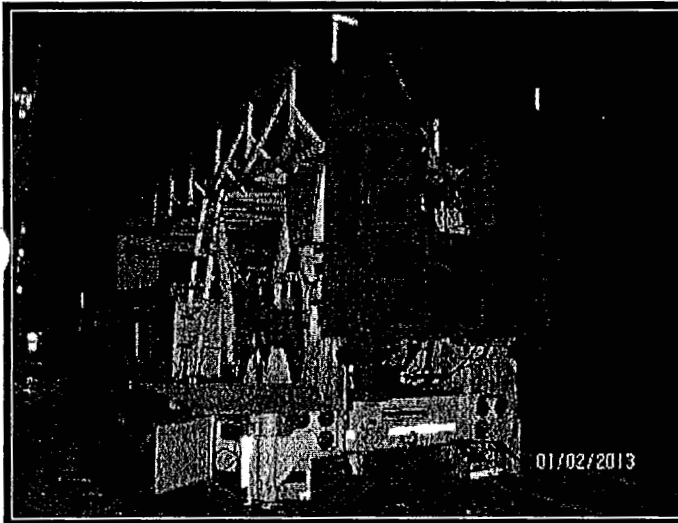
DM
RSW
M



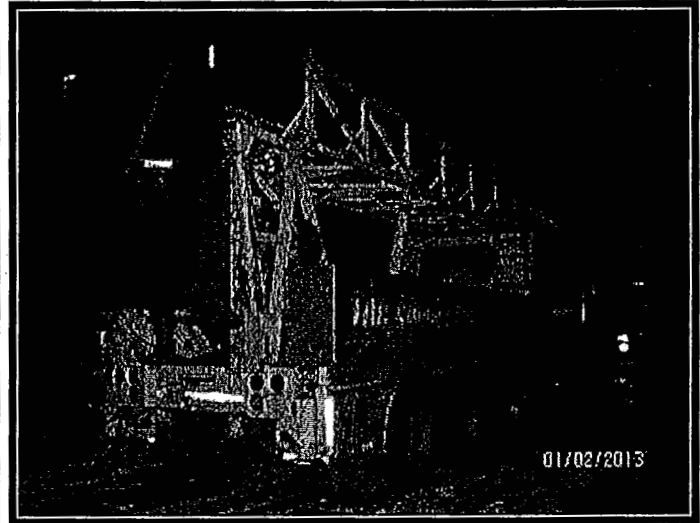
Front Right View



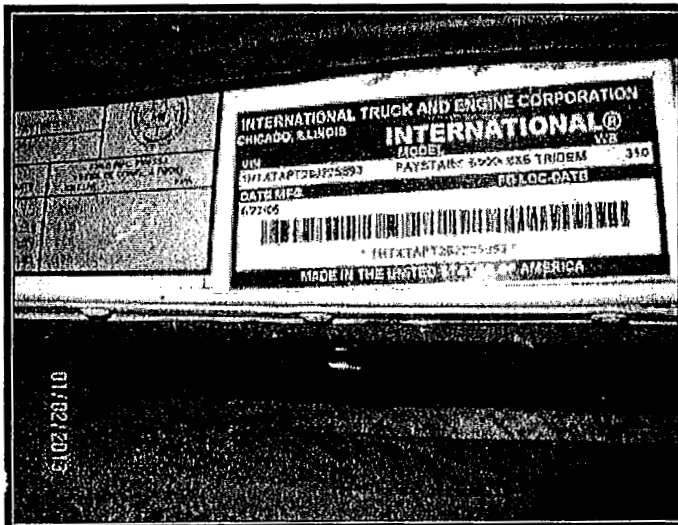
Front Left View



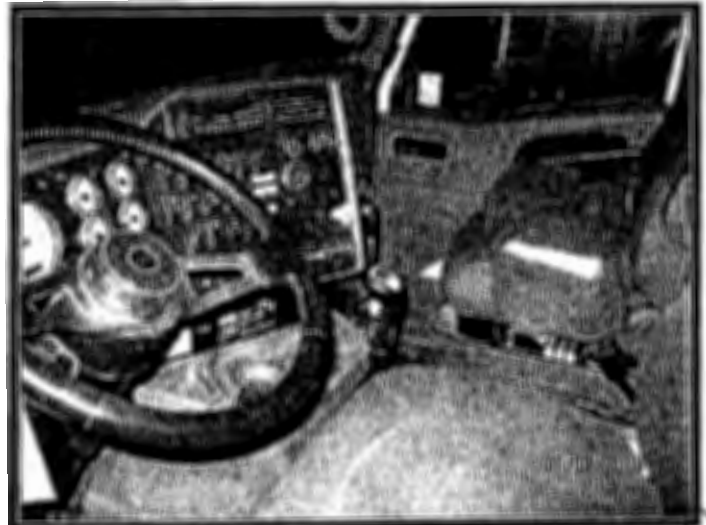
Rear Left View



Rear Right View

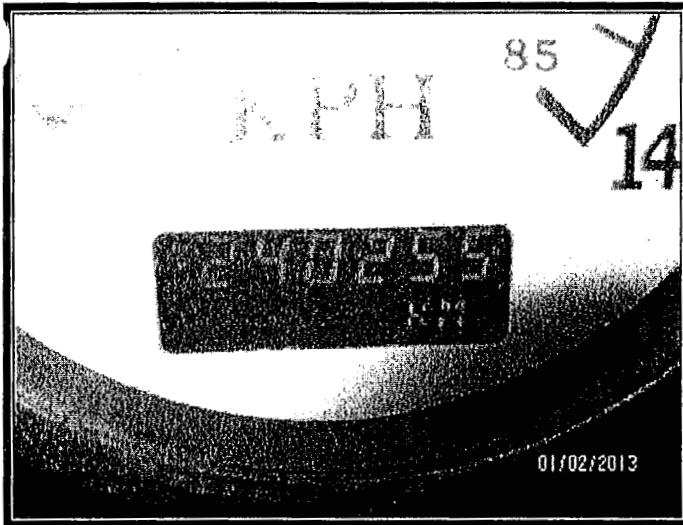


ID Placard

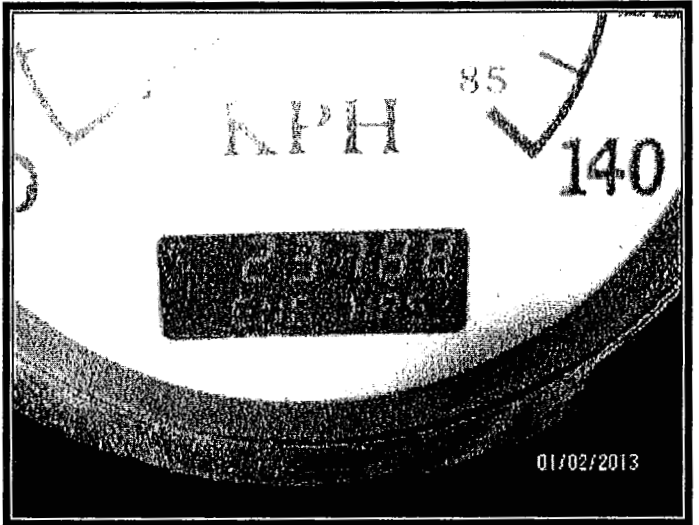


Cab Interior

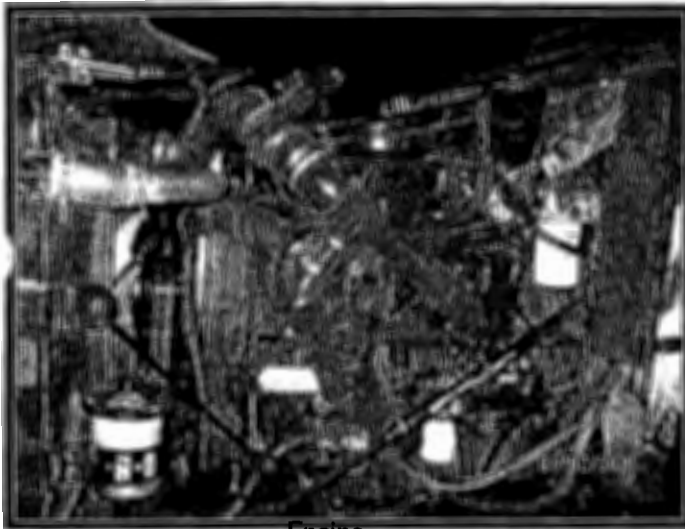
*180 Photos
100*



Odometer



Hr Meter



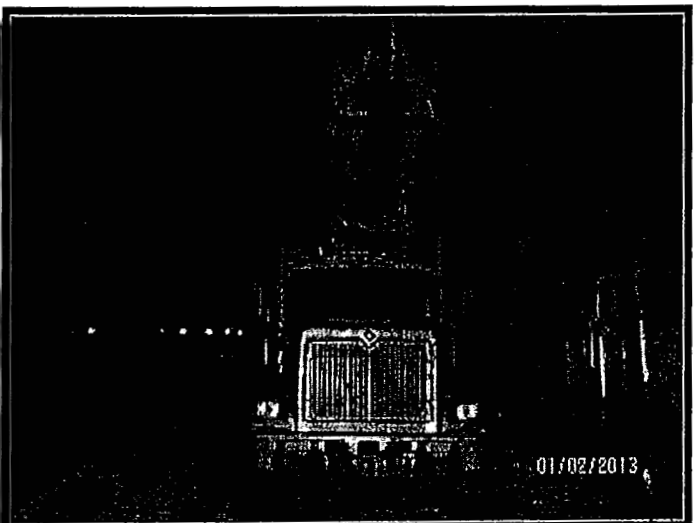
Engine



Engine Base

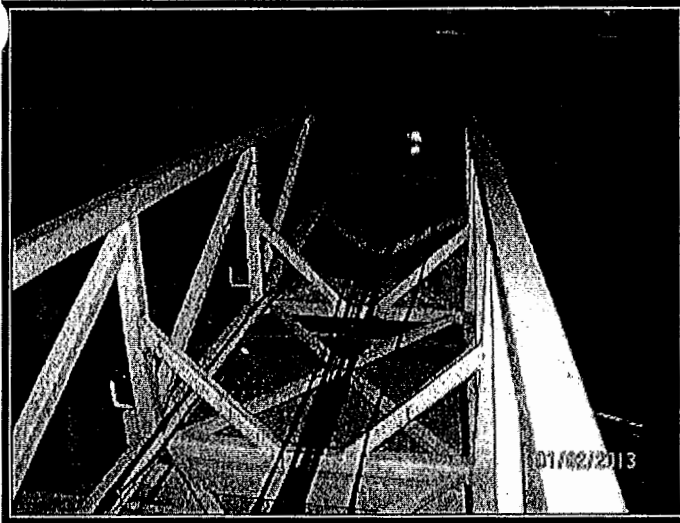


Engine ID Placard

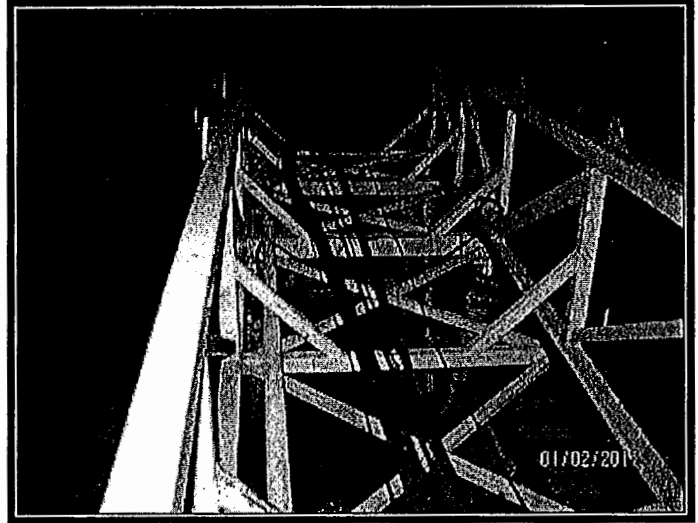


Front View

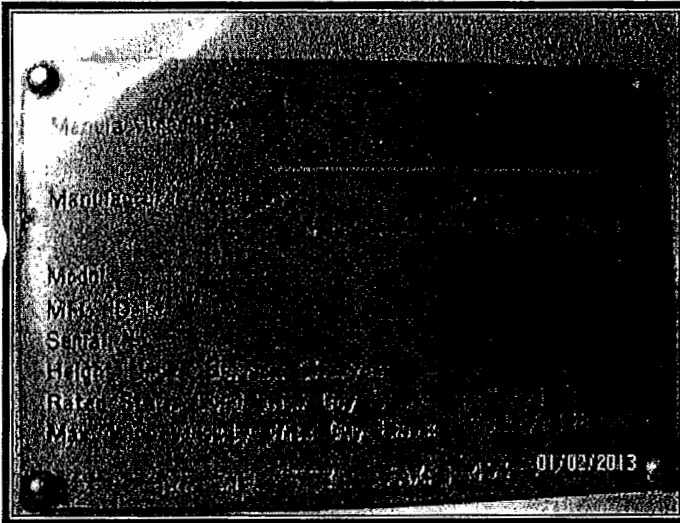
*BD kmw
R5W
M*



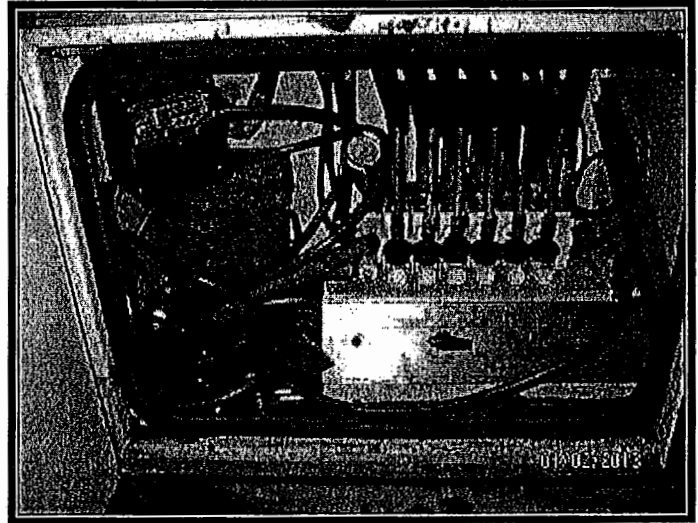
Mast Top Section



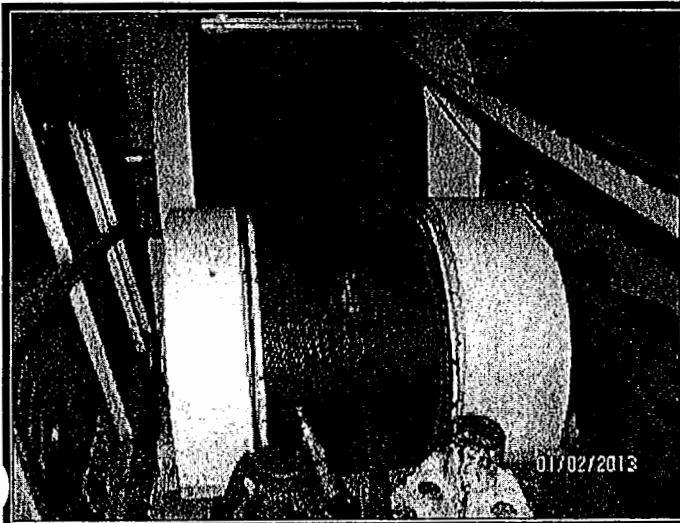
Mast Bottom Section



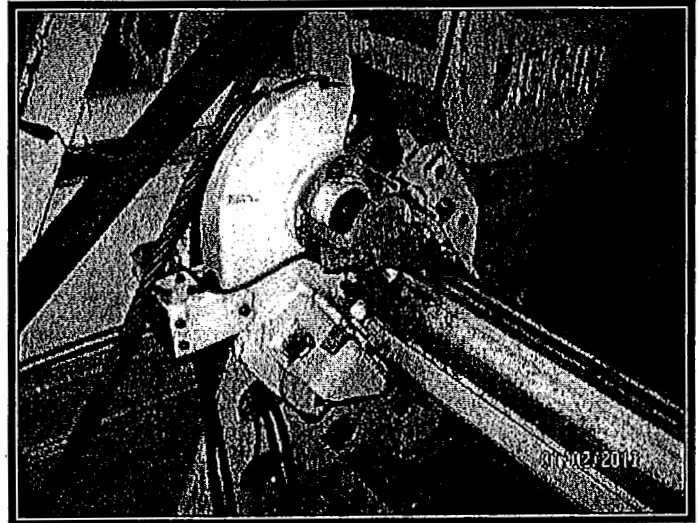
Mast ID Placard



Operators Control Console

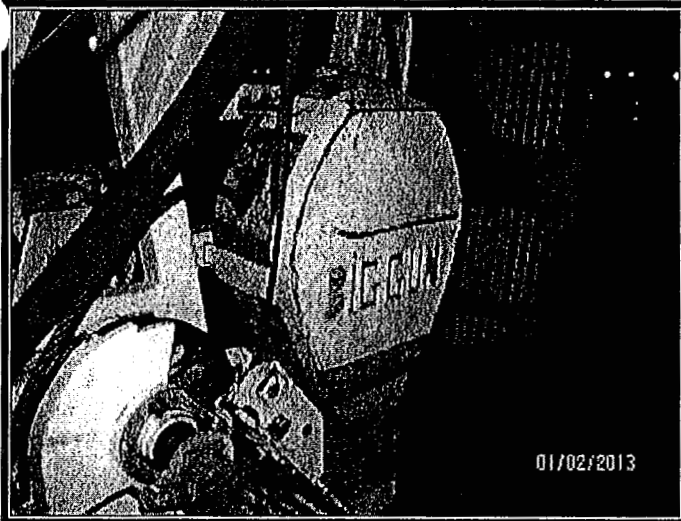


E-Line & Wire Rope Drawworks



Measuring Head

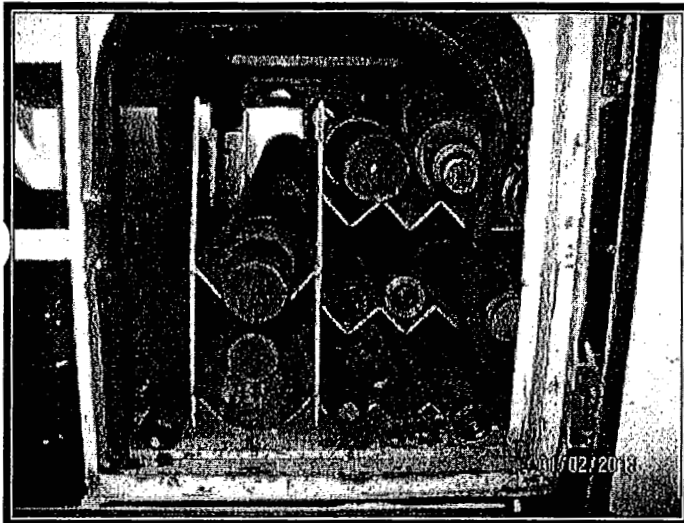
BD *Ann.*
RTW
me



Blocks



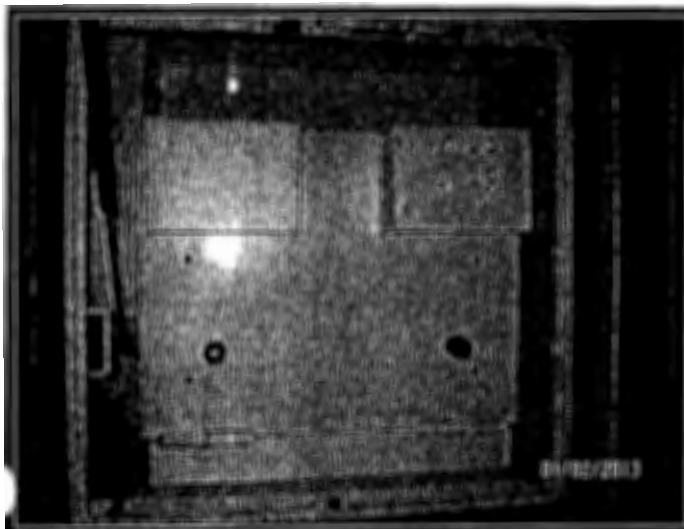
BOP



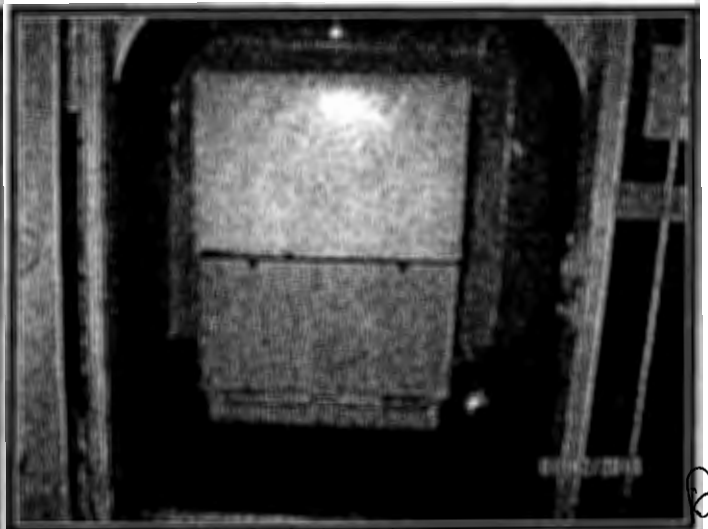
Downhole Tooling, (Gamma Ray in foreview)



Downhole Tooling

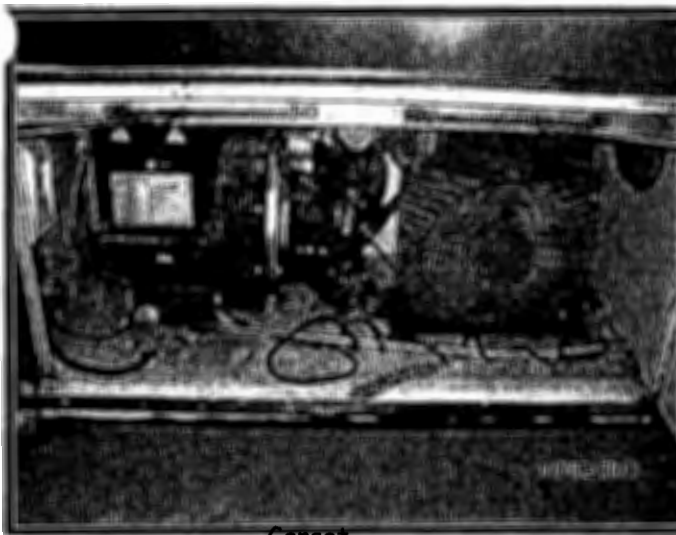


1.45 Explosives Magazine

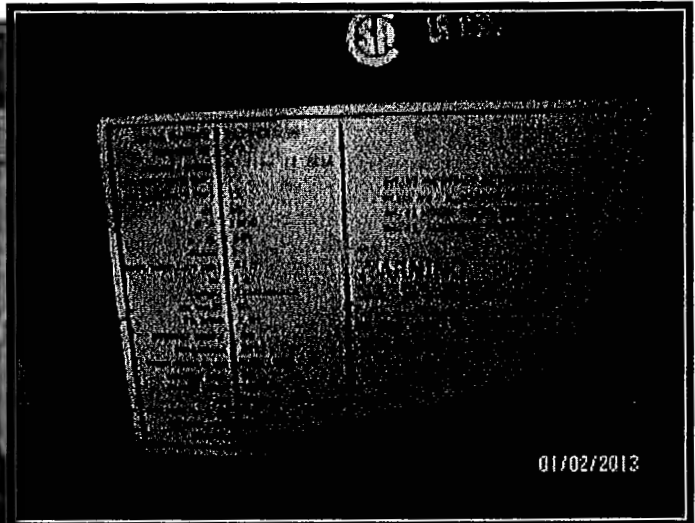


1.1 B Explosives Magazine

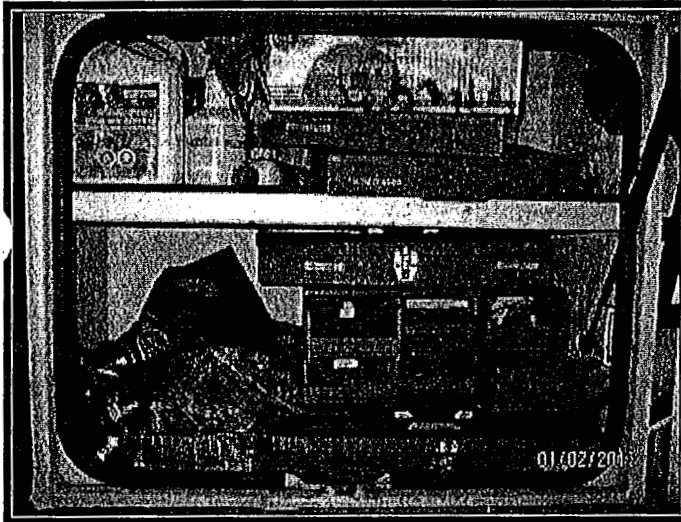
Amr
BD
RJW
me



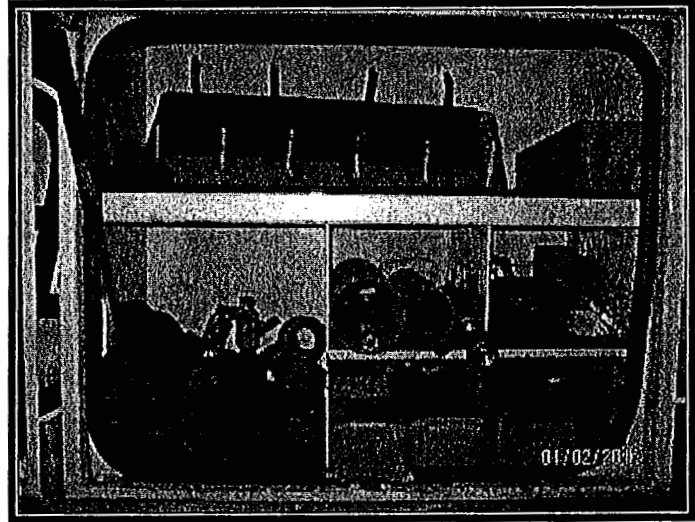
Genset



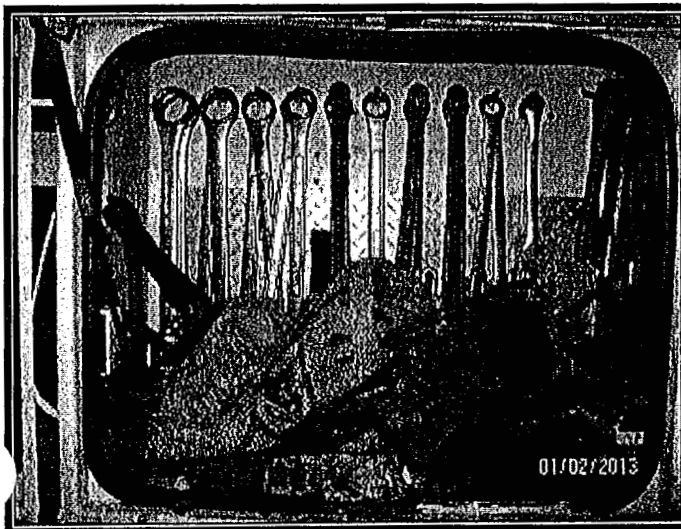
ID Placard



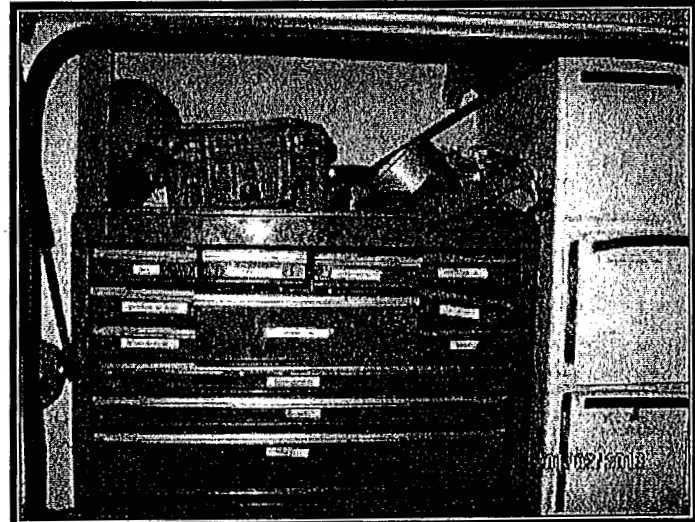
Swab Cups & Miscellaneous



Miscellaneous



Hand Tools



Hand Tools

BD Row
me

Big Guns Perforating & Logging

Section 4.0

IR3

Appraisal Summary

BD Row
M

Big Guns Perforating Logging Appraisal Summary Not Viewed - (Fort Nelson)

*IR 3	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
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2007 DynaWinch Log & Swab Unit w/ 52-ft Mast and Tandem Drums, Mounted on International Tri-drive:

\$ 400,000 \$ 440,000 \$ 600,000

- ▶ 2007 DynaWinch recorder body 8-ft 6-in wide x 8-ft 6-in long constructed of 100% aluminum-structure. Recorder body is equipped w/ control console, locking storage cabinets, light table, 12-V & 120-V wiring, interior & exterior lighting, roof-mounted AC/heating unit, bus heater, etc.
- ▶ CSS DAS 2000 data acquisition system with rack mount chassis and printer 840 DL printer.
- ▶ Service body 8-ft 6-in wide x 18-ft 6-in long with two rear hydraulic stabilizers and locking storage compartments, class 1.1 B and 1.4 S storage magazines, headache rack/crown stand, rear working platform, (1) 10-Kw hydraulic generator with thermal exchanger and switch gear.
- ▶ Mast; Telescoping 52-ft 6-in overall working height rated for 37,000-lbs w/ 3/4-in diameter line for swabbing. Mast is equipped w/ (1) 16-in sheave grooved for 3/4-in E-Line (approximately 2800-m line on), (2) TCP sheaves grooved for 3/4-in line (approximately 800-ft line on), (2) 10-in sheaves grooved for 3/4-in winch line, (2) two-stage mast raising cylinders, (2) mast guy lines c/w mounting frame, (2) 9,000-lb utility winches & lighting.
- ▶ Single-drum E-line drawworks; 42-in flange with capacity for 6,000-m of 3/4-in braided line. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, & IEC slip ring. Drawworks is energized by 2-speed planetary gear box unitized
- ▶ Single-drum TCP drawworks; 29-in flange with capacity for 250-m of 3/4-in wire rope. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, control console (located at rear of unit) & weight indicator. Drawworks is energized by 2-speed planetary gear box unitized with Sauer 2-speed hydraulic motor.
- ▶ E-line measuring head assembly; measuring head grooved for 3/4-in E-line c/w encoders & V-Roller guide assembly (side-to-side movement), load cell & electronic depth counter.

*BD Ann.
RJW
M*

Big Guns Perforating Logging Appraisal Summary Not Viewed - (Fort Nelson)

*IR 3	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
----------	-------------	------------------------	---------------------------	---------------------------------	----------------------

- | | |
|---|---|
| <ul style="list-style-type: none"> ▶ 2007 International Model 5618 7X6 Tri-axle truck; powered by Cummins Model ISX475 diesel engine rated at 475-hp unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to 23,000-lb spring-ride front axles mounted on 445/65R22.5 tires with polished aluminum wheels & air - operated brakes. Tridem rear axles rated at 53,000 lbs equipped with air-ride suspension mounted on 11R24.5 tires w/ polished aluminum wheels. Conventional cab equipped with A/C, driver and passenger ride air seats, and Motorola 2 way radio, tire chains, chocks etc... ▶ Lot of support equipment including; McKissick 35-ton traveling block, casing swab mandrel, Baker 10 & 20 setting tools, (4) 3 1/2-in dump bailers, 3 1/2-in & 5 1/2-in lubricators, Vanoil 5 1/2-in R45 x 3000-psi flange, 3 1/2-in x 3,000-psi BOP, 5 1/2-in x 5,000-psi BOP w/ Nace trim, Vanoil 4 1/2-in x 5 1/2-in x 3,000-psi fltee, set of CSS bow spring logging centralizers, CSS multiplex bond log tool, gamma tool, sinker bar, collar locators, oil saver w/ pump & rubbers, subs, Type 4 & 6 magazines, (3) 17-in sheave wheels grooved for 3/8-in line, CCL assembly w/ junk basket & gauge ring noise temp, wire line tools, (1) Laptop, 8-KW hydraulically - powered generator, hand tools etc. | <p>VIN-1HTXSAPT67J407021
Km - 202,267</p> |
|---|---|

BD *Ann.*
RJW
me

Big Guns Perforating & Logging

Section 5.0

IR4

Appraisal Summary

BD *MSW*
M *Dmr*

**Big Guns Perforating Logging
Appraisal Summary
Viewed - January 2, 2013**

Unit No. IR4	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
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2011 DynaWinch Log & Swab Unit w/ 62-ft HD Mast and Tandem Drums, Mounted on International Tri-drive:

\$ 800,000 \$ 950,000 \$ 1,200,000

- ▶ 2011 DynaWinch recorder body 8-ft 6-in wide x 8-ft 6-in long constructed of 100% aluminum-structure. Recorder body is equipped w/ control console, locking storage cabinets, light table, 12-V & 120-V wiring, interior & exterior lighting, roof-mounted AC/heating unit, bus heater, etc. Wireline - 23844
- ▶ CSS DAS 2000 data acquisition system with rack mount chassis and printer 840 DL printer.
- ▶ Service body 8-ft 6-in wide x 18-ft 6-in long with two rear hydraulic stabilizers and locking storage compartments, class 1.1 B and 1.4 S storage magazines, headache rack/crown stand, rear working platform, (1) 10-Kw hydraulic generator with thermal exchanger and switch gear.
- ▶ Dynawinch Model CD2-3-260HD telescoping mast; 62-ft 6-in overall working height rated for 33,500-lbs w/ 3/8-in diameter line for swabbing. Mast is equipped w/ (1) 16-in sheave grooved for 3/8-in E-Line (approximately 2800-m line on), (2) TCP sheaves grooved for 3/4-in line (approximately 800-ft line on), (2) 10-in sheaves grooved for 3/8-in winch line, (2) two-stage mast raising cylinders, (2) mast guy lines c/w mounting frame, (2) 9,000-lb utility winches & lighting. Mast - 23844
- ▶ Single-drum E-line drawworks; 42-in flange with capacity for 6,000-m of 3/8-in braided line. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, & IEC slip ring. Drawworks is energized by 2-speed planetary gear box unitized with Sauer hydraulic motor.
- ▶ Single-drum TCP drawworks; 29-in flange with capacity for 250-m of 3/4-in wire rope. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, control console (located at rear of unit) & weight indicator. Drawworks is energized by 2-speed planetary gear box unitized with Sauer 2-speed hydraulic motor.
- ▶ E-line measuring head assembly; measuring head grooved for 3/8-in E-line c/w encoders & V-Roller guide assembly (side-to-side movement), load cell & electronic depth counter.

BD *Tom*
RJW
m

Big Guns Perforating Logging Appraisal Summary Viewed - January 2, 2013

Unit No. IR4	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
-----------------	-------------	------------------------	---------------------	---------------------------	-------------------

- | | |
|---|--|
| <ul style="list-style-type: none"> ▶ 2011 International Paystar Model 5918x6 Tri-axle truck; powered by Cummins Model ISX 600 diesel engine rated at 600-hp @ 1,700-rpm unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to tandem 20,000-lb spring-ride front axles mounted on 445/65R22.5 tires with polished aluminum wheels and air-operated brakes. Tridem rear axles rated at 52,000 lbs equipped with air-ride suspension mounted on 11R24.5 tires, polished aluminum wheels and air - operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chalks etc... ▶ Lot of support equipment including; McKissick 35-ton traveling block, casing swab mandrel, Baker 10 & 20 setting tools, (4) 3 ½-in dump bailers, 3 ½-in & 5 ½-in lubricators, Vanoil 5 ½-in R45 x 3000-psi flange, 3 ½-in x 3,000-psi BOP, 5 ½-in x 5,000-psi BOP w/ Nace trim, Vanoil 4 ½-in x 5 ½-in x 3,000-psi flotee, set of CSS bow spring logging centralizers, CSS multiplex bond log tool, gamma tool, sinker bar, collar locators, oil saver w/ pump & rubbers, subs, Type 4 & 6 magazines, (3) 17-in sheave wheels grooved for ¾-in line, CCL assembly w/ junk basket & gauge ring noise temp, wire line tools, (1) Laptop, 8-kW hydraulically - powered generator, hand tools etc. | <p>VIN-1HTXVAPT2BJ196710
 Engine - 79376655
 Hrs - 1,154
 Kms - 12,749
 CVIP - CV2475438
 CVIP EXP - June 2013
 Licence - BGZ-1516</p> |
|---|--|

Condition Observations

- ▶ Drive train leaks; **clear**, minor, mod, severe
- ▶ Body/Paint Appearance; **clear**, minor, mod, severe
- ▶ Interior Appearance; **clean**, minor, mod, severe
- ▶ Glass; **clear**, minor, mod, severe
- ▶ Tires; matched & remaining tread averaged 16-mm (front) / 13-mm (rear).

*BD Am -
RSC
MK*

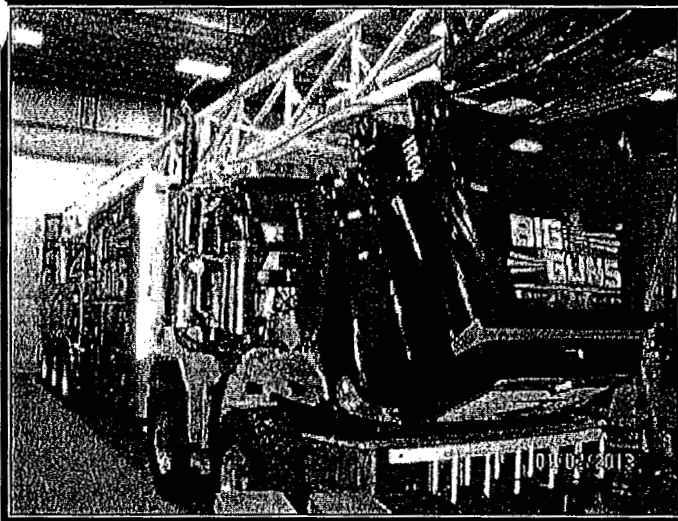
Big Guns Perforating & Logging

Section 5.1

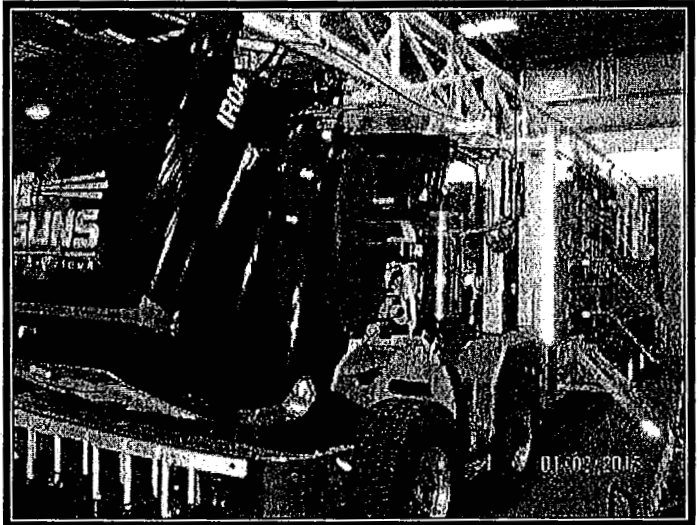
IR4

Photographic Record

*Dom.
BD RSW
MK*



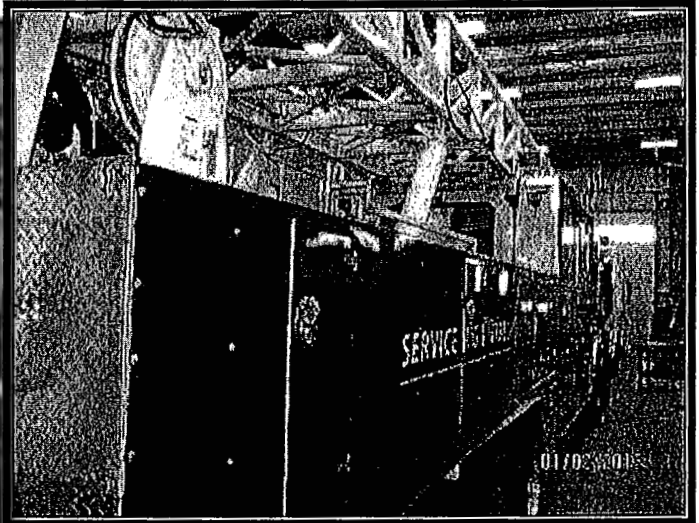
Front Right View



Front Left View



Rear Left View



Rear Right View

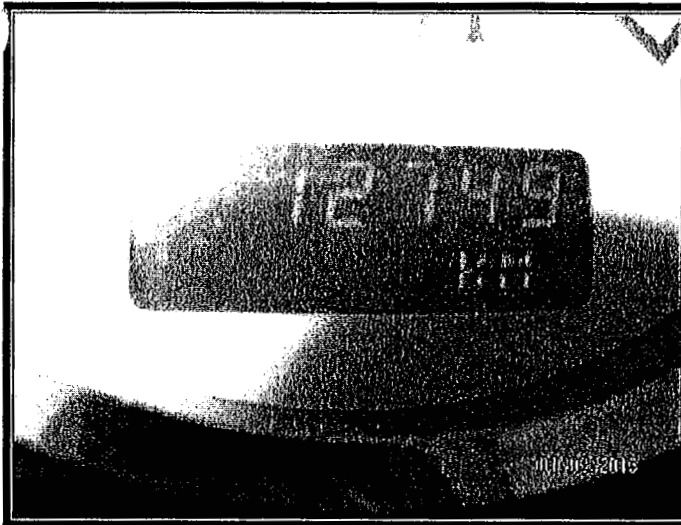
TRU / GAY	DATE	JUNE 2012	
THT XVAP 12BU16610			
COLD INFLATION PRESSURE			
PRESS ON DES PNEUS A FROID			
JANTE		720 kPa	(106 PSI)
X 12 25		720 kPa	(106 PSI)
X 12 25		480 kPa	(70 PSI)
X 12 25		480 kPa	(70 PSI)
X 12 25		480 kPa	(70 PSI)

ID Placard



Cab Interior

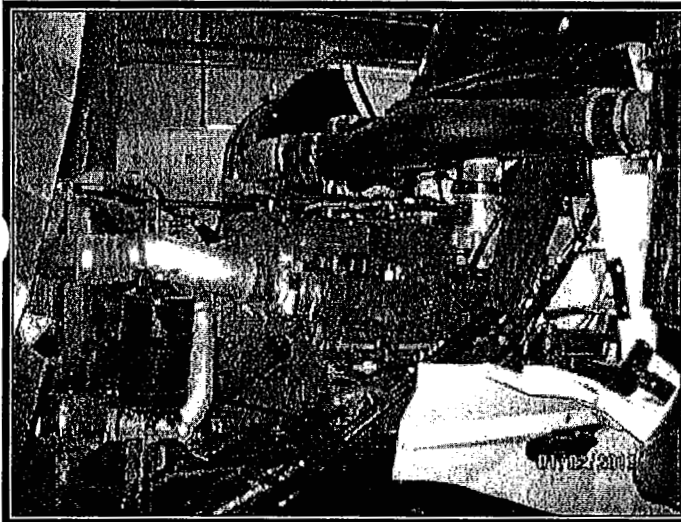
Amn
BD
MD



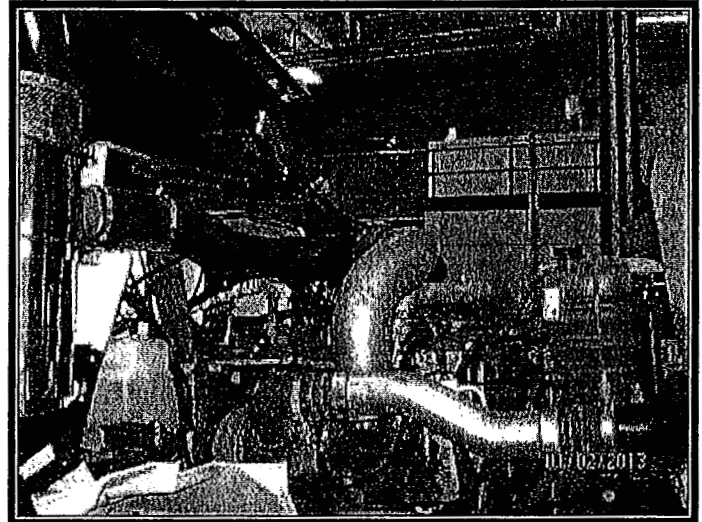
Odometer



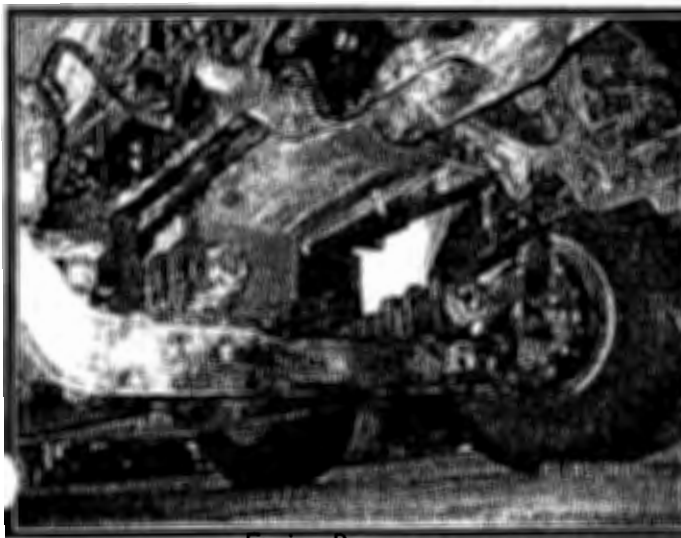
Hr Meter



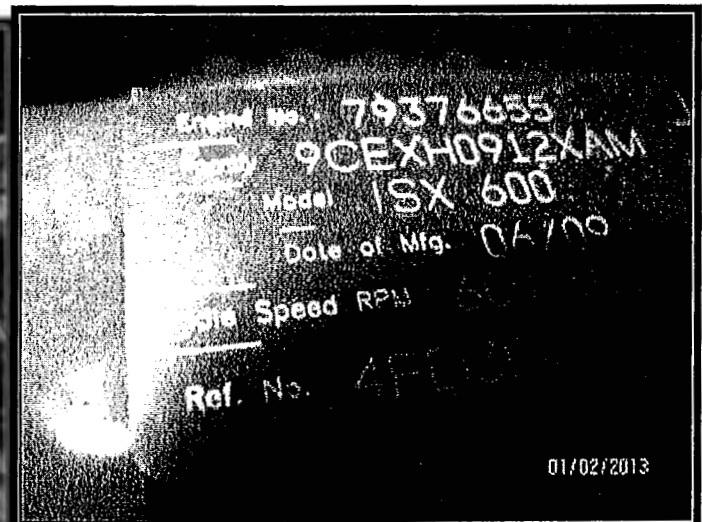
Engine



Engine



Engine Base



Engine ID Placard

Serial No. 79376635
 ID No. 9CEX40912XAM
 Model ISX 600
 Date of Mfg. 06/00
 Max Speed RPM
 Ref. No. 4FC

01/02/2013

Pdmr
 BD
 RSW
 MK



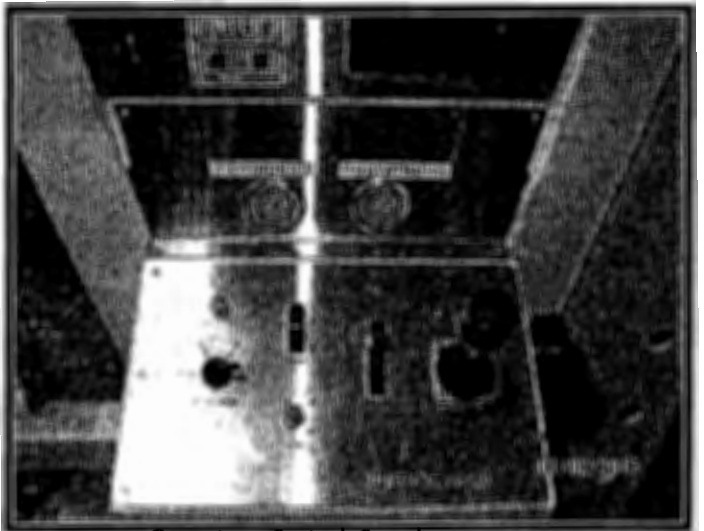
Mast Top Section



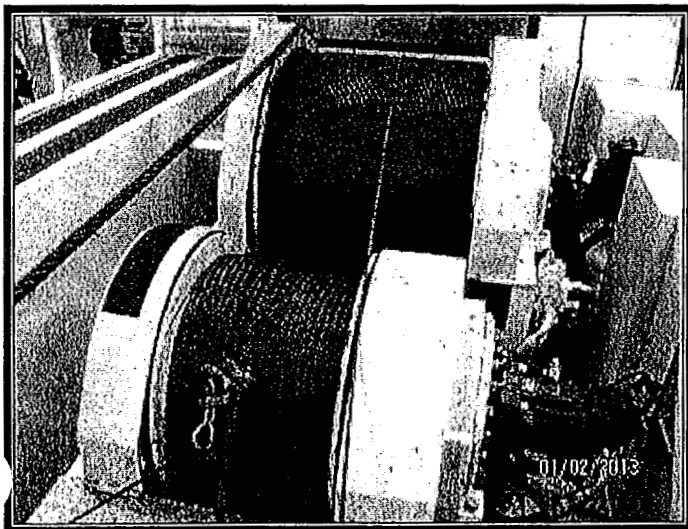
Mast Bottom Section



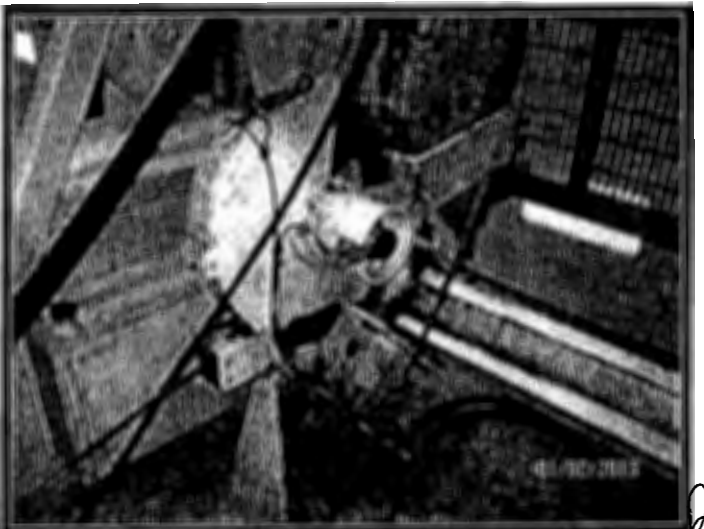
Mast ID Placard



Operators Control Console

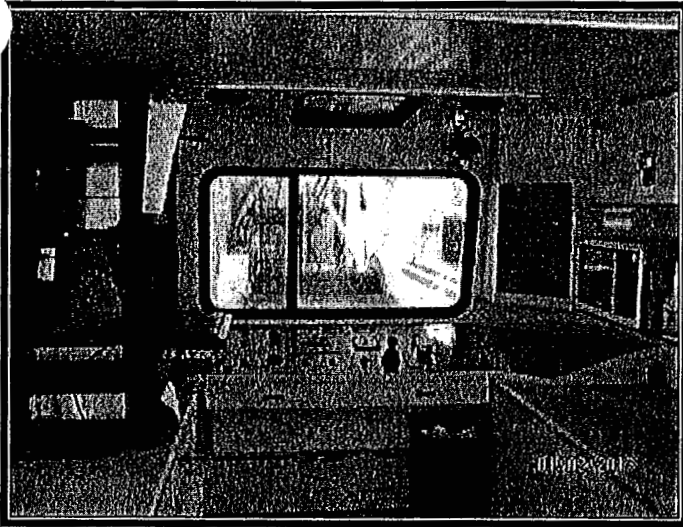


E-Line & Wire Rope Drawworks



Measuring Hood

DM
AK



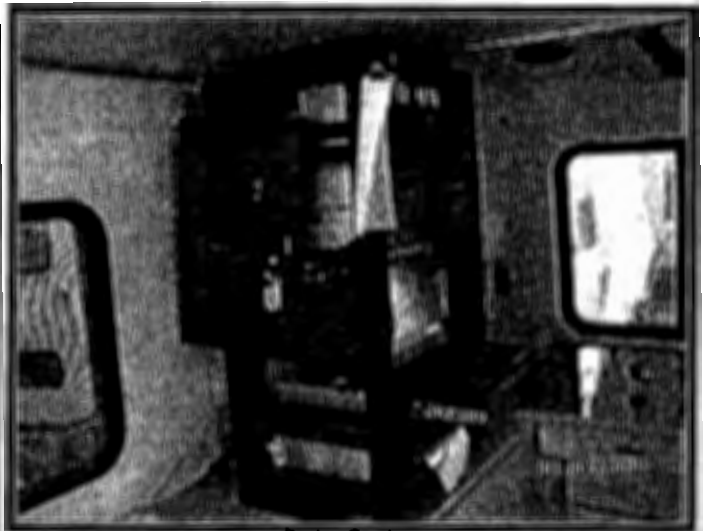
Operators Control Console



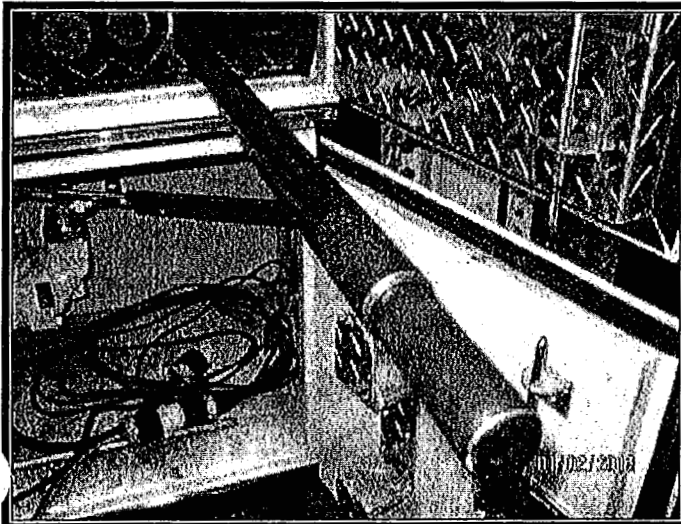
Recorder Cab, Bench & Light Table



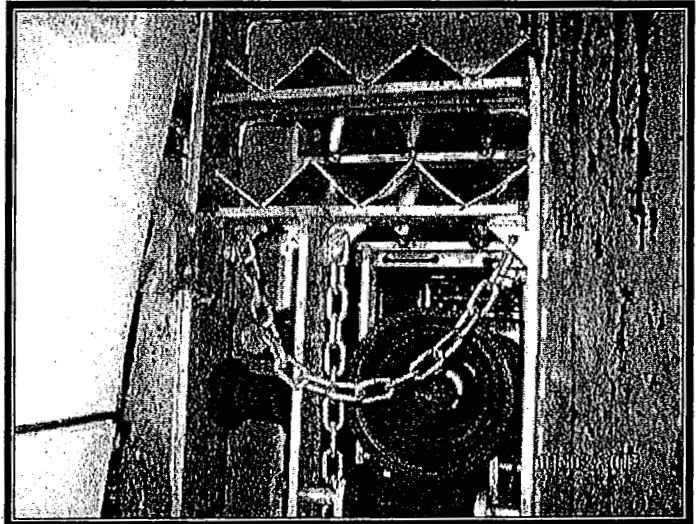
Recorder Cab ID Placard



Data System

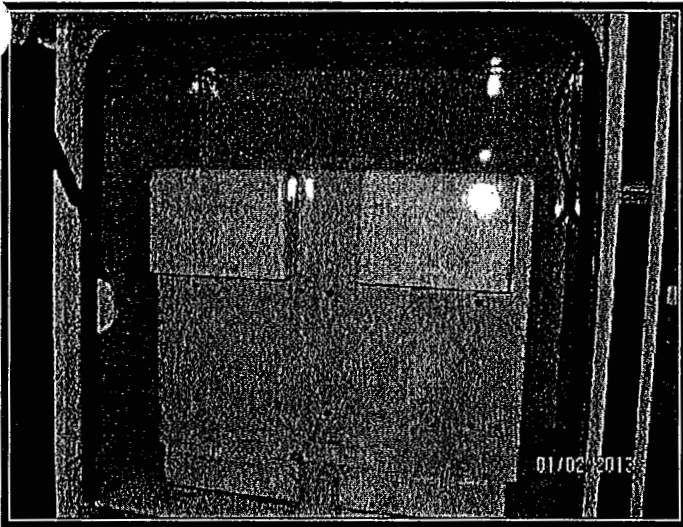


Downhole Tooling, (Gamma Ray in foreview)

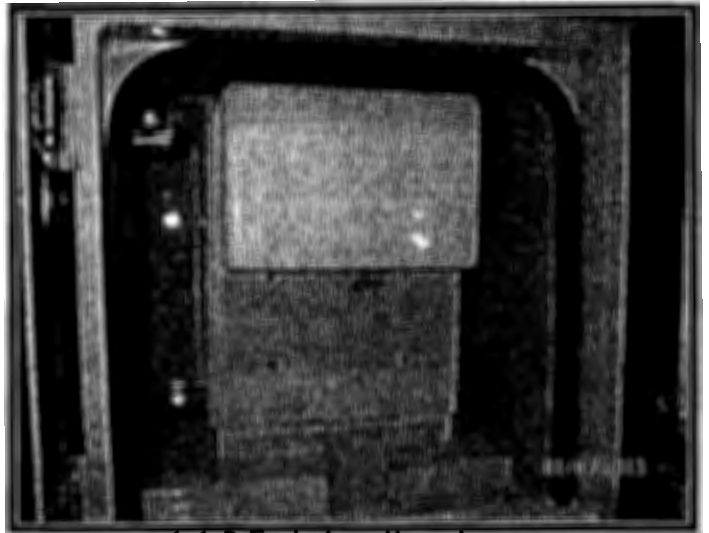


Downhole Tooling

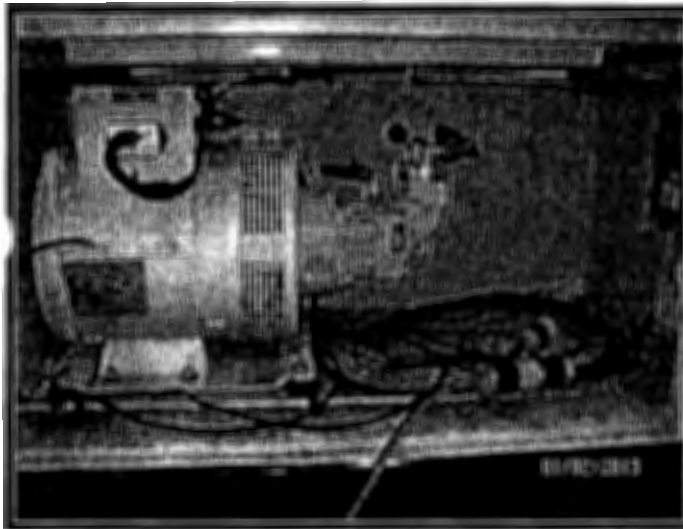
BD
RW
me



1.4S Explosives Magazine



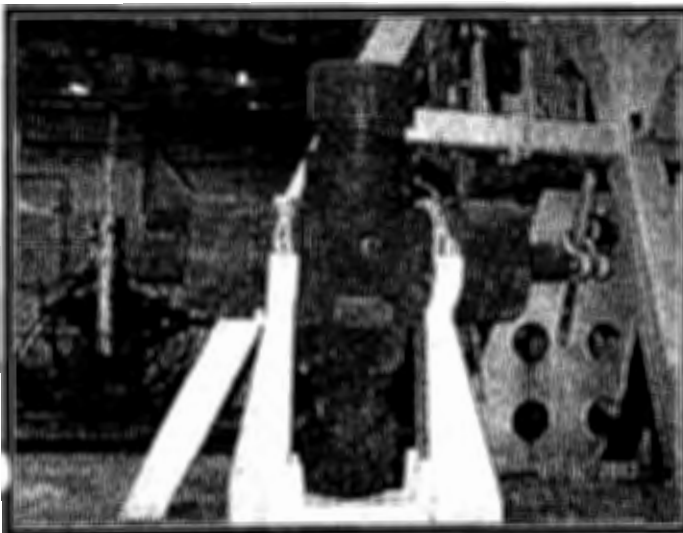
1.1 B Explosives Magazine



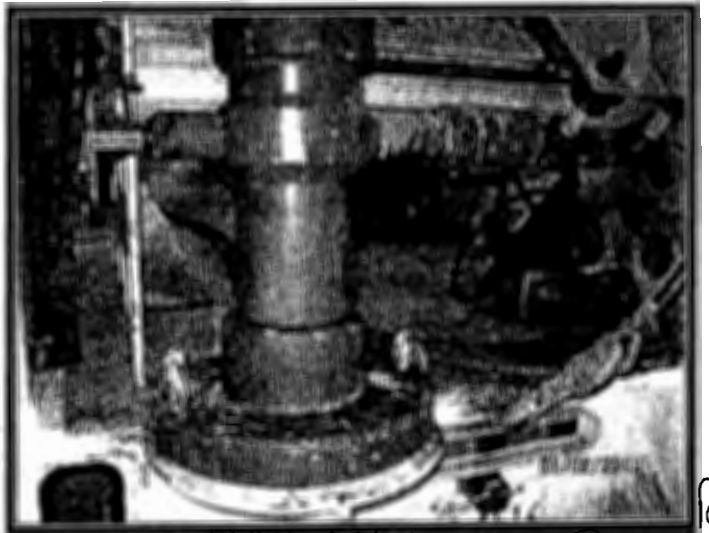
Genset



Blocks

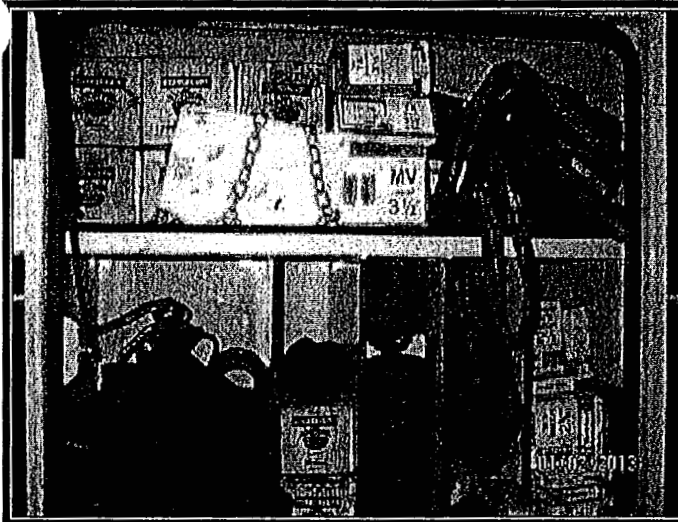


BOP: 5-in

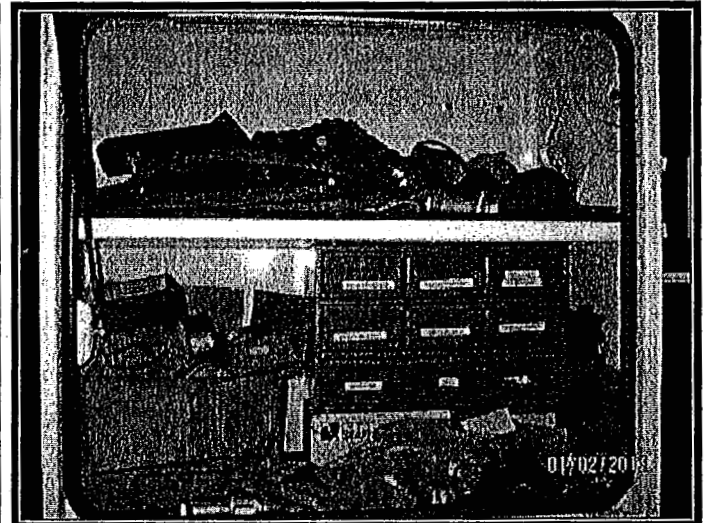


Well Head Adaptor

*adm
BD
ML*



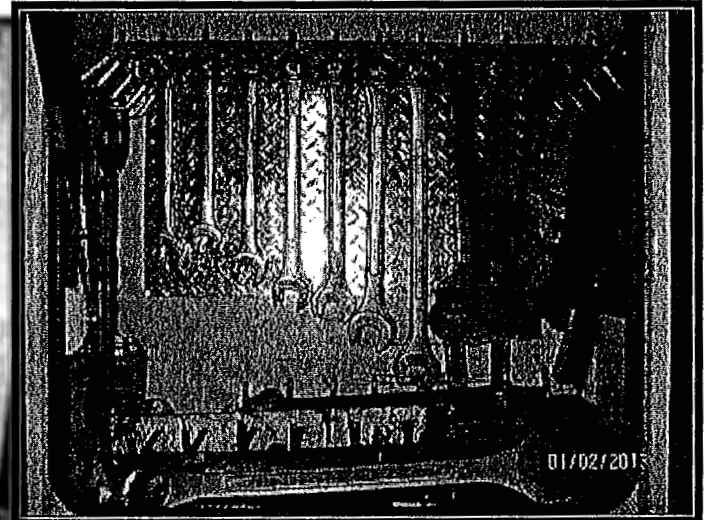
Swab Cups and Misc.



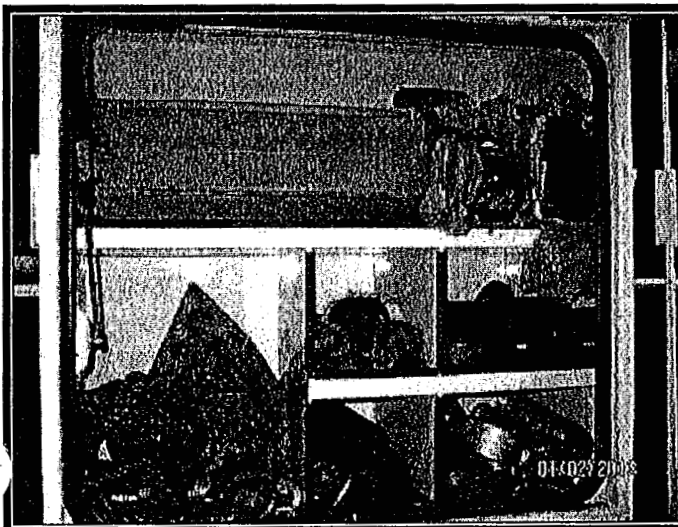
O-Rings & Consumables



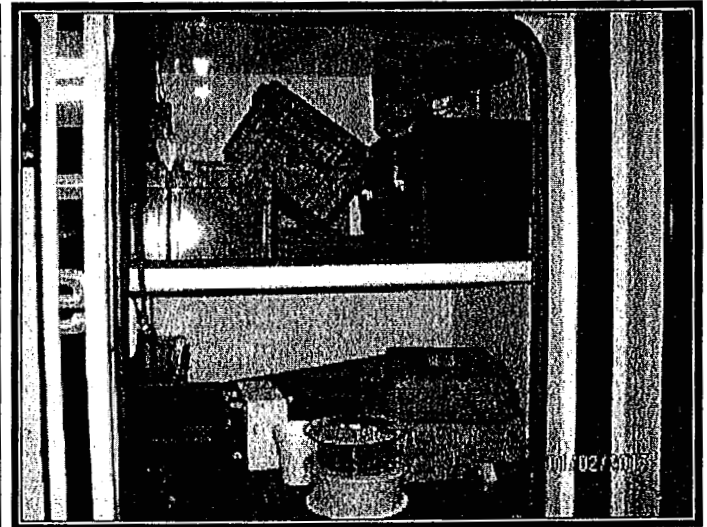
Hand Tools



Hand Tools



Subs, Clam Shells etc.



Kits

DMR
BD
MC

Big Guns Perforating & Logging

Section 5.1

IR1PT

Appraisal Summary

Ann
BD HSW
AK

Big Guns Perforating & Logging Appraisal Summary Viewed - January 2, 2013

IR1 PT	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
-----------	-------------	------------------------	---------------------------	---------------------------------	----------------------

2013 International Pump Truck w/ Jolly Pump & Tank:

	\$	300,000	\$	320,000	\$	360,000
<ul style="list-style-type: none"> ▶ 2013 International Paystar Model 5918x6 tri-drive truck; powered by Cummins Model ISX 450 diesel engine rated at 450-hp unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to 20,000-lb spring-ride front axles mounted on 425/65R22.5 tires with polished aluminum wheels and air-operated brakes. Tridem rear axles rated at 52,000 lbs equipped with air-ride suspension mounted on 11R24.5 tires, polished aluminum wheels and air - operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chocks etc... ▶ Truck is equipped with steel-constructed wood plank decked; 8-ft 6-in wide x 20-ft long c/w live roll & Tulsa Model 08C6 winch, 20,000-lb pull rating & junk basket with elbows, chocks etc... ▶ Jolly Engineering Services Model JES-300 mud pump; 5-in x 6-in x 5,000-psi rated at 160-hp c/w standard heads, pulsation chamber, Oteco pressure valve, 2-in relief valve, 5-valve 2-in x 3000 psi manifold, Bowie Model 33 pre-charge pump & control console. Pump is energized by drop box via truck PTO. ▶ (1) 28-m³ 2 section tank with; degasser, (2) guns, (2) gate valves, telescopic lighting, (20) 2-in joints line pipe x 3000-psi, 30-ft 4-in x 150-psi suction hose, (1) 30-ft and (1) 40-ft kelly hose x 3625-psi. Tank c/w tripod man lift with manual winch. Tank is mounted on 8-ft 6-in wide 20-ft long 	<p>VIN-1HTNWSMT3DJ603273 Eng. SN - 1524219002128 Hrs - 126 Kms - 3,550 CVIP - CV2567739 Exp. - Aug 2013 Licence - BJB-2409</p> <p>SN - 1201</p>					

Condition Observations

- ▶ Drive train leaks; **clear**, minor, mod, severe
- ▶ Body/Paint Appearance; **clear**, minor, mod, severe
- ▶ Interior Appearance; **clean**, minor, mod, severe
- ▶ Glass; **clear**, minor, mod, severe
- ▶ Tires; matched & remaining tread averaged 17-mm (front) / 22-mm (rear).

*BD Am-
PJTW
MC*

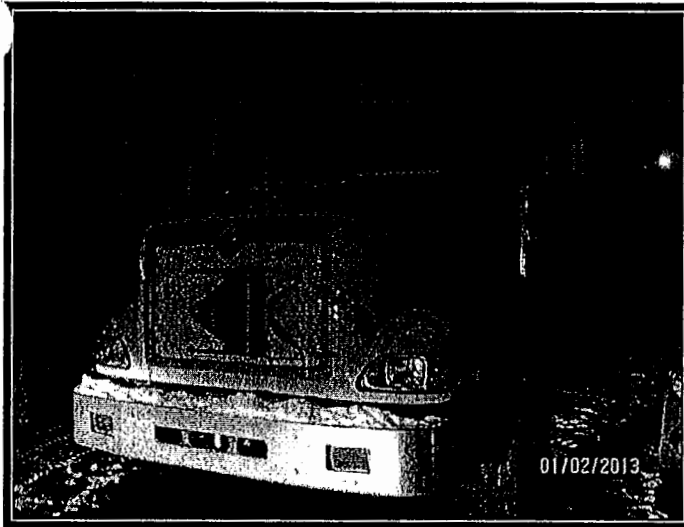
Big Guns Perforating & Logging

Section 5.1

IR1PT

Photographic Record

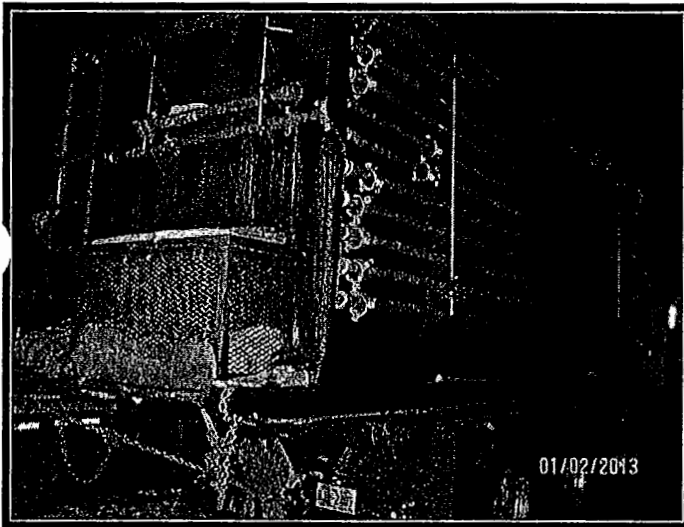
Am
BD
Mc



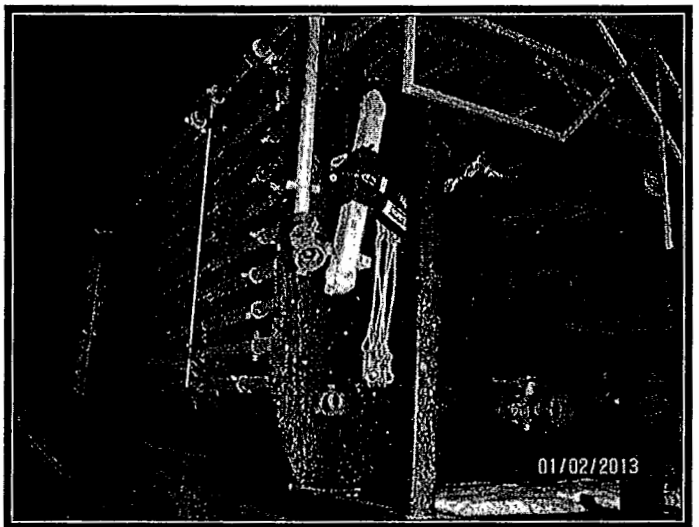
Front Left View



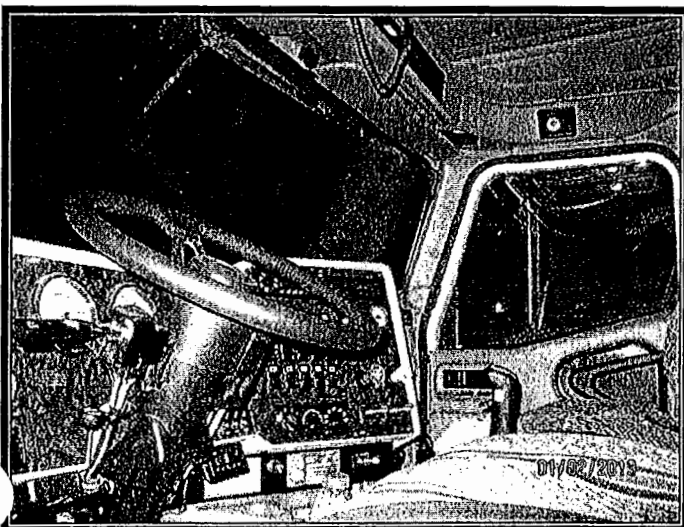
Front Right View



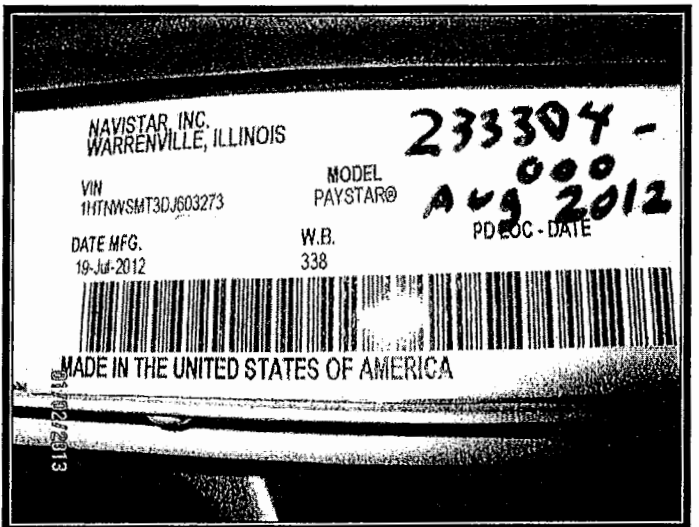
Rear Right, (Tank w/ Line Pipe)



Rear Right, (Tank w/ Line Pipe)

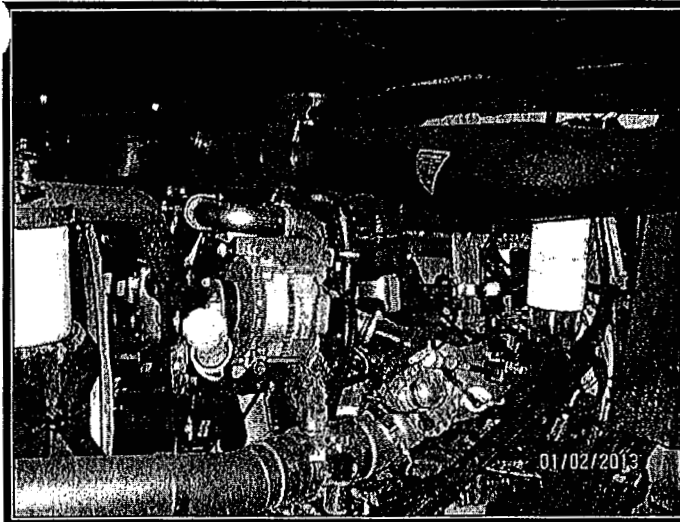


Cab Interior



ID Placard

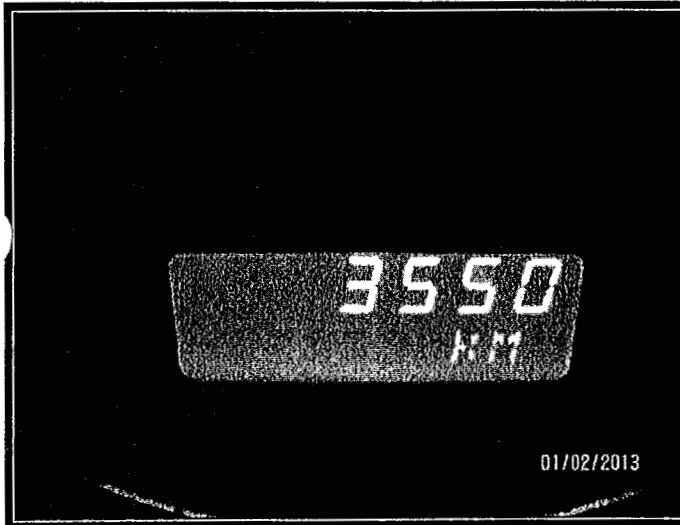
*BD Ann-
R5W
ME*



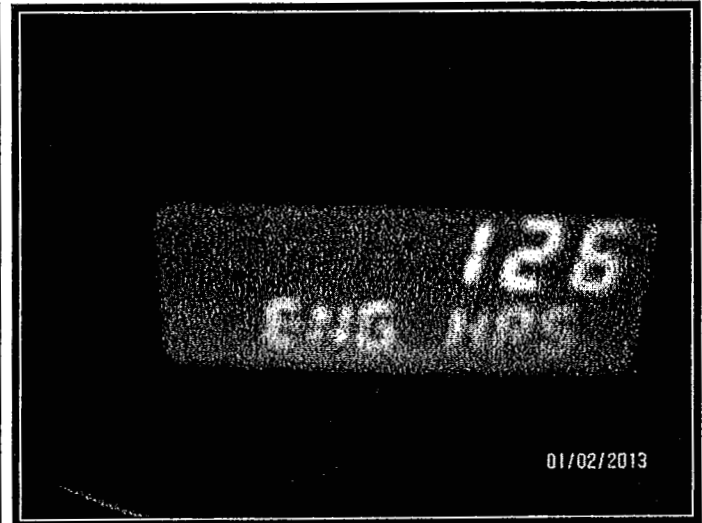
Engine



Engine ID Platform



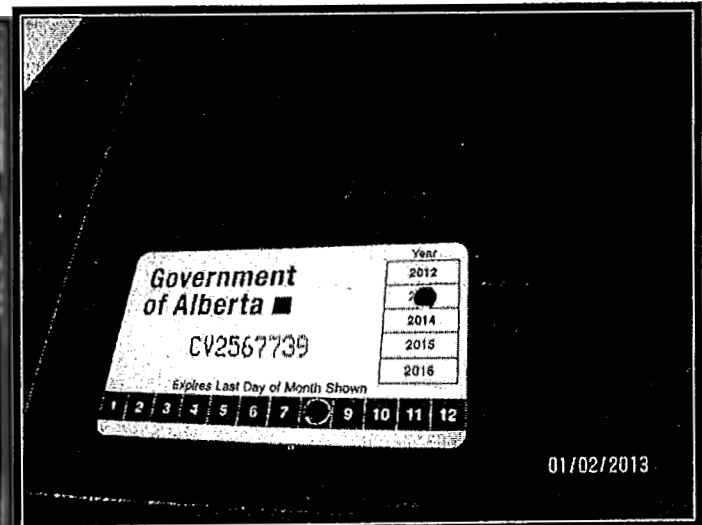
Odometer



Hour Meter

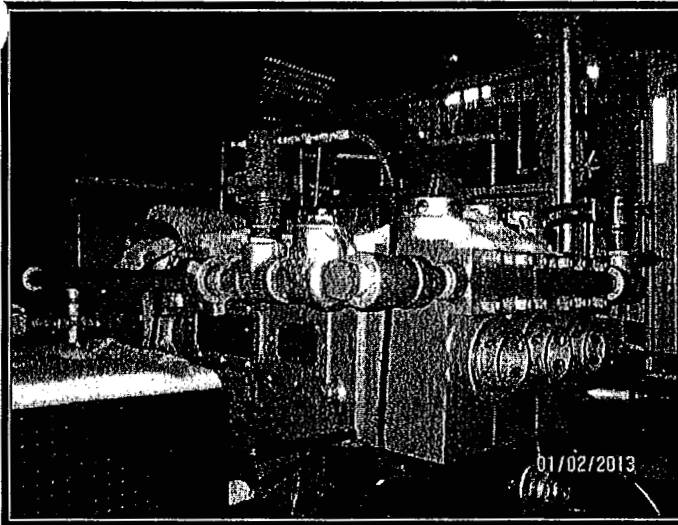


Engine Base

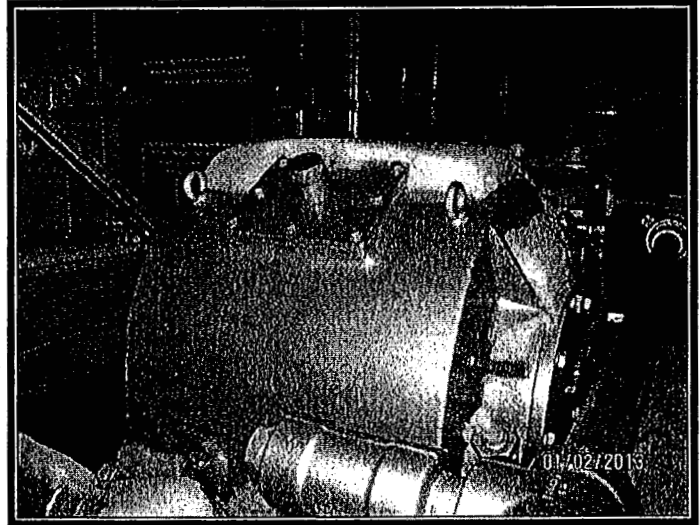


CVIP Placard

BD
Admin
ml



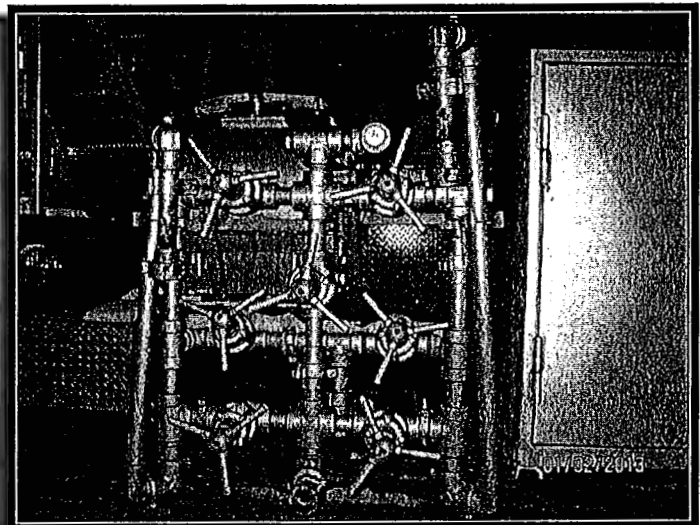
Mud Pump



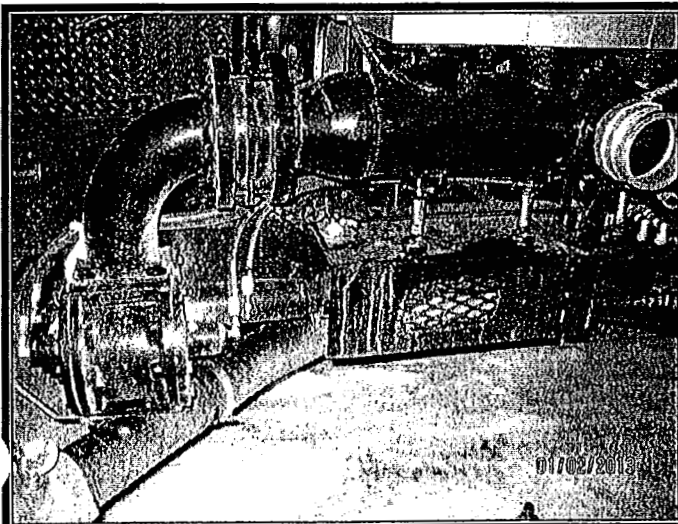
Pump Power End



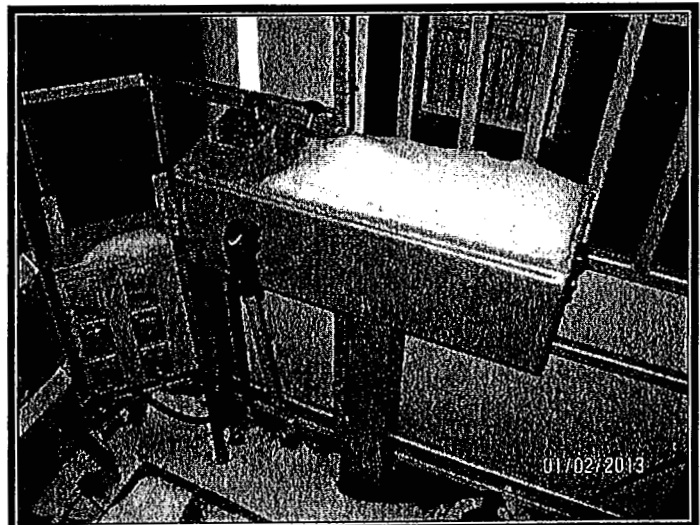
Mud Pump ID Placard



Pump Manifold



Pump Precharge

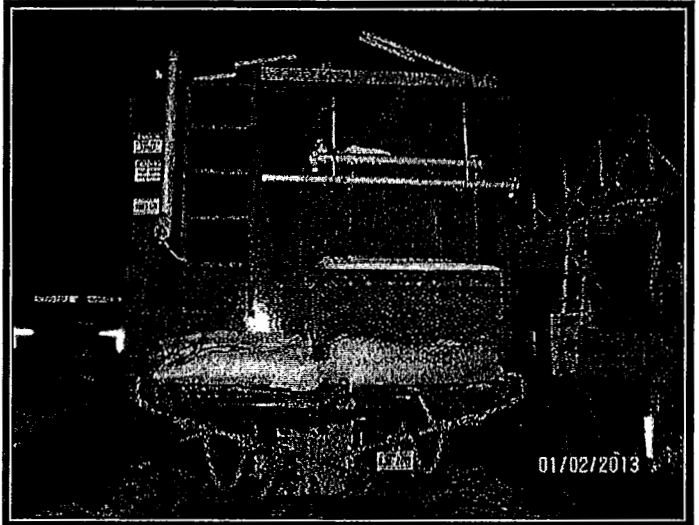


Pump Control Console

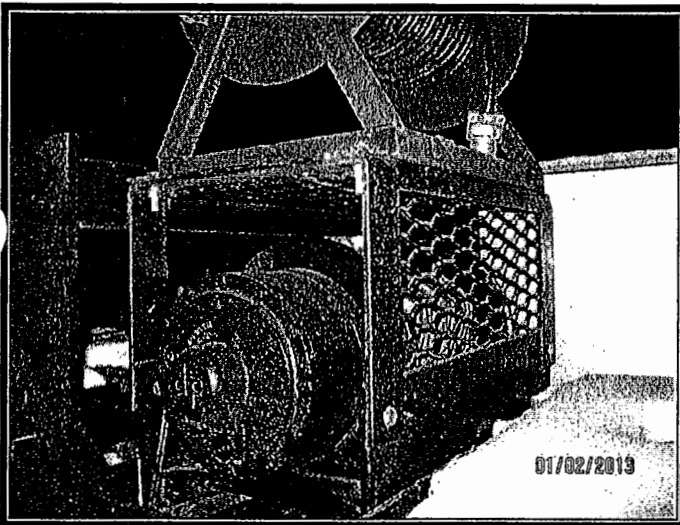
BD
MR



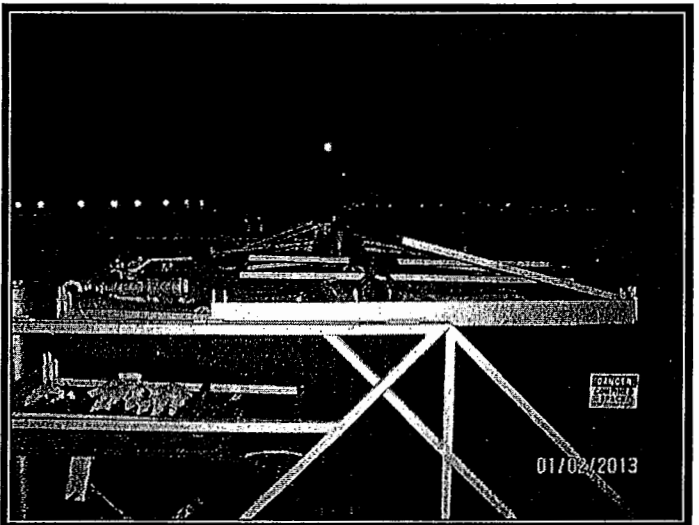
Mud Tank w/ Line Pipe



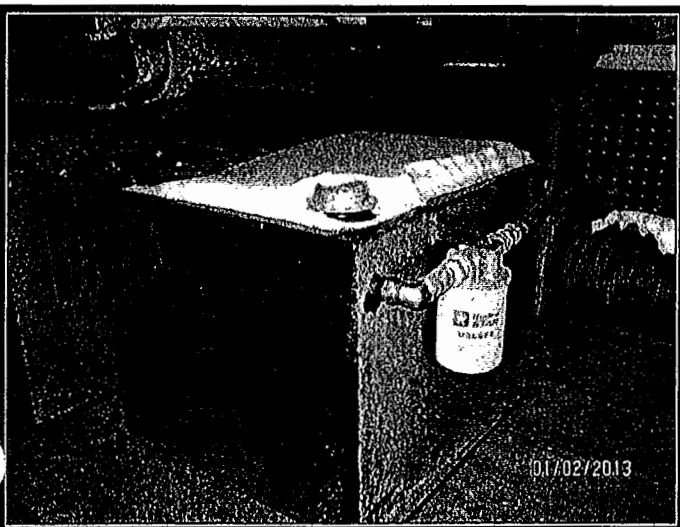
Mud Tank Rear



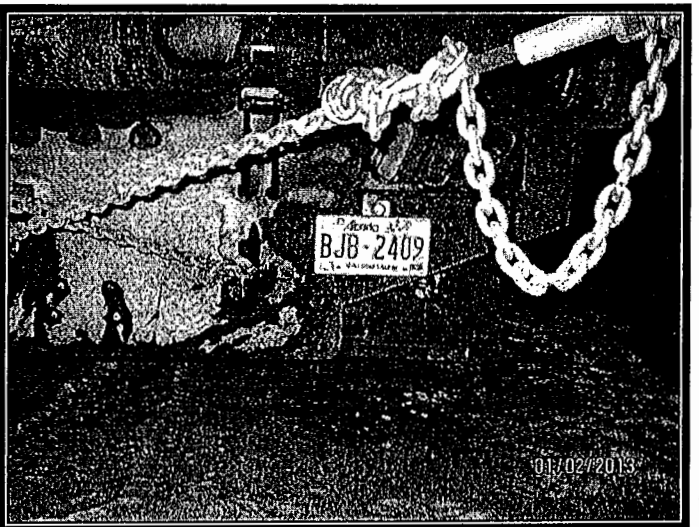
Tank Winch



Tank Top



Hydraulic Tank



License Plate

Ann
BD *R-Ju*
MC

Big Guns Perforating & Logging

Section 6.0

IR2PT

Appraisal Summary

BD
Ann
12

Big Guns Perforating & Logging Appraisal Summary Not Viewed (Fort Nelson)

IR 2 PT	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
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1996 Western Star Pump Truck w/ Empire pump & Tank:

\$ 150,000 \$ 175,000 \$ 200,000

- ▶ 1996 Western Star Model tridrive truck; powered by a diesel engine rated at approximately 450-hp unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to 20,000-lb spring-ride front axles mounted on 445/65R22.5 tires with polished aluminum wheels and air-operated brakes. Tridem rear axles rated at 52,000 lbs equipped with air-ride suspension mounted on 11R24.5 tires, polished aluminum wheels and air - operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chalks etc...
 - VIN-2WLNCCFF0TK941183
 - Hrs - 10,199
 - Kms - 411,322

- ▶ Truck is equipped with steel-constructed wood plank decked; 8-ft 6-in wide x 20-ft long c/w live roll & Tulsa Model 08C6 winch, 20,000-lb pull rating & junk basket with elbows, chick sans etc...

- ▶ Empire Model E-300 mud pump; 4-in x 5-in c/w standard heads, pulsation chamber, Oteco pressure valve, 2-in relief valve, 5-valve 2-in x 3000 psi manifold, Bowie Model 33 pre-charge pump & control console. Pump is energized by drop box via truck PTO.

- ▶ (1) 28-m³ 2 section tank with; degasser, (2) guns, (2) gate valves, telescopic lighting, (20) 2-in joints line pipe x 3000 psi, 30-ft 4-in x 150 psi suction hose, (1) 30-ft and (1) 40ft kelly hose x 3625 psi. Tank c/w tripod man lift with manual winch. Tank is mounted on 8-ft 6-in wide 20-ft long

Condition Observations, (unknown)

- ▶ Drive train leaks; clear, minor, mod, severe
- ▶ Body/Paint Appearance; clear, minor, mod, severe
- ▶ Interior Appearance; clean, minor, mod, severe
- ▶ Glass; clear, minor, mod, severe
- ▶ Tires; matched & remaining tread averaged -mm (front) / -mm (rear).

Big Guns Perforating & Logging

Section 7.0

IR3PT

Appraisal Summary

DM
DRSC
ML

Big Guns Perforating & Logging Appraisal Summary January 2, 2013

IR3 PT	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
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2005 Western Star Pump Truck w/ Empire Pump & Tank:	\$	180,000	\$	210,000	\$	240,000
---	----	---------	----	---------	----	---------

- ▶ 2005 Western Star tri-drive truck; powered by Detroit Series 60 diesel engine rated at approximately 450-hp unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to 20,000-lb spring-ride front axles mounted on 445/65R22.5 tires with polished aluminum wheels and air-operated brakes. Tri-drive rear axles rated at 52,000 lbs equipped with air-ride suspension mounted on 11R24.5 tires, polished aluminum wheels and air - operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chalks etc...

	VIN-5KKPALCK45PU76629
	Hrs - 13,753
	Kms - 443,468
	CVIP - CV2509285
	CVIP EXP - March 2013
	Licence - BCL-0752

- ▶ Truck is equipped with steel-constructed wood plank deck; 8-ft 6-in wide x 20-ft long c/w live roll & Tulsa Model 08C6 winch, 20,000-lb pull rating & junk basket with elbows, chick sans etc...

- ▶ Empire Model E-300 mud pump; 4-in x 5-in c/w standard heads, pulsation chamber, Oteco pressure valve, 2-in relief valve, 5-valve 2-in x 3000 psi manifold, Bowie Model 33 pre-charge pump & control console. Pump is energized by drop box via truck PTO.

	SN - LT01-2008-009
--	--------------------

- ▶ (1) 28-m³ 2 section tank with; degasser, (2) guns, (2) gate valves, telescopic lighting, (20) 2-in joints line pipe x 3000 psi, 30-ft 4-in x 150 psi suction hose, (1) 30-ft and (1) 40ft kelly hose x 3625 psi. Tank c/w tripod man lift with manual winch. Tank is mounted on 8-ft 6-in wide 20-ft long

Condition Observations

- ▶ Drive train leaks; clear, **minor**, mod, severe
- ▶ Body/Paint Appearance; clear, **minor**, mod, severe
- ▶ Interior Appearance; clean, **minor**, mod, severe
- ▶ Glass; **clear**, minor, mod, severe
- ▶ Tires; matched & remaining tread averaged 18-mm (front) / 20-mm (rear).

*BD Pom -
RJCW
K*

Big Guns Perforating & Logging

Section 7.1

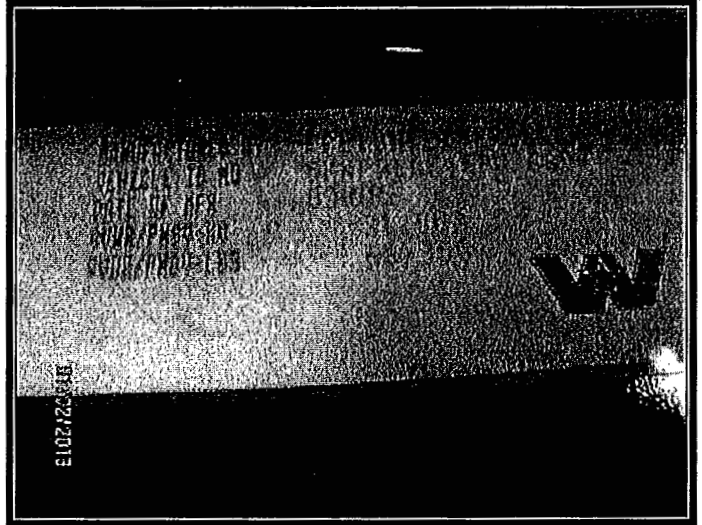
IR3PT

Photographic Record

*BD RSW
MR*



Front Right View



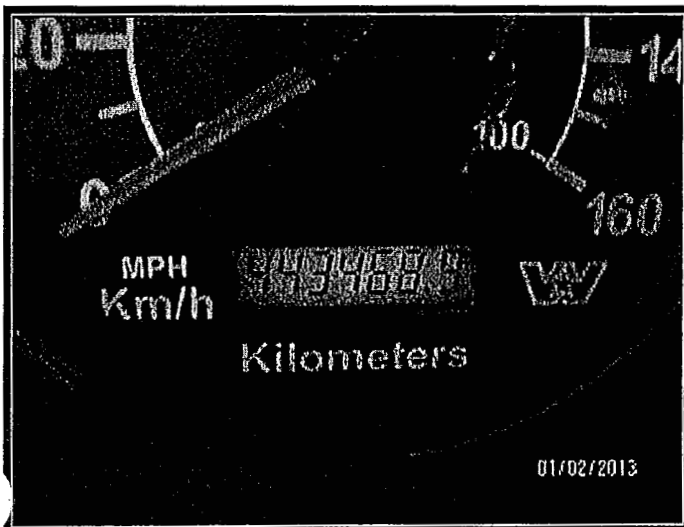
Truck ID Placard



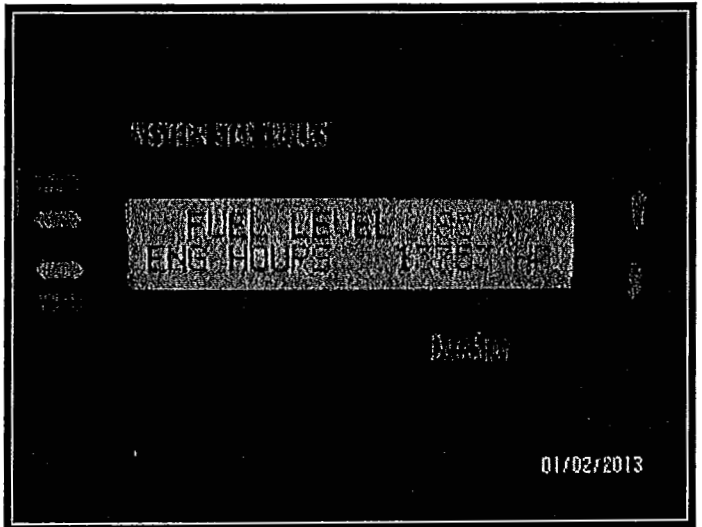
Cab Interior



CVIP Placard

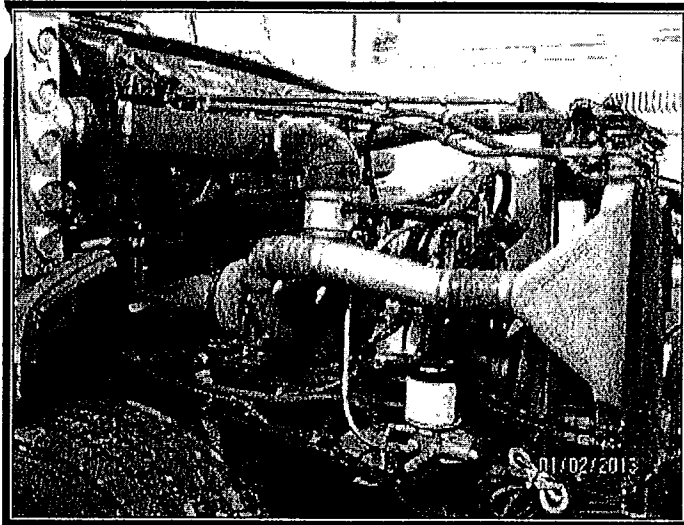


Odometer

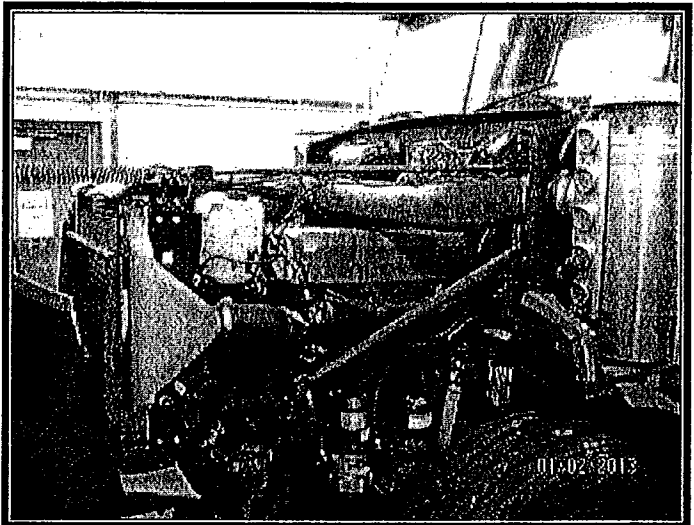


Engine Clock

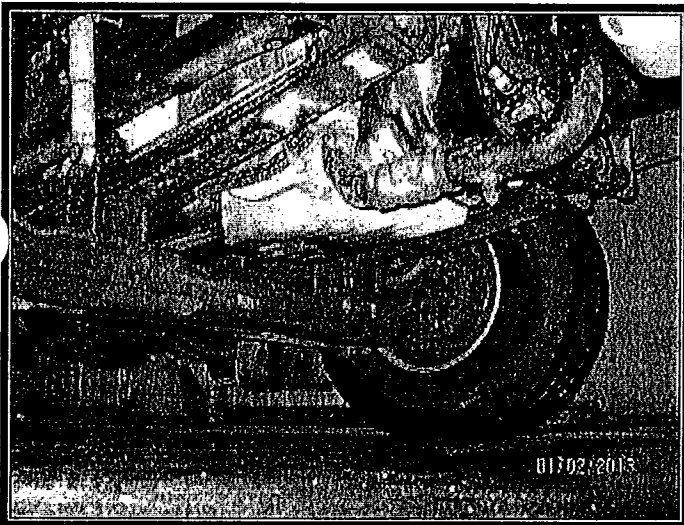
*BD Ann-
RJT
HR*



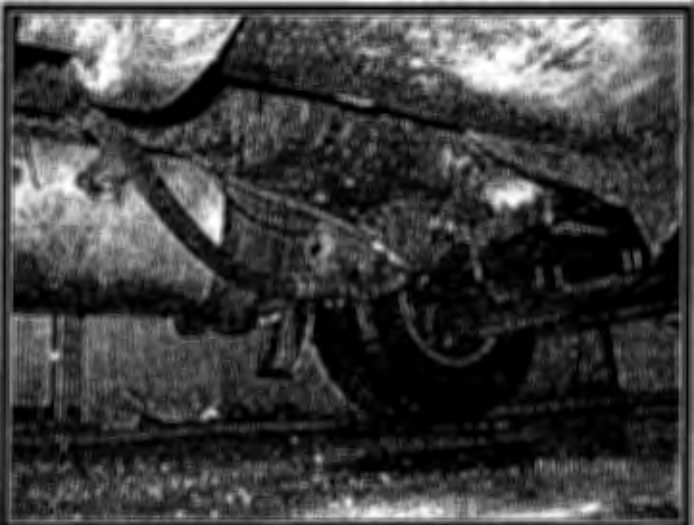
Engine Right View



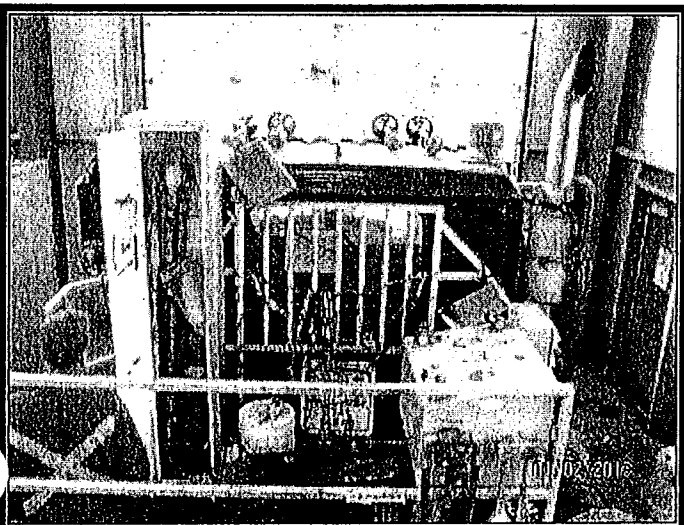
Engine Left View



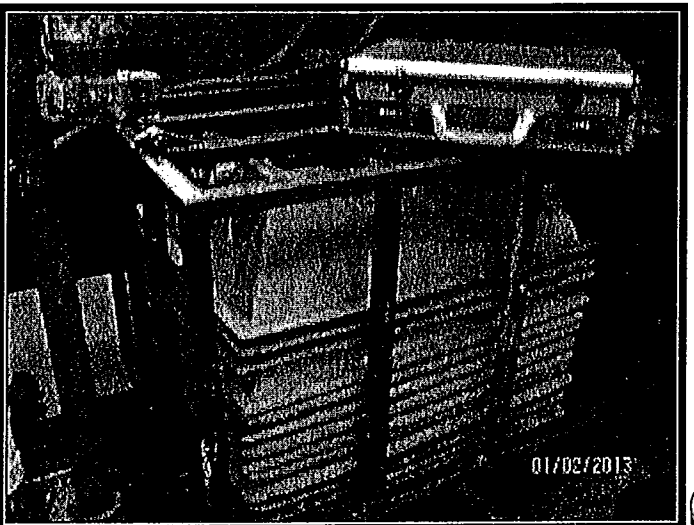
Engine Base View



Hydraulic Pump

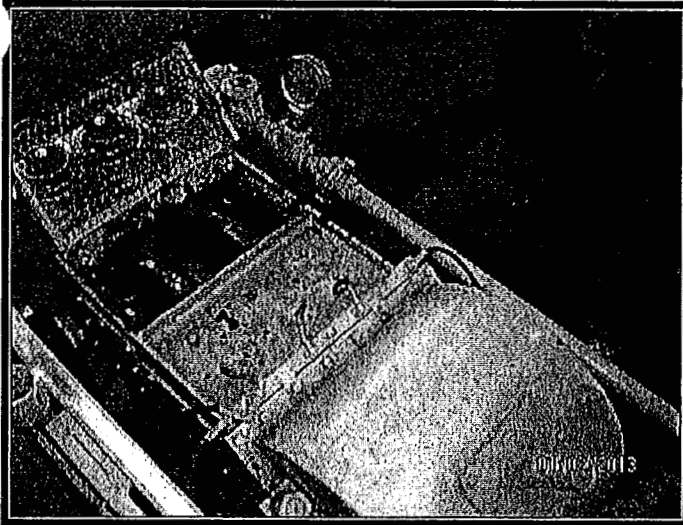


Head Ache Rack

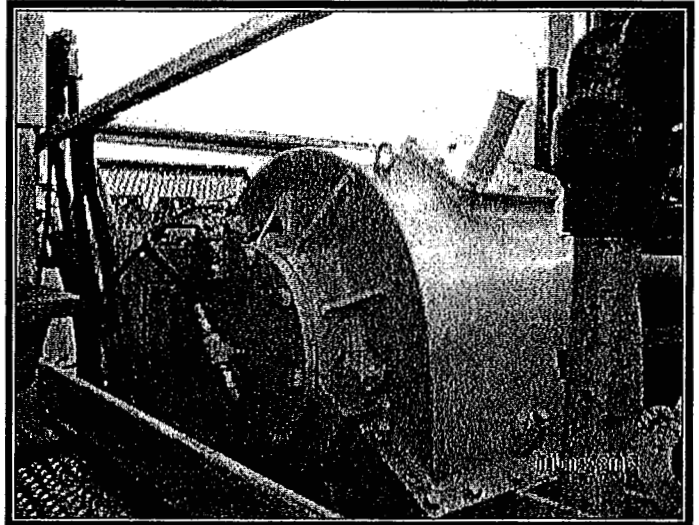


Spill Trays & Rack

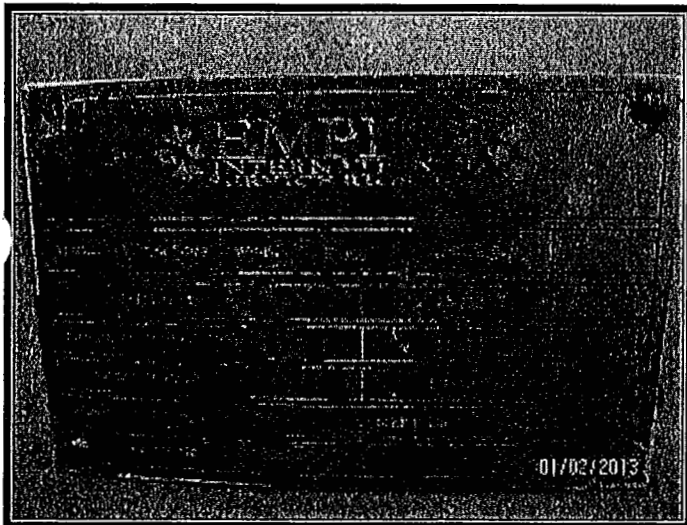
BD
RJS
MK
Dmm-



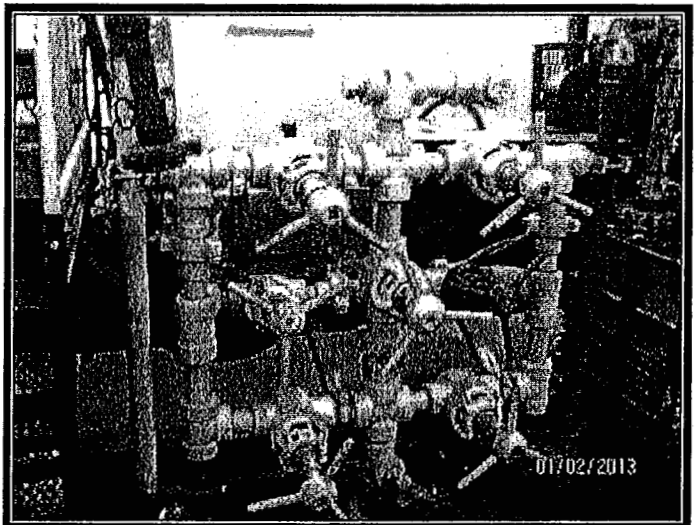
Pump Top View



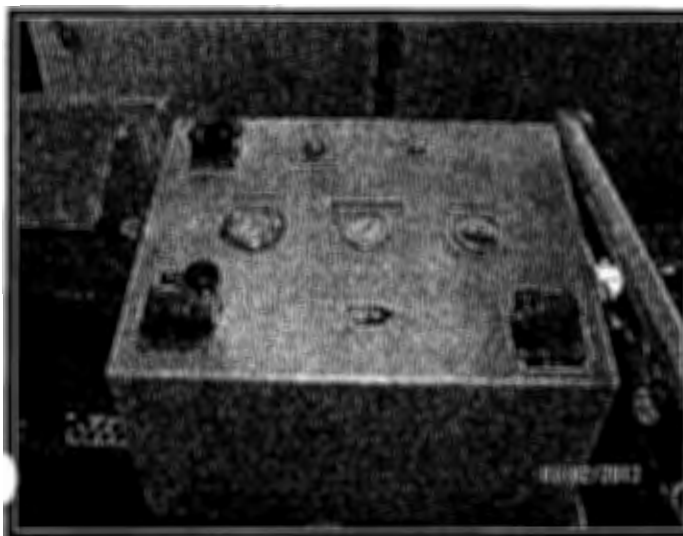
Pump Power End



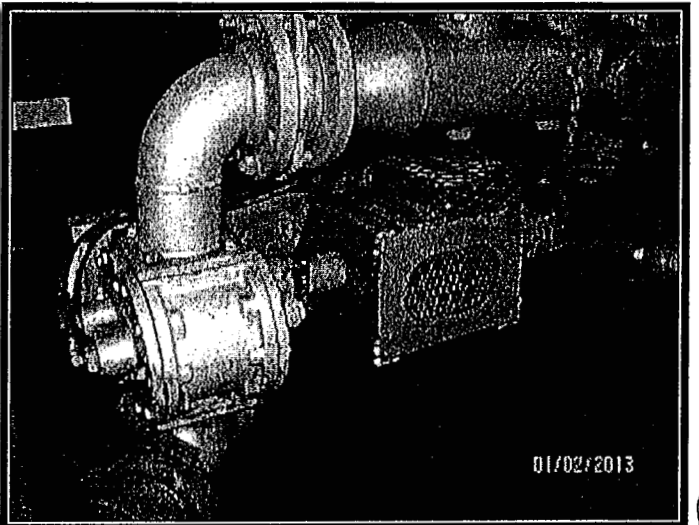
Pump ID Placard



Pump Manifold

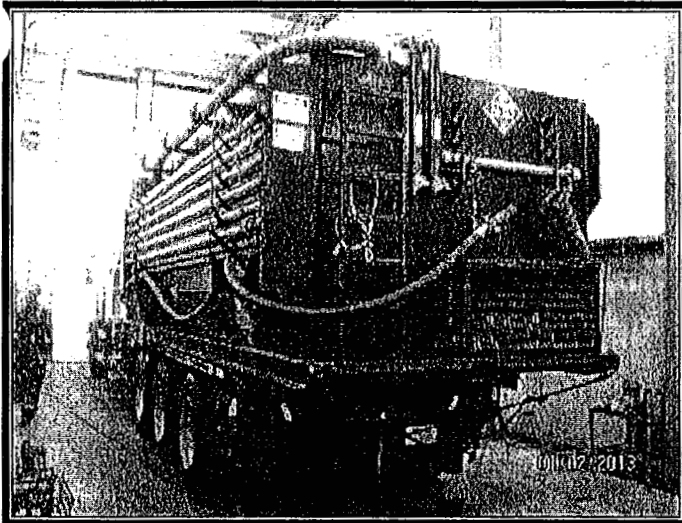


Pump Control Console

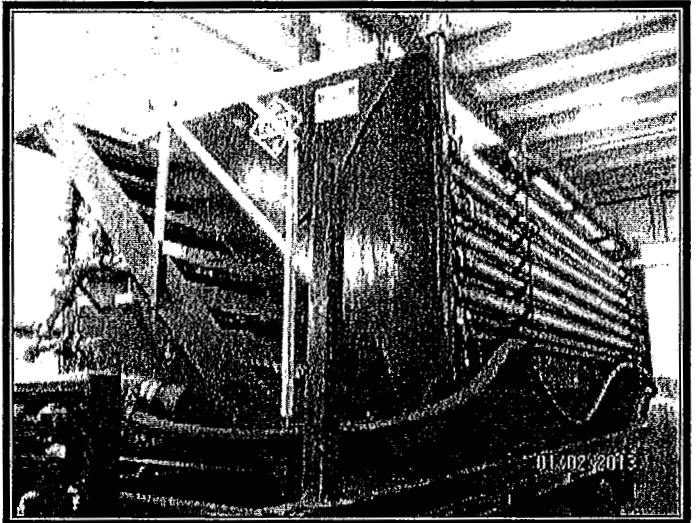


Pump Precharge

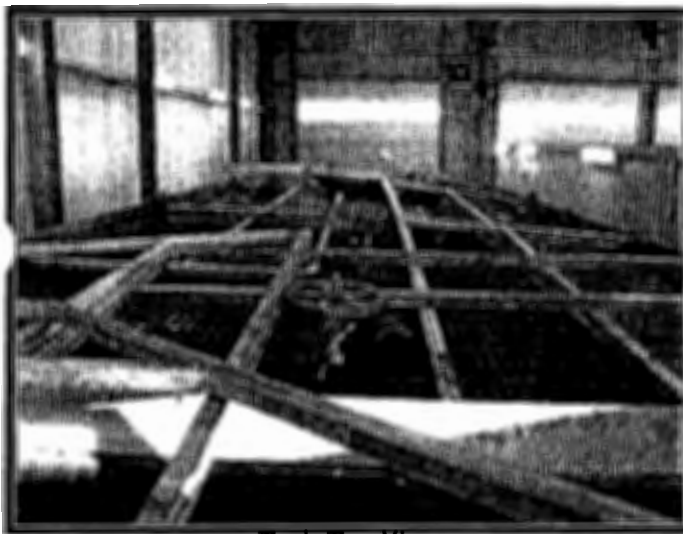
BD
R5W
ml
Bmm



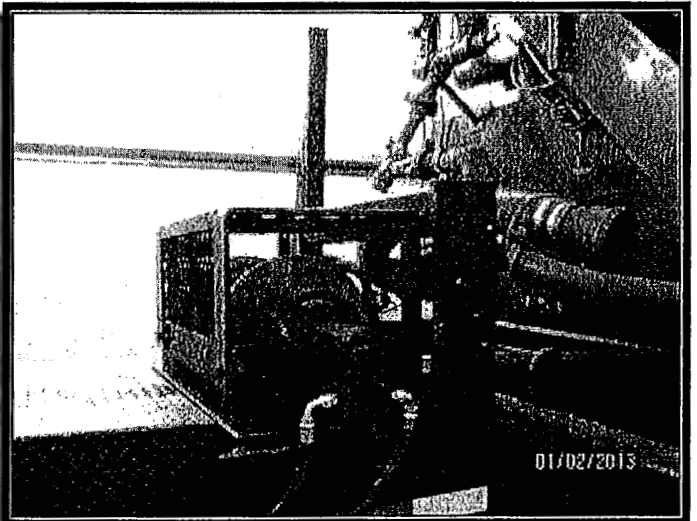
Tank Rear Side View



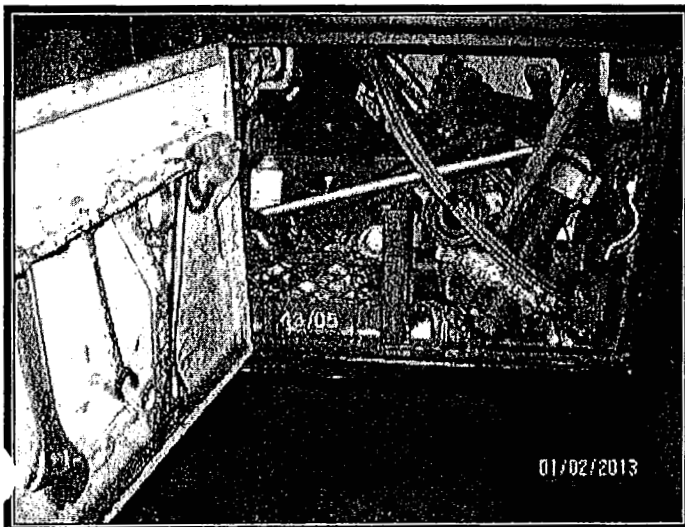
Tank Front Side View



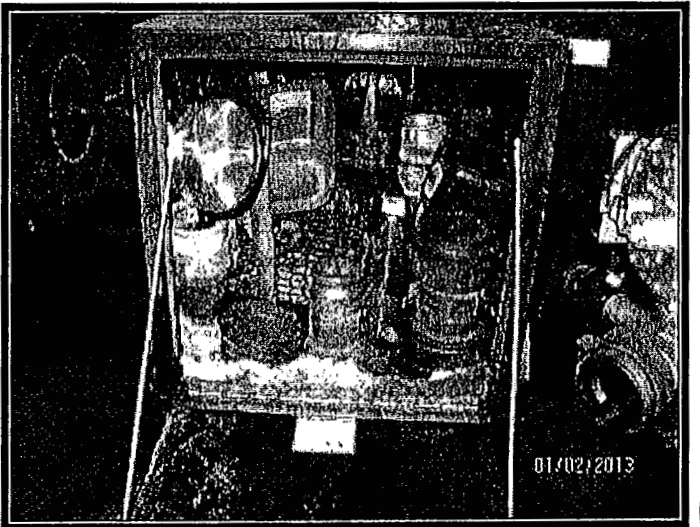
Tank Top View



Tank Winch



Tooling



Tooling

BD
h
W

Big Guns Perforating & Logging

Section 8.0

IR4PT

Appraisal Summary

BD
MK
Ann

Big Guns Perforating & Logging Appraisal Summary Not Viewed - (Fort McMurray)

IR4 PT	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
-----------	-------------	------------------------	---------------------------	---------------------------------	----------------------

2005 Western Star Pump Truck w/ Gardner Denver Pump w/ Tank: \$ 200,000 \$ 230,000 \$ 260,000

- ▶ 2005 International Model 5600 6X4 tri-drive truck; powered by Cummins diesel engine rated at approximately 450-hp unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to 20,000-lb spring-ride front axles mounted on 445/65R22.5 tires with polished aluminum wheels and air-operated brakes. Tridem rear axles rated at 52,000 lbs equipped with air-ride suspension mounted on 11R24.5 tires, polished aluminum wheels and air - operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chawks etc...
VIN-1HTXSAPT35J055979
Hrs - 25,003
Kms - 298,276

- ▶ Truck is equipped with steel-constructed wood plank decked; 8-ft 6-in wide x 20-ft long c/w live roll & Tulsa Model 08C6 winch, 20,000-lb pull rating & junk basket with elbows, chick sans etc...

- ▶ Empire Model E-300 mud pump; 4-in x 5-in c/w standard heads, pulsation chamber, Oteco pressure valve, 2-in relief valve, 5-valve 2-in x 3000 psi manifold, Bowie Model 33 pre-charge pump & control console. Pump is energized by drop box via truck PTO.

- ▶ (1) 28-m³ 2 section tank with; degasser, (2) guns, (2) gate valves, telescopic lighting, (20) 2-in joints line pipe x 3000 psi, 30-ft 4-in x 150 psi suction hose, (1) 30-ft and (1) 40ft kelly hose x 3625 psi. Tank c/w tripod man lift with manual winch. Tank is mounted on 8-ft 6-in wide 20-ft long.

Condition Observations, (unknown)

- ▶ Drive train leaks; clear, minor, mod, severe
- ▶ Body/Paint Appearance; clear, minor, mod, severe
- ▶ Interior Appearance; clean, minor, mod, severe
- ▶ Glass; clear, minor, mod, severe
- ▶ Tires; matched & remaining tread averaged -mm (front) / -mm (rear).

*BD Ann-
RJTW
mc*

Big Guns Perforating & Logging

Section 9.0

ET01

Appraisal Summary

*DD RJSW
ML*

Big Guns Perforating & Logging Appraisal Summary Viewed - January 2, 2013

ET 01	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
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2013 International Truck w/ Dynawinch BOP Support Deck: \$ 160,000 \$ 170,000 \$ 180,000

- ▶ 2013 International Model 7500SBA6X4 single-axle truck; powered by Maxxforce Model GDT 350 diesel engine rated at 350-hp @ 2,000-rpm unitized with Allison Model 3000RDS automatic 6-speed transmission. Truck is equipped with; 16,000-lb front axle mounted on 315/80R22.5 tires with painted steel wheels and air-operated brakes. Rear axle rated at 20,000 lbs equipped with air-ride suspension mounted on 11R22.5 tires w/ painted steel wheels and air-operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chalks etc...
 - VIN- 1HTWNAZT5DJ304393
 - Hrs - 97
 - Kms - 3,071
 - CVIP - CV2637430
 - CVIP EXP - Nov 2013
 - Licence - BJB-2264

- ▶ Dynawinch BOP support deck; approximately 8½-ft wide x 22-ft long w/ BOP stump c/w Warn positioning winch, tubular wall racks, chic-san hangers, caged junk baskets, custom locking cabinetry, head ache rack, aluminum stairwell, lighting etc. SN - 24058

- ▶ Electric over hydraulic 3,000-psi Class II accumulator system equipped w/ 45-gal reservoir, nitrogen back-up, hose reels, direct & remote (rig-mounted) controls.

- ▶ Lot of support equipment including; Guibberson Type 1 air slips, Mission Low-Lie slips, tubing elevators (2¾-in ~ 2⅞-in inserts), Web Wilson 2-in dia x 53-tons balls, TEDA (Chinese) Model XYQ6B power tongs c/w 2-in ~ 3½-in dies, lot of rod tools including; rod hook, elevators, wrenches, etc...

Condition Observations

- ▶ Drive train leaks; **clear**, minor, mod, severe
- ▶ Body/Paint Appearance; **clear**, minor, mod, severe
- ▶ Interior Appearance; **clean**, minor, mod, severe
- ▶ Glass; **clear**, minor, mod, severe
- ▶ Tires; matched & remaining tread averaged 20-mm (front) / 22-mm (rear).

BP Ann
RJW
MC

Big Guns Perforating & Logging

Section 10

ET01

Photographic Record

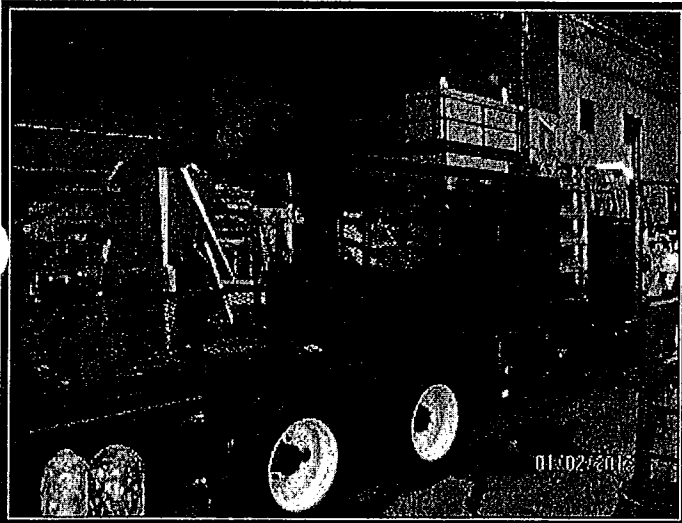
BD
RTW
mk
Ann



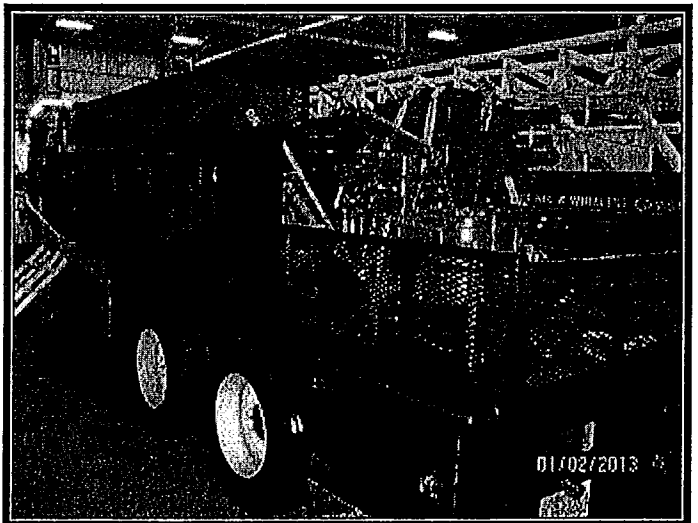
Front Left View



Front Left View



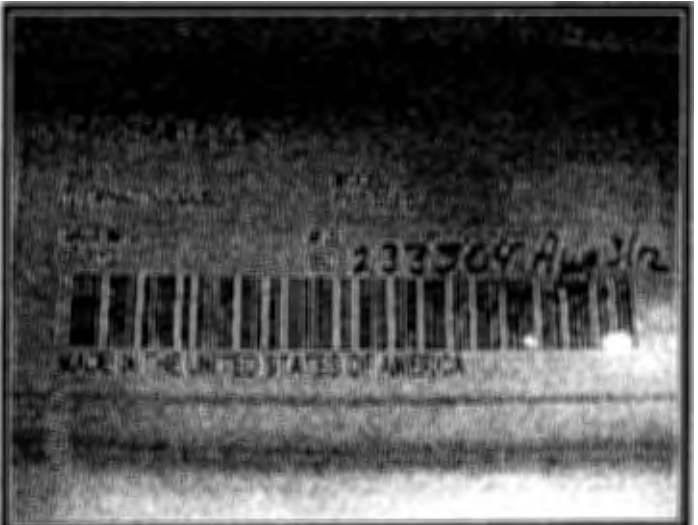
Rear Right View



Rear Left View

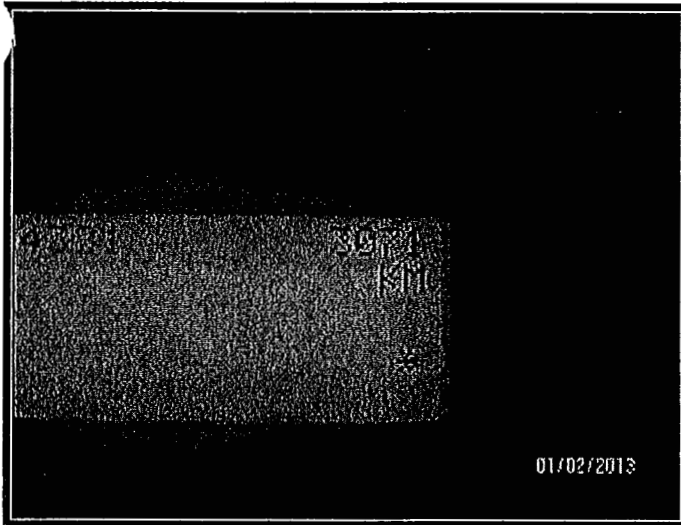


Cab Interior

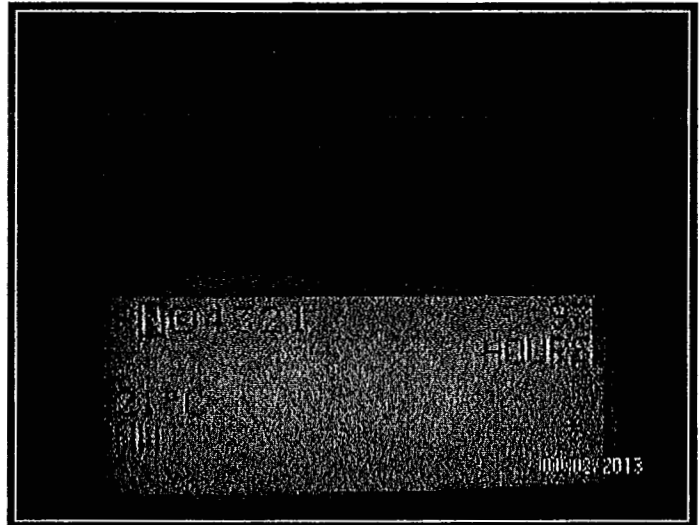


Truck ID Placard

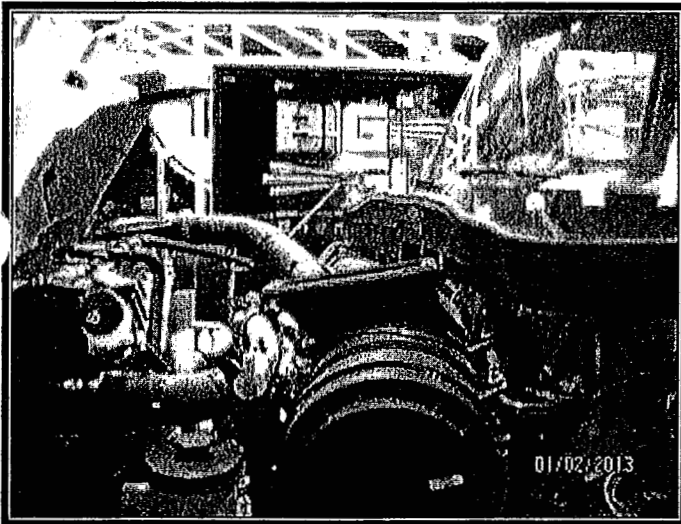
BD
R5W
ML
Bm



Odometer



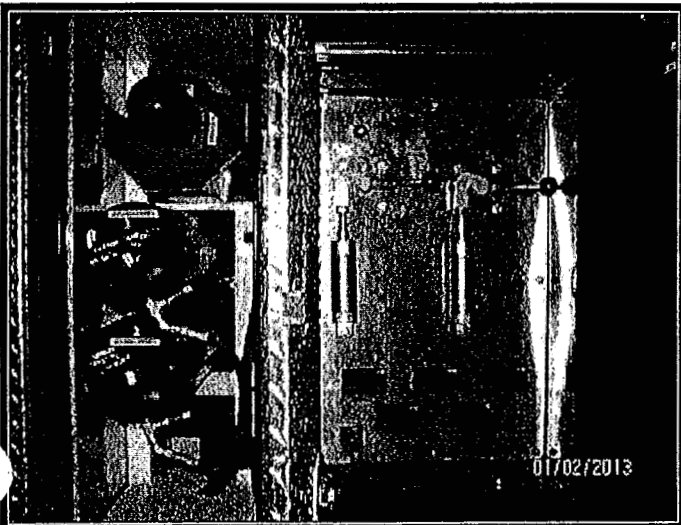
Hour Meter



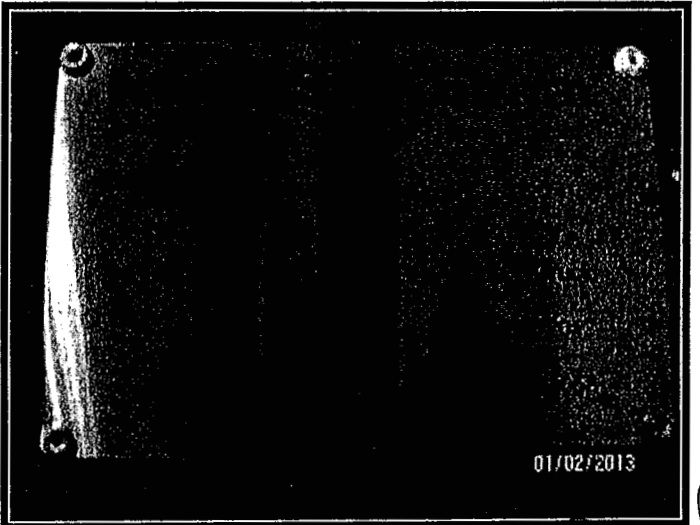
Engine



Engine Id Placard



Accumulator

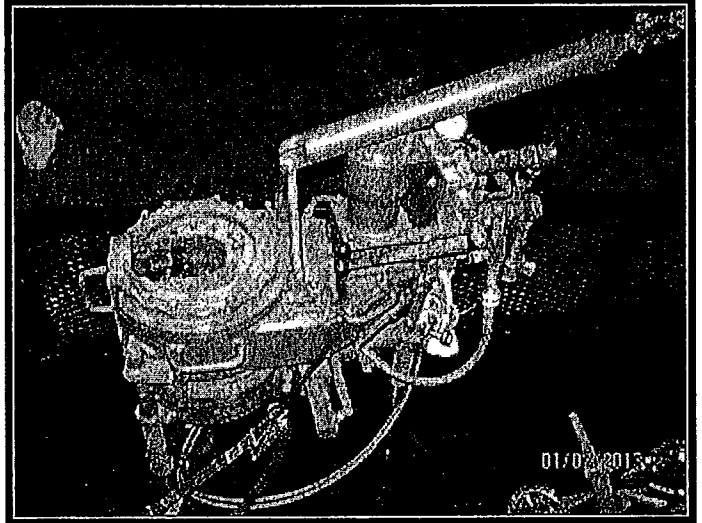


Accumulator ID Placard

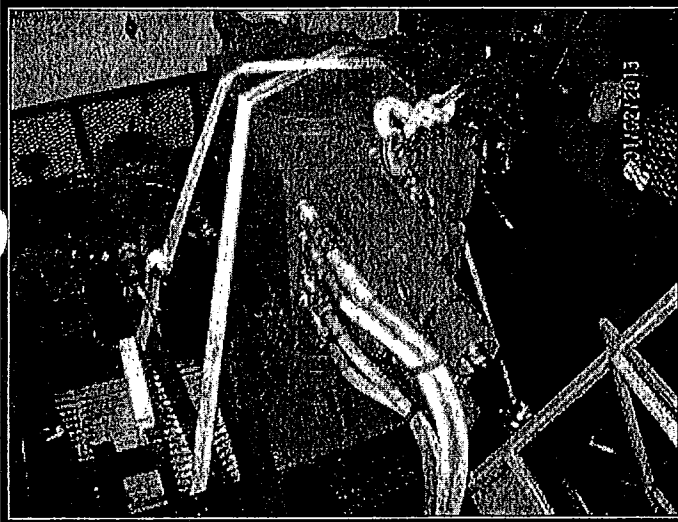
BB
RSW
ml
Bm



Service Body Top View



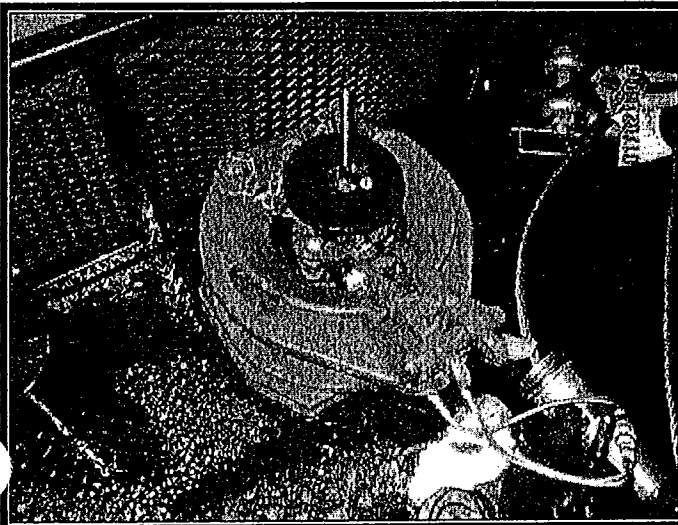
Power Tongs



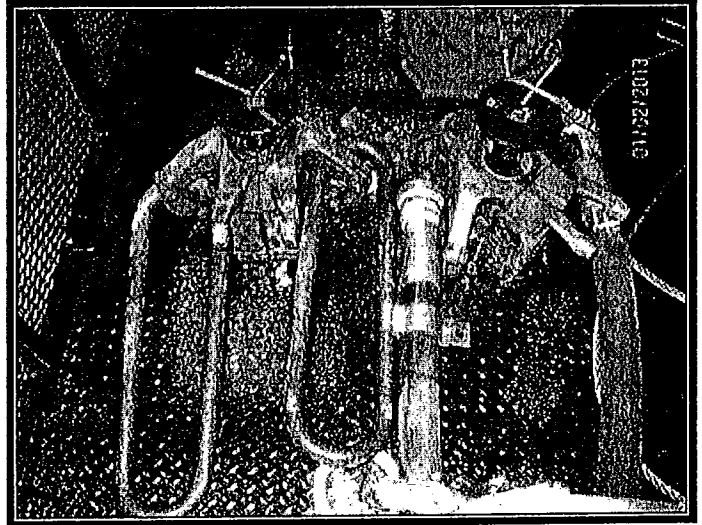
BOP



BOP ID Placard



Pneumatic Slips



Elevators and Bail Extensions

DM
BD *RJC*
M

Big Guns Perforating & Logging

Section 11

ET02

Appraisal Summary

BD RSW
ML
Dm

Big Guns Perforating & Logging Appraisal Summary Not Viewed - (Fort McMurray)

ET 02	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
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2012 International Truck w/ Dynawinch BOP Support Deck: \$ 160,000 \$ 170,000 \$ 180,000

- ▶ 2012 International Paystar Model 75006X4 tandem-axle truck; powered by Maxxforce Model GDT 350 diesel engine rated at 350-hp @ 2,000-rpm unitized with Allison Model 3000RDS automatic 6-speed transmission. Truck is equipped with; 16,000-lb front axle mounted on 315/80R22.5 tires with painted steel wheels and air-operated brakes. Rear axle rated at 20,000 lbs equipped with air-ride suspension mounted on 11R22.5 tires w/ painted steel wheels and air-operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chocks etc...
 - VIN- 1HTWNAZTLCJ603037
 - Engine - 2U3326068
 - X-Mission - 6511009
 - Hrs - 2,498
 - Kms - 4,321
- ▶ Dynawinch BOP support deck; approximately 8½-ft wide x 22-ft long w/ BOP stump c/w Warn positioning winch, tubular wall racks, chic-san hangers, caged junk baskets, custom locking cabinetry, head ache rack, aluminum stairwell, lighting etc.
- ▶ Electric over hydraulic 3,000-psi Class II accumulator system equipped w/ 45-gal reservoir, nitrogen back-up, hose reels, direct & remote (rig-mounted) controls.
- ▶ Lot of support equipment including; Guibberson Type 1 air slips, Mission Low-Lie slips, tubing elevators (2¾-in ~ 2⅞-in inserts), Web Wilson 2-in dia x 53-tons bails, TEDA (Chinese) Model XYQ6B power tongs c/w 2-in ~ 3½-in dies, lot of rod tools including; rod hook, elevators, wrenches, etc...

Condition Observations, *Unknown*

- ▶ Drive train leaks; clear, minor, mod, severe
- ▶ Body/Paint Appearance; clear, minor, mod, severe
- ▶ Interior Appearance; clean, minor, mod, severe
- ▶ Glass; clear, minor, mod, severe
- ▶ Tires; matched & remaining tread averaged -mm (front) / -mm (rear).



Big Guns Perforating & Logging

Section 12

ET03

Appraisal Summary

BD
mk
RJW
Ann

Big Guns Perforating & Logging Appraisal Summary Not Viewed (Fort Nelson)

ET 03	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
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2006 International Truck w/ Dynawinch BOP Support Deck: \$ 60,000 \$ 80,000 \$ 120,000

- ▶ 2006 International Paystar Model 44006X4 single-axle truck; powered by International Model DT466 diesel engine rated at 285-hp unitized with Eaton Fuller Model FR9210 10-speed manual transmission. Truck is equipped with; 12,000-lb front axles mounted on 11R22.5 tires with polished aluminum wheels and air-operated brakes. Rear axle rated at 23,000-lbs equipped with air-ride suspension mounted on 11R22.5 tires, polished aluminum wheels and air - operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chalks etc...
 - VIN-1HTMKAAR87H407626
 - Engine - 2123004
 - Hrs - 10,753
 - Kms - 126,202
 - X-Mission - S0569131
- ▶ Dynawinch BOP support deck; approximately 8½-ft wide x 22-ft long w/ BOP stump c/w Warn positioning winch, tubular wall racks, chic-san hangers, caged junk baskets, custom locking cabinetry, head ache rack, aluminum stairwell, lighting etc.
- ▶ Electric over hydraulic 3,000-psi Class II accumulator system equipped w/ 45-gal reservoir, nitrogen back-up, hose reels, direct & remote (rig-mounted) controls.
- ▶ Lot of support equipment including; Guibberson Type 1 air slips, Mission Low-Lie slips, tubing elevators (2¾-in ~ 2⅞-in inserts), Web Wilson 2-in dia x 53-tons bails, TEDA (Chinese) Model XYQ6B power tongs c/w 2-in ~ 3½-in dies, lot of rod tools including; rod hook, elevators, wrenches, etc...

Condition Observations, *unknown*

- ▶ Drive train leaks; clear, minor, mod, severe
- ▶ Body/Paint Appearance; clear, minor, mod, severe
- ▶ Interior Appearance; clean, minor, mod, severe
- ▶ Glass; clear, minor, mod, severe
- ▶ Tires; matched & remaining tread averaged -mm (front) / -mm (rear).

*BD Amr.
R. J. ...
MR*

Big Guns Perforating & Logging

Section 13.0

ET04

Appraisal Summary

BD
ML *RJW*

Big Guns Perforating & Logging Appraisal Summary January 2, 2013

ET 04	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
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2012 International Truck w/ Dynawinch BOP Support Deck: \$ 155,000 \$ 165,000 \$ 175,000

- ▶ 2012 International Model 7500SBA6X4 tandem-axle truck; powered by Maxxforce Model GDT 350 diesel engine rated at 350-hp @ 2,000-rpm unitized with Allison automatic transmission. Truck is equipped with; 16,000-lb front axle mounted on 315/80R22.5 tires with painted steel wheels and air-operated brakes. Rear axle rated at 20,000 lbs equipped with air-ride suspension mounted on 11R22.5 tires w/ painted steel wheels and air-operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chalks
- ▶ Dynawinch BOP support deck; approximately 8½-ft wide x 22-ft long w/ BOP stump c/w Warn positioning winch, tubular wall racks, chic-san hangers, caged junk baskets, custom locking cabinetry, head ache rack, aluminum stairwell, lighting etc.
- ▶ Electric over hydraulic 3,000-psi Class II accumulator system equipped w/ 45-gal reservoir, nitrogen back-up, hose reels, direct & remote (rig-mounted) controls.
- ▶ Lot of support equipment including; Guibberson Type 1 air slips, Mission Low-Lie slips, tubing elevators (2¾-in ~ 2⅞-in inserts), Web Wilson 2-in dia x 53-tons bails, TEDA (Chinese) Model XYQ6B power tongs c/w 2-in ~ 3½-in dies, lot of rod tools including; rod hook, elevators, wrenches, etc...

VIN-
1HTWNAZT9CJ078969
Engine - BNVXH05700GA
Hrs - 717
Kms - 7,152
CVIP - CV2475439
CVIP EXP - June 2013
Licence - BJV-4081

Condition Observations

- ▶ Tires; matched & remaining tread averaged 20-mm (front) / 22-mm (rear).
- ▶ Tires; matched & remaining tread averaged 20-mm (front) / 22-mm (rear).
- ▶ Tires; matched & remaining tread averaged 20-mm (front) / 22-mm (rear).
- ▶ Tires; matched & remaining tread averaged 20-mm (front) / 22-mm (rear).
- ▶ Tires; matched & remaining tread averaged 20-mm (front) / 22-mm (rear).

BD Am
mk RJE

Big Guns Perforating & Logging

Section 13.1

ET04

Photographic Record

BD

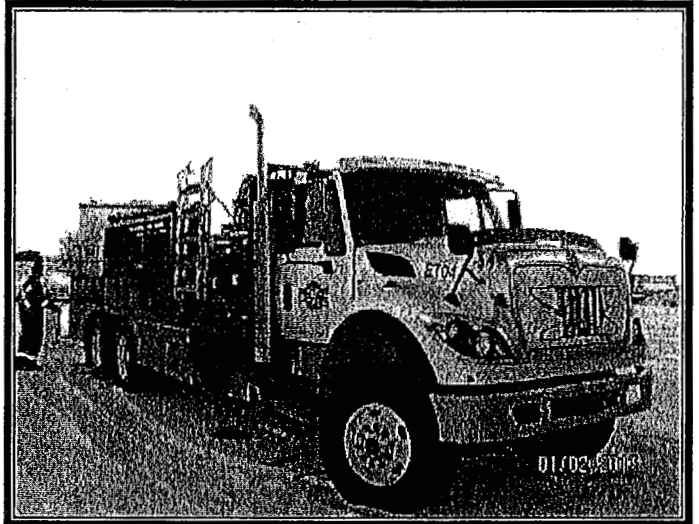
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RJW

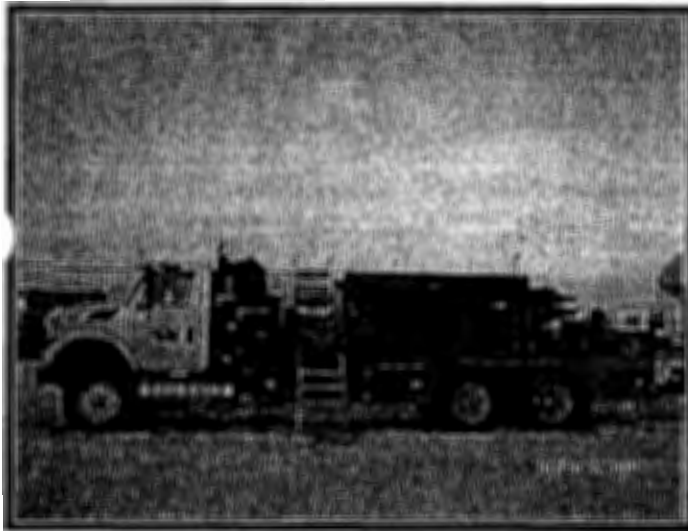
MC



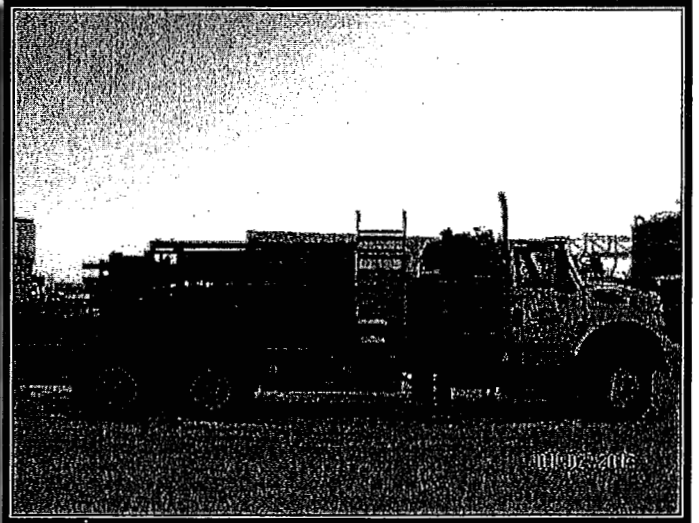
Front Left View



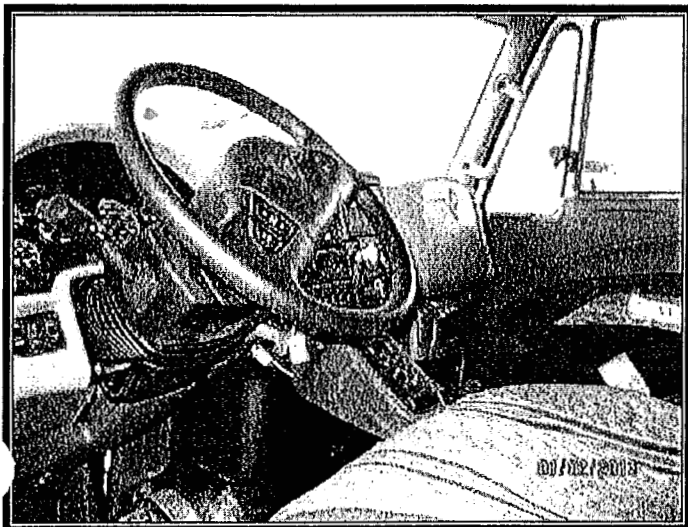
Front Right View



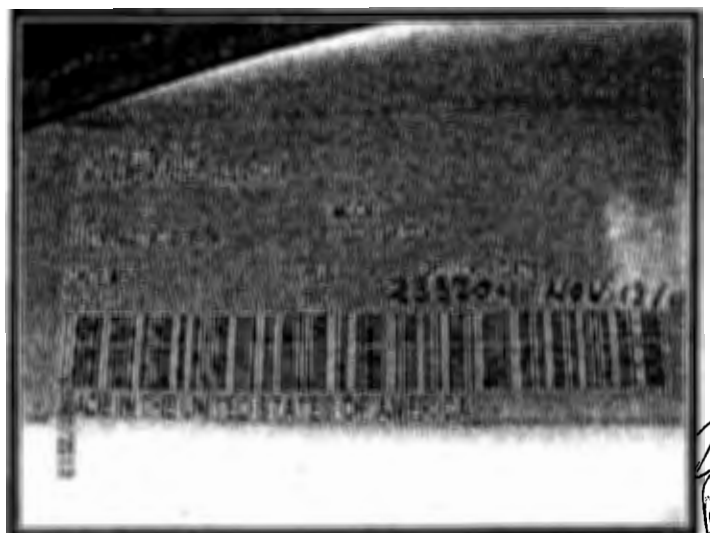
Left Side View



Right Side View

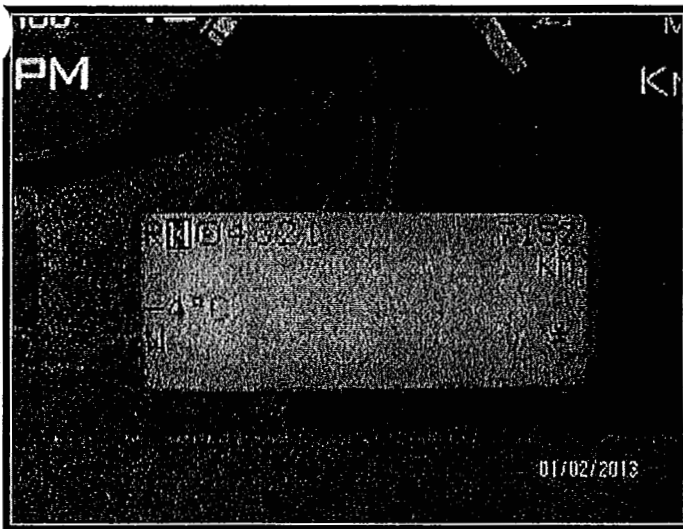


Cab Interior

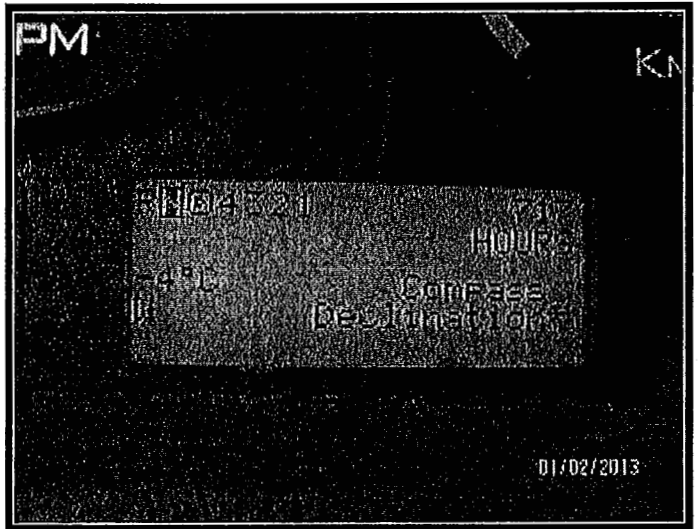


Truck ID Placard

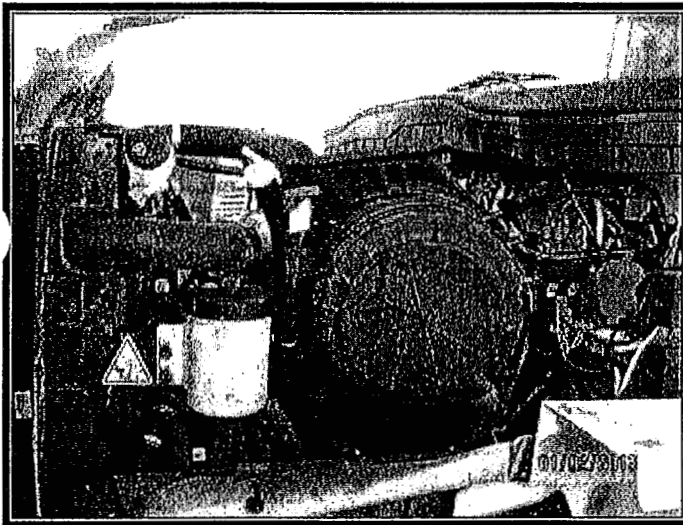
BD
Dmr
KJW
M



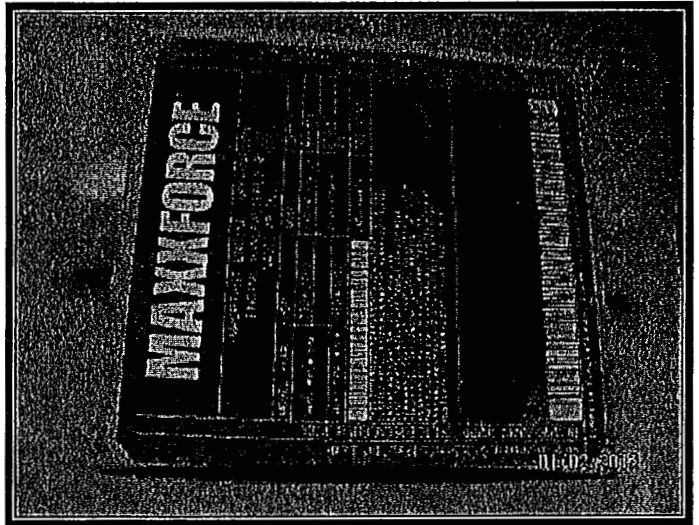
Odometer



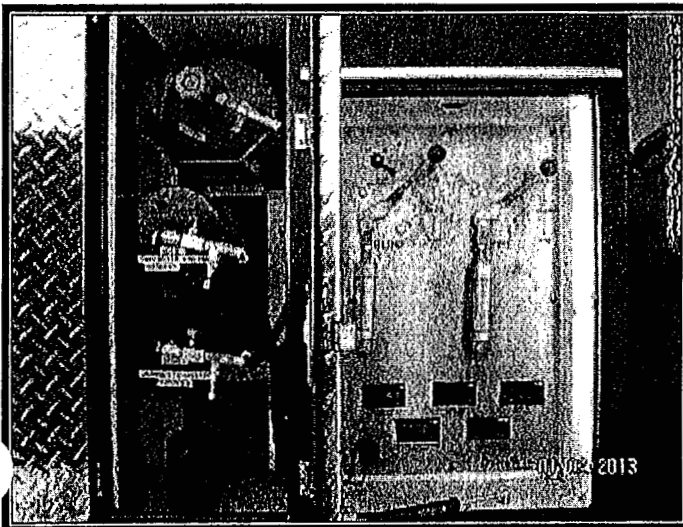
Hour Meter



Engine



Engine ID Placard

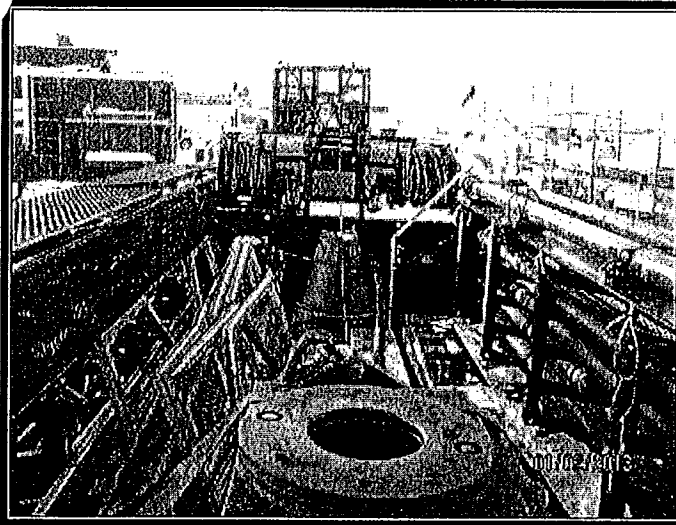


Accumulator

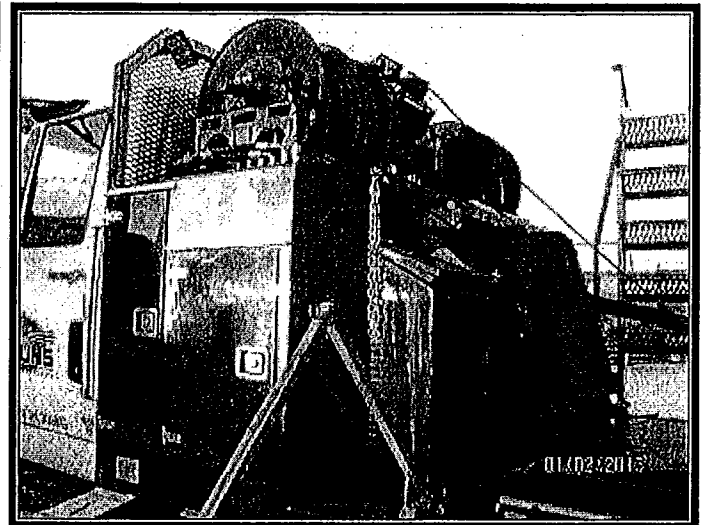


Accumulator ID Placard

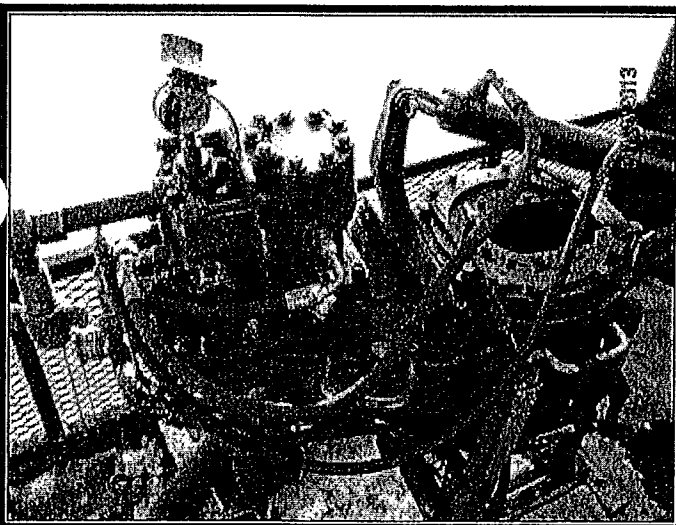
RJT
MK



Service Body Top View



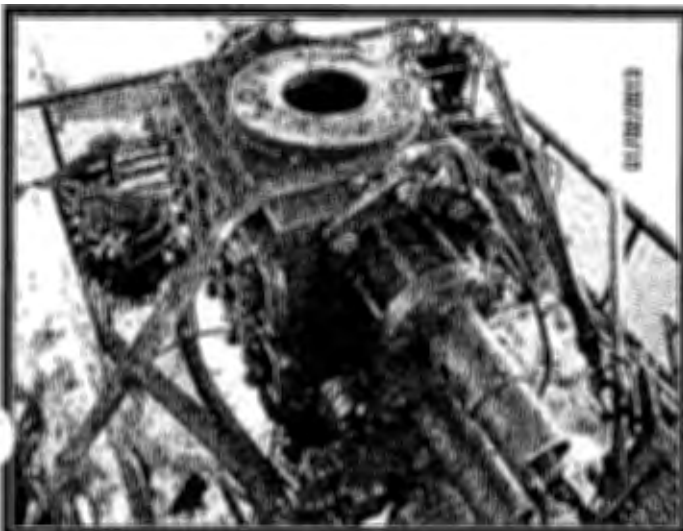
Accumulator Enclosure, BOP Winch and Hoses



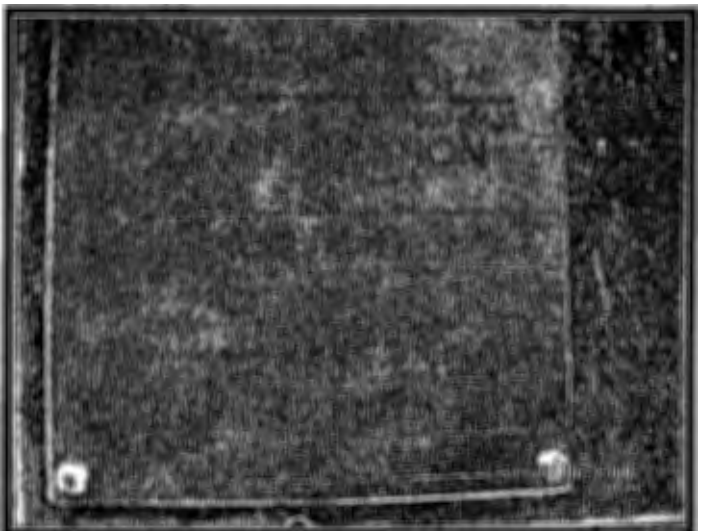
Power Tong



Power Tong ID Placard

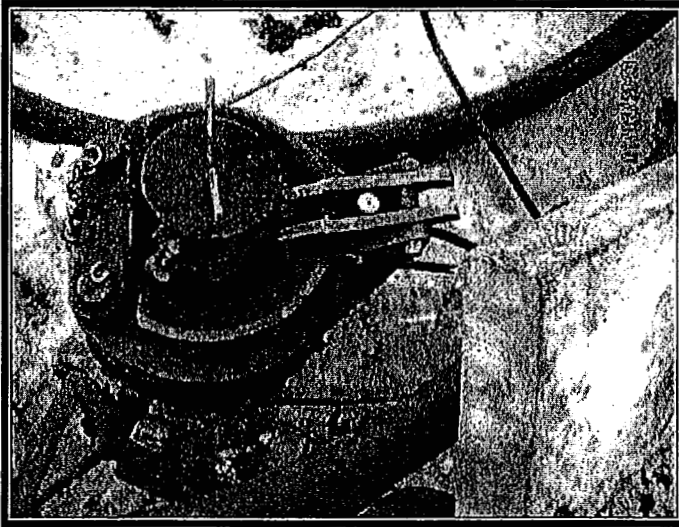


BOP



BOP ID Placard

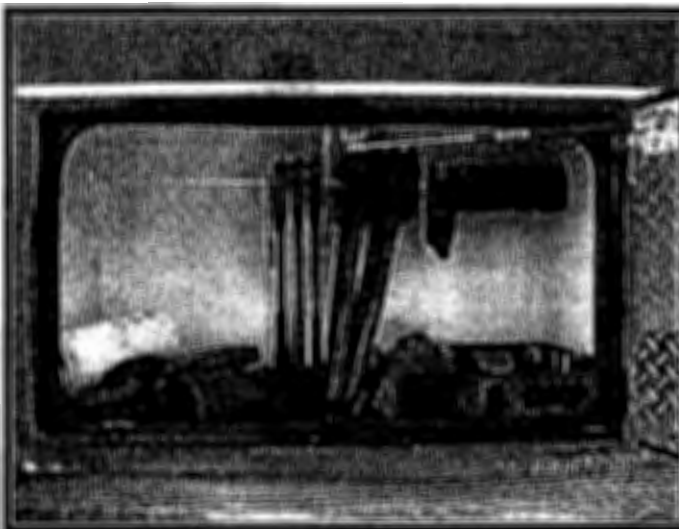
Ann
WCO
W



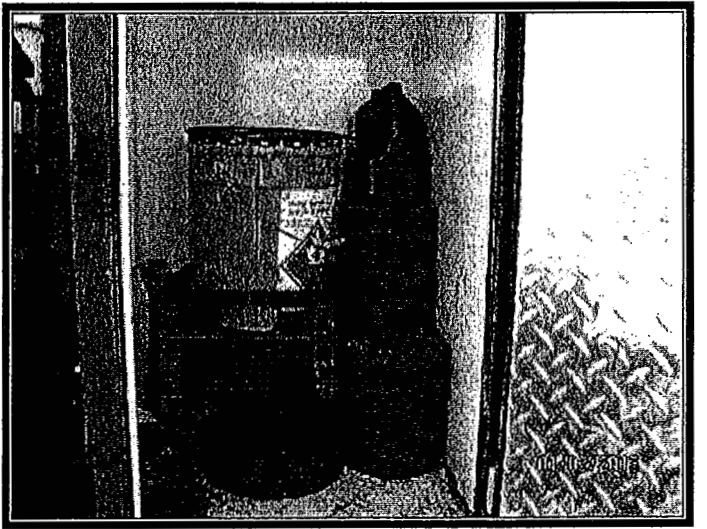
Pneumatic Slips



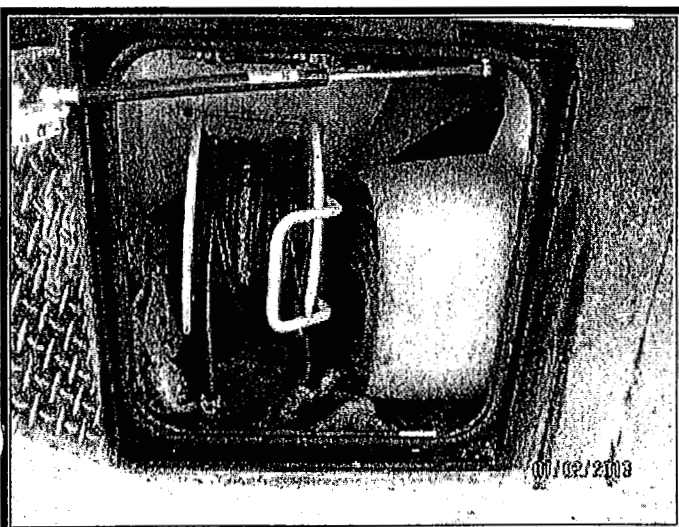
2 1/2-in Elevators



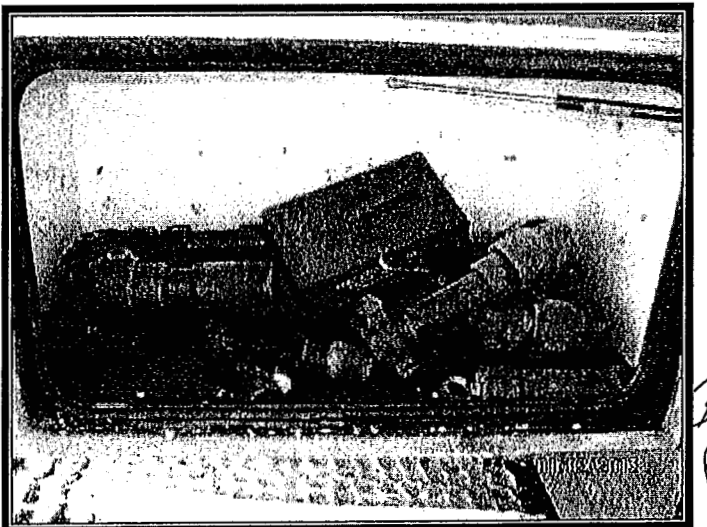
Rod Elevators & Hook



Wipers & Cups



Data Cable and Misc.



Chic-Sans and Subs

BD
Dms
LW
MK

Big Guns Perforating & Logging

Section 14.0

Cement Truck

Appraisal Summary

*BD
ML
RJW* Dm

Big Guns Perforating & Logging Appraisal Summary Viewed - January 2, 2013

IR CT	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
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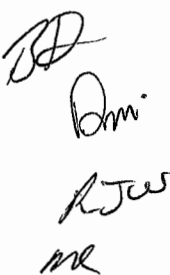
2007 International Cement Truck:

\$ 50,000 \$ 75,000 \$ 100,000

- | | |
|--|--|
| <ul style="list-style-type: none"> ▶ 2007 International Model 4400SBA4X2 single-axle truck; powered by Cummins Model D285 diesel engine rated at 285-hp @ 2,000-rpm unitized with Eaton manual 10-speed transmission. Truck is equipped with; 12,000-lb front axle mounted on 315/80R22.5 tires with painted steel wheels and air-operated brakes. Rear axle rated at 23,000 lbs equipped with air-ride suspension mounted on 11R22.5 tires w/ painted steel wheels and air-operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chawks etc... ▶ Dynawinch custom-built cement package; (1) mixing compartment hydraulic powered agitator c/w mission hydraulically powered fluid pump & interconnecting plumbing. (1) Staging compartment w/ mission hydraulically powered fluid pump & interconnecting plumbing. (1) deck-mounted mixing hoper c/w valving, operator's control console, steel-constructed deck, locking storage compartments, folding steel stairwell, safety railing and lighting. | VIN-1HTMKAAR56H311306
Engine - 466HM2U2086428
Hrs - 11,000
Kms - 151,617
CVIP - CV2509
CVIP EXP - Oct 2013
Licence - ERS-531 |
|--|--|

Condition Observations

- ▶ Tires; matched & remaining tread averaged 20-mm (front) / 22-mm (rear).
- ▶ Tires; matched & remaining tread averaged 20-mm (front) / 22-mm (rear).
- ▶ Tires; matched & remaining tread averaged 20-mm (front) / 22-mm (rear).
- ▶ Tires; matched & remaining tread averaged 20-mm (front) / 22-mm (rear).
- ▶ Tires; matched & remaining tread averaged 20-mm (front) / 22-mm (rear).



Big Guns Perforating & Logging

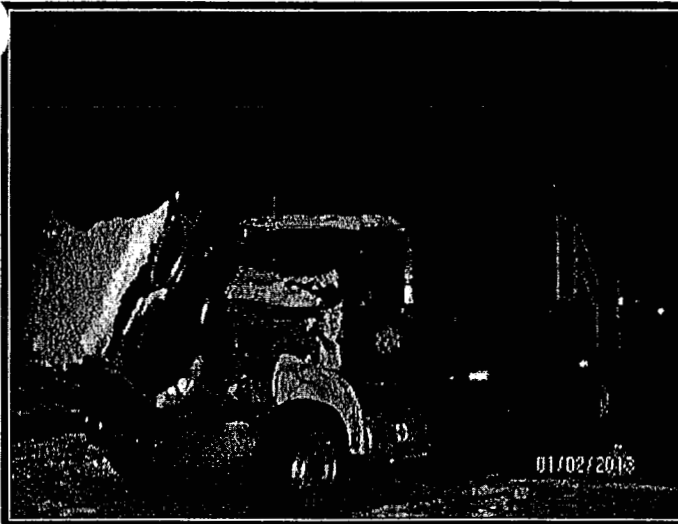
Section 14.1

Cement Truck

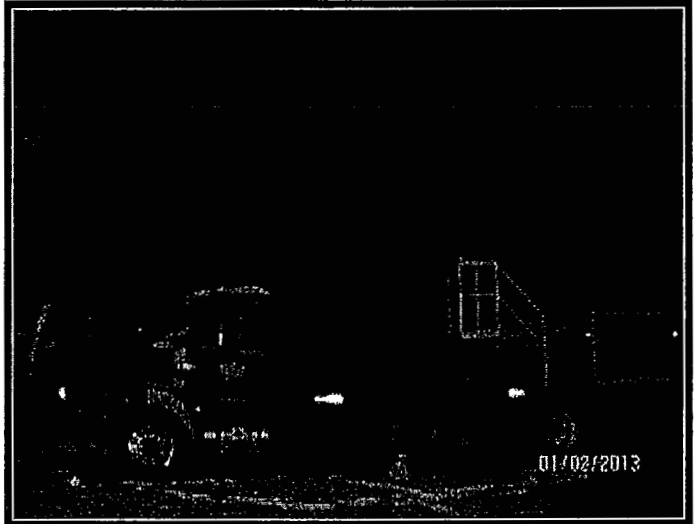
Photographic Record

DM

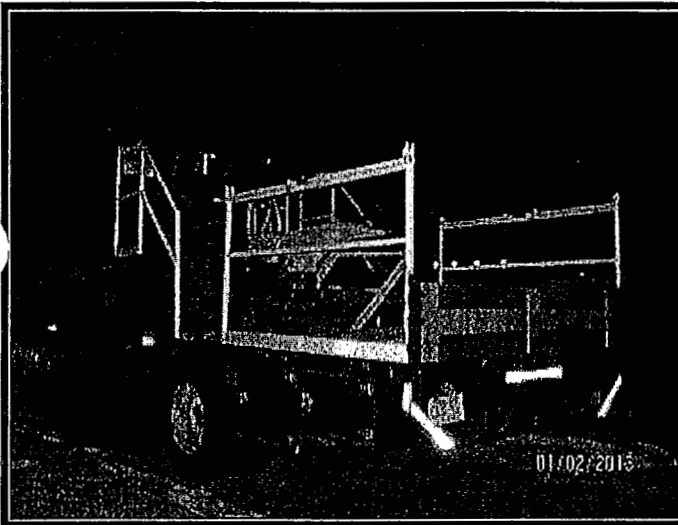
BD *RJW*
me



Front Left View



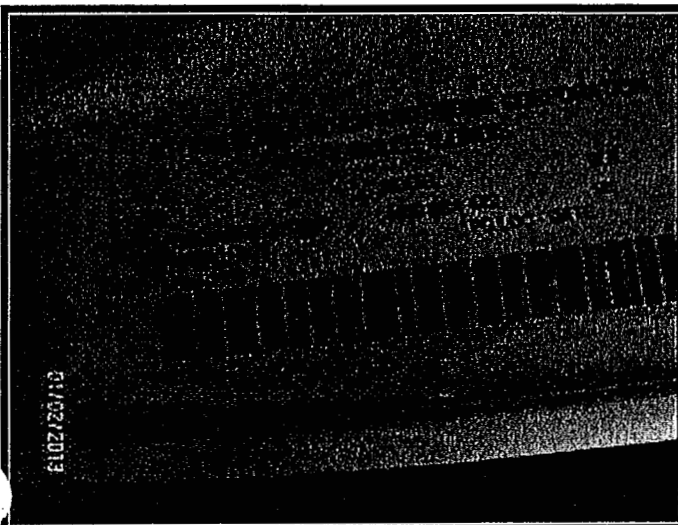
Side Left View



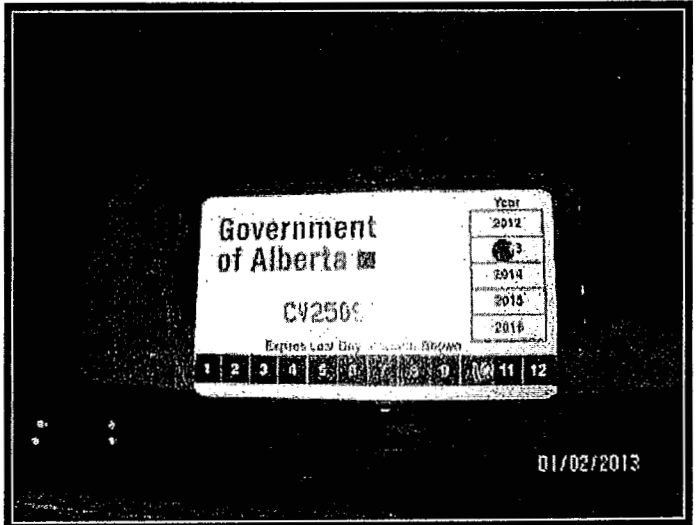
Rear Left View



Cab Interior

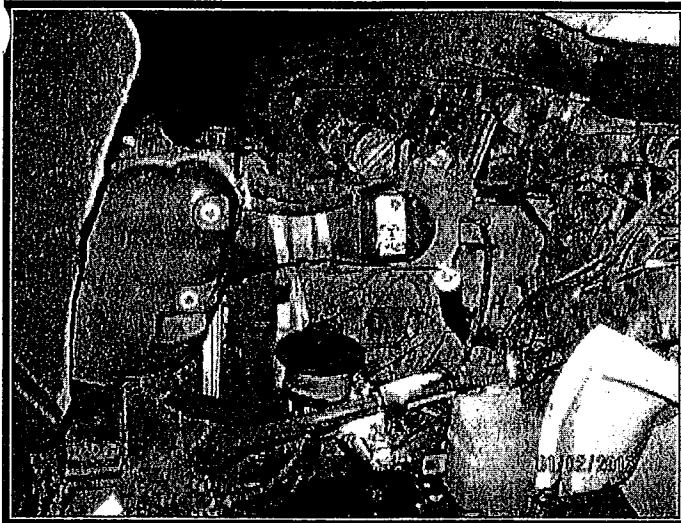


ID Placard

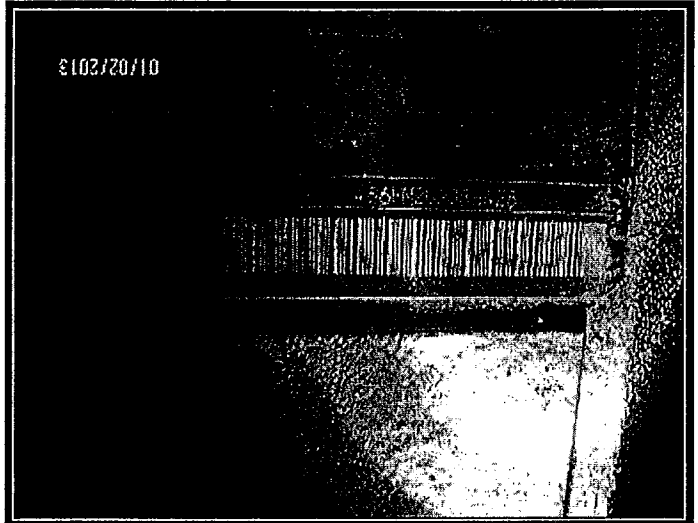


CVIP

*BD Dmm
RTW
ml*



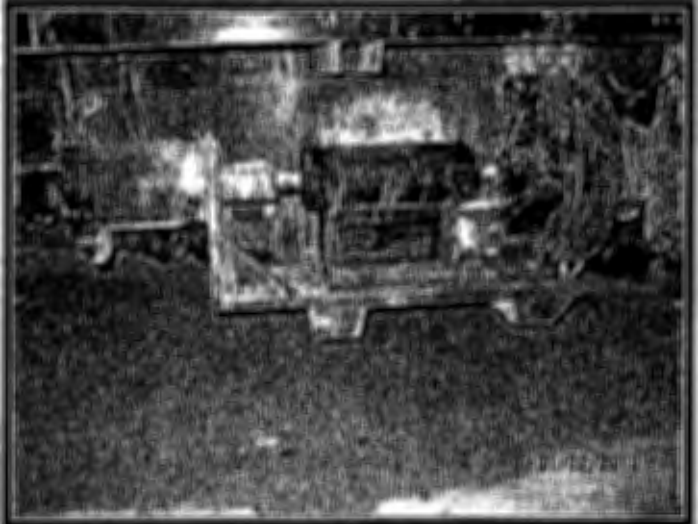
Engine



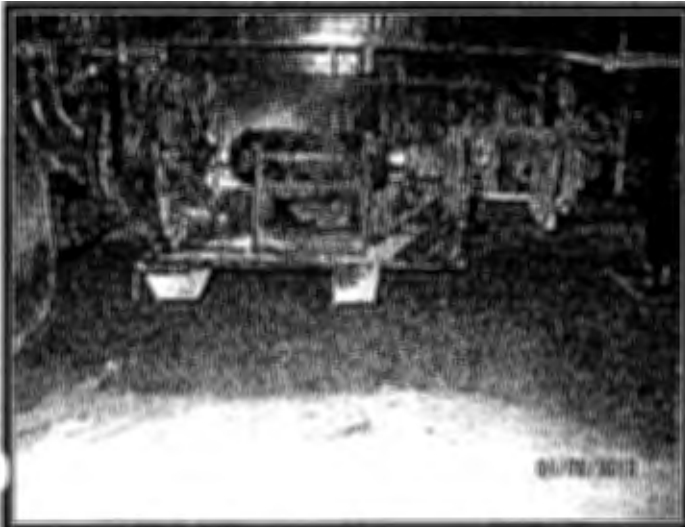
ID Placard



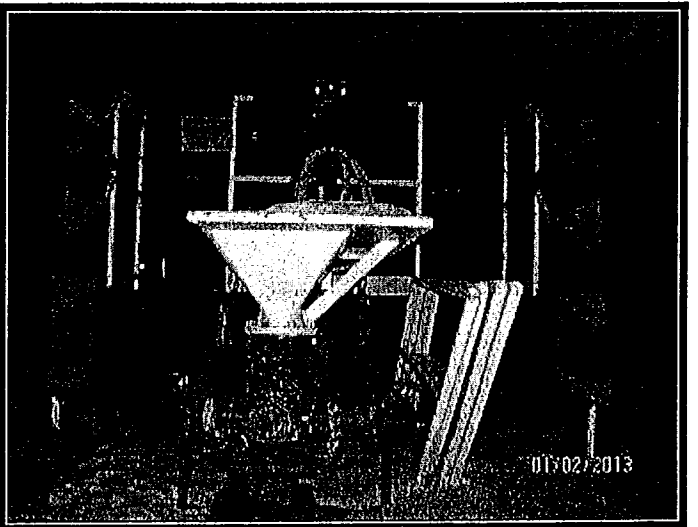
Engine Base



Mix Pump 1



Mix Pump 2



Mix Hopper

BD *Dmm*
RJW
M

Big Guns Perforating & Logging

Section 15.0

Doghouses and Cement Jack

Appraisal Summary

BD *RSW*
ml
Pmi

Big Guns Perforating & Logging Appraisal Summary Viewed - January 2, 2013

Unit No.	Description	Identification Numbers	FLV / Auction Value	Orderly Liquidation Value	Fair Market Value
*IR1 DH	Fabtec mobile dog house; approximately 8-ft wide x 20-ft long mounted on single wheel tandem axles rated at 10,000-lb per each. Dog house id complete with standard amenities including; CumminsOnan 12-kW genset, partioned utility room w/ electric toilet and personnel quarters w/ lockers, fridge, microwave, folding lunch table, knowledge box, padded benches, locking storage compartments, 110-V wiring, incandescent lighting etc.		\$ 10,000	\$ 14,000	\$ 16,000
*IR2 DH	Fabtec mobile dog house; approximately 8-ft wide x 20-ft long mounted on single wheel tandem axles rated at 10,000-lb per each. Dog house id complete with standard amenities including; CumminsOnan 12-kW genset, partioned utility room w/ electric toilet and personnel quarters w/ lockers, fridge, microwave, folding lunch table, knowledge box, padded benches, locking storage compartments, 110-V wiring, incandescent lighting etc.		\$ 10,000	\$ 14,000	\$ 16,000
*IR3 DH	Fabtec mobile dog house; approximately 8-ft wide x 20-ft long mounted on single wheel tandem axles rated at 10,000-lb per each. Dog house id complete with standard amenities including; CumminsOnan 12-kW genset, partioned utility room w/ electric toilet and personnel quarters w/ lockers, fridge, microwave, folding lunch table, knowledge box, padded benches, locking storage compartments, 110-V wiring, incandescent lighting etc.		\$ 10,000	\$ 14,000	\$ 16,000
IR4 DH	2002 Fabtec mobile dog house; approximately 8-ft wide x 20-ft long mounted on single wheel tandem axles rated at 10,000-lb per each. Dog house id complete with standard amenities including; CumminsOnan 12-kW genset w/ 3,888-hrs, partioned utility room w/ electric toilet and personnel quarters w/ lockers, fridge, microwave, folding lunch table, knowledge box, padded benches, locking storage compartments, 110-V wiring, incandescent lighting etc.	SN - 4220491208 CVIP - CV2221555 CVIP Exp. April 2013 Licence No. 4DP2-95 Genset SN-D110203211	\$ 10,000	\$ 14,000	\$ 16,000
Casing Jack					
▶	2009 Ardy Rigging Model 5036DASJCC casing jack	SN - 08095036	\$ 18,000	\$ 25,000	\$ 30,000
Total Estimated Value -			\$ 58,000	\$ 81,000	\$ 94,000

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Big Guns Perforating & Logging

Section 15.1

Doghouses and Cement Jack

Photographic Record

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Front Right View



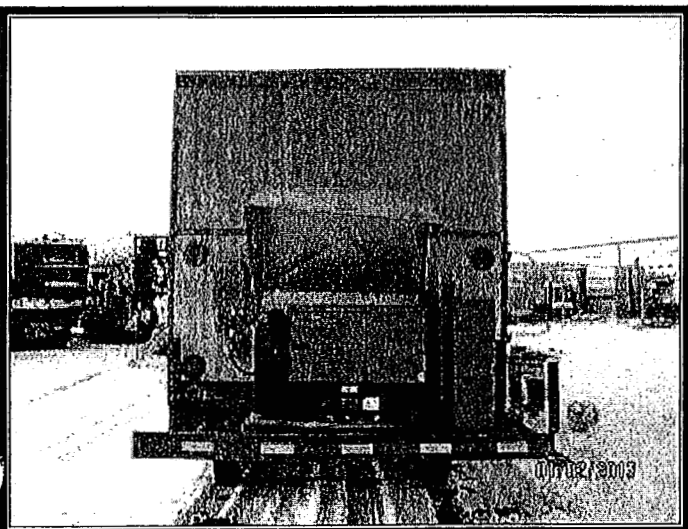
Rear Left View



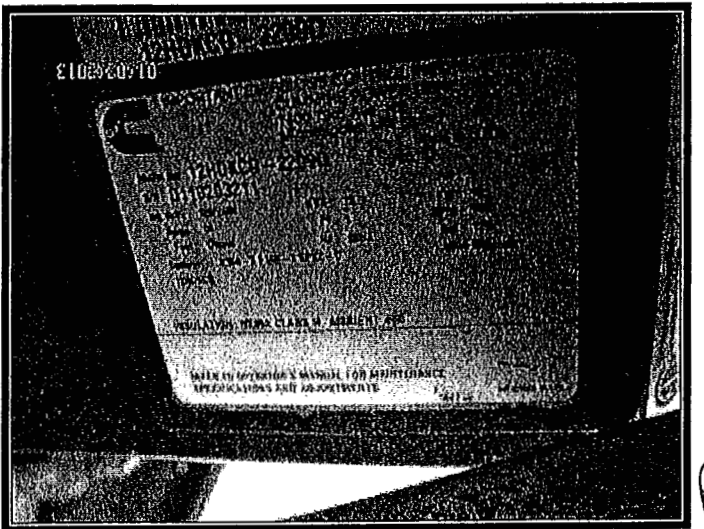
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Utility Area

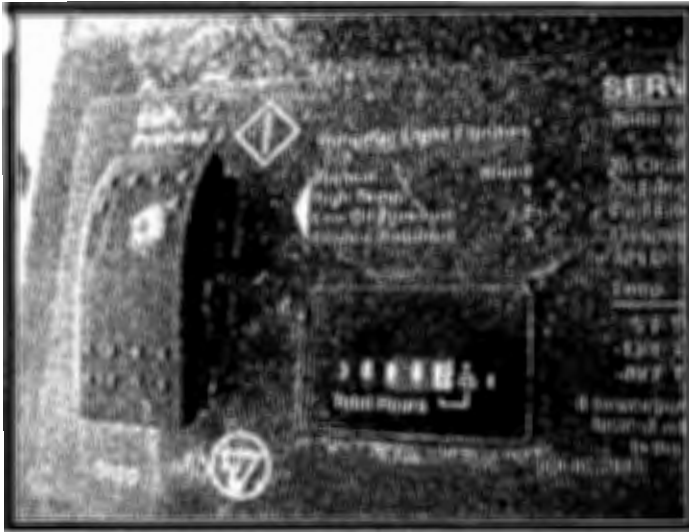


Genset



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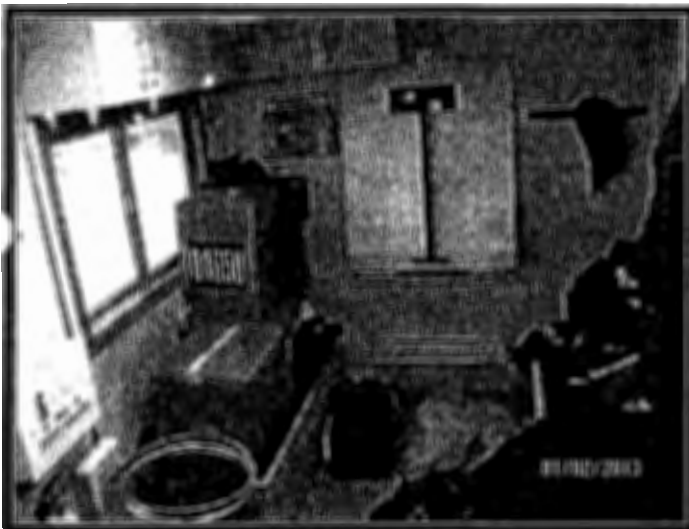
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Interior



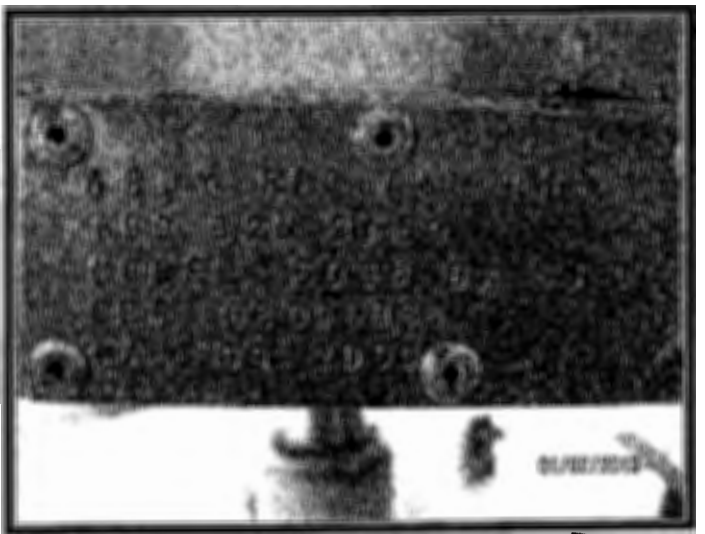
Interior



Casing Jack



Casing Jack



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Big Guns Perforating & Logging

Section 16

**Aestimo Assumptions & Limiting
Conditions**

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Aestimo Services Ltd.

INFORMATION AND DATA

Value estimates contained within this report are based on Aestimo Services Ltd's view of the economic conditions and outlook prevalent at the time of examination of the equipment.

The fee for this appraisal is not contingent on the values or other conclusions reported.

The Appraisers has made a personal inspection of the property unless otherwise noted.

All estimates of value are presented in this report as the considered opinion of the appraisers.

All the valuations in the report are applicable only under the stated program of value estimates and are not necessarily applicable under other programs of use.

Information, opinions, statistics and data, supplied/provided to the appraiser by other sources and considered in the valuation are believed to be reliable and correct, however the appraiser cannot be absolutely certain of its validity and/or accuracy and makes no guarantees in this regard. The source and/or material is always available for any required verification.

Sketches, drawings, diagrams, photographs, or any similar materials presented in the appraisal report are included solely for the purpose of illustration.

No mechanical inspection or special engineering evaluations concerning the subject property have been made or provided. Accordingly, no responsibility is assumed concerning these matters or other technical or engineering techniques which would be required to discover any inherent condition of the subject property, nor will responsibility be assumed for hidden or unapparent condition of the property which would affect the estimated value.

We reserve the right to make such adjustments to the valuation herein reported as may be required by consideration of additional or more reliable information that may become available.

This appraisal was made in accordance with the code of ethics and the requirements of the uniform professional standard of professional appraisal practice set forth by the American Society of Appraisers and the Uniform Standards of Professional Appraisal Practices.

USE OF THE APPRAISAL

The appraisal report may not be used for any purpose other than that for which it is made, without written permission of the appraiser. Disclosure of the contents of this report, all or part (especially any conclusion as to value, the identity of the appraiser or the firm with which he is connected) shall not be disseminated to the public through advertising media, public relations media, news media, and sales media or any other public means of communication without the prior written consent and approval of the author.

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The appraiser's duties pursuant to his employment to make the appraisal are complete upon delivery of the appraisal report.

LEGAL MATTERS

The appraiser shall assume no responsibility for matters legalistic in character. The appraiser renders no opinion of legal nature, such as to ownership of the property or condition of title. The appraiser assumes the subject property to be unencumbered and free from any violation of applicable ordinances, statutes, or other governmental regulations and assumes the subject property to be marketable.

The appraiser shall not be required to give testimony or attendance in court by reason of this appraisal with reference to the property in question, unless arrangements have previously been made.

The appraiser has neither present nor contemplated future interest in the subject appraised nor any other interest that inhibits the conclusion of numerical results, other than that of compensation of a fair professional fee for the responsibility entailed and the work and expense involved.

It is the appraiser's duty to protect the confidentiality of the appraisal assignment, amount, and contents of his valuations to any third party.

All information given in the appraisal report is limited to the instructions received and given without responsibility of any nature on the part of the appraiser.

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SCHEDULE "B"

Contracts Being Assigned to Purchaser

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SCHEDULE "B"

Contracts Assigned to Purchaser

There are currently no contracts held by the Innovator Division. There is upcoming work that has been delineated by our current customers. This would include but is not limited to:

1. ET Energy - 100 well abandonment project in FT Mc.
2. Apache – Summer abandonment program, unknown number of wells
3. Husky – Summer abandonment program, unknown number of wells
4. Absolute – workover in Edmonton area
5. CNRL – Continued work on water project in Ft Mc.
6. Shining Star – 5 well abandonment project in Dawson area
7. Nexen – Summer abandonment project in Med Hat area
8. SEM – Sask government orphan abandonment project
9. ERCB – Alberta government orphan abandonment project

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SCHEDULE "C"

Names, Positions, Present Remuneration and Length of Service of all Employees of the
Innovator Division of the Vendor

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Big Guns Energy Services Inc.
 Master Employee List **Innovator Rig Division** - March 15, 2013
 SCHEDULE "C"

Division	Date of Birth	Start Date	Pay Type	Job Title	Name
004	19-Feb-64	30-Aug-10	Hourly EE paid Vac Pay each pay	Floorhand (Roughneck) CL3	Allen, Dave (Harry)
004	26-Jan-76	22-Sep-11	Hourly EE paid Vac Pay each pay	Driller	Bell, Shane
004	20-Dec-82	14-Nov-07	Salary Employee	Supervisor	Bollinger, Shaun
004	6-Dec-72	7-Nov-12	Hourly EE paid Vac Pay each pay	Driller	Bukovec, James
004	18-Apr-77	27-Aug-01	Salary Employee	Supervisor	Clarke, Rob
004	18-Jul-74	12-Jan-12	Hourly EE paid Vac Pay each pay	Driller	Denney, Donald
004	6-Jun-84	10-May-11	Hourly EE paid Vac Pay each pay	Floorhand (Roughneck) CL3 & Pumphand	Godfrey, Craig
004	28-Jun-83	5-Feb-13	Hourly EE paid Vac Pay each pay	Pump Hand	Gordon, Shane
004	4-Oct-90	8-Jan-13	Hourly EE paid Vac Pay each pay	Floorhand (Roughneck)	Hallgren, Brady
004	19-Dec-83	23-May-06	Salary Employee	Operator	Ignas, Steve
004	23-Jul-84	29-Oct-10	Hourly EE paid Vac Pay each pay	Driller	Inker, Scott
004	19-Mar-90	8-Jun-11	Hourly EE paid Vac Pay each pay	Floorhand (Roughneck) CL3	Krush, Justin
004	29-Apr-76	17-Oct-05	Salary Employee	Supervisor	MacDonald, Scott
004	21-Jul-80	24-Oct-02	Salary Employee	Supervisor	Martin, Kent
004	2-Apr-85	16-Jun-08	Hourly EE paid Vac Pay each pay	Floorhand (Roughneck) CL3	Nash, Brandon
004	23-Apr-84	8-Jun-10	Hourly EE paid Vac Pay each pay	Floorhand (Roughneck) CL3 & Pumphand	Pohl, Alex
004	14-May-78	22-Oct-12	Hourly EE paid Vac Pay each pay	Floorhand (Roughneck) CL3	Quarton, Mark
004	2-Sep-79	15-Jan-13	Hourly EE paid Vac Pay each pay	Driller	Quirion, Steve
004	23-Aug-89	8-Jan-10	Hourly EE paid Vac Pay each pay	Driller	Rach, Grant
004	10-Mar-91	15-Jan-13	Hourly EE paid Vac Pay each pay	Floorhand (Roughneck) CL3	Raymont, Dustin
004	24-Jun-86	28-May-10	Hourly EE paid Vac Pay each pay	Pump Hand	Russell, Corey
004	26-Oct-78	21-Jun-07	Salary Employee	Supervisor	Sutherland, Adam
004	28-Jun-90	17-Oct-12	Hourly EE paid Vac Pay each pay	Floorhand (Roughneck)	Traynor, Ryan
004	11-Oct-93	22-Jan-13	Hourly EE paid Vac Pay each pay	Floorhand (Roughneck)	Villadsen, Dillon
004	23-Sep-82	1-May-04	Salary Employee	Supervisor	Vreugdenhil, Sam

004 30-June-09 Contract Employee Field Supervisor Bill Harnett
 \$11,000.00 monthly rate
 1,350.00 vehicle allowance

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Big Guns Energy Services Inc.
Pay Type - Salary Employee
SCHEDULE "C"

Division	Date of Birth	Start Date	Job Title	Name	Monthly Salary	Monthly Vehicle Allowance
004	20-Dec-82	14-Nov-07	Supervisor	Bollinger, Shaun	4,400.00	
004	18-Apr-77	27-Aug-01	Supervisor	Clarke, Rob	7,000.00	
004	19-Dec-83	23-May-06	Operator	Ignas, Steve	3,500.00	
004	29-Apr-76	17-Oct-05	Supervisor	MacDonald, Scott	4,200.00	
004	21-Jul-80	24-Oct-02	Supervisor	Martin, Kent	5,400.00	
004	26-Oct-78	21-Jun-07	Supervisor	Sutherland, Adam	4,400.00	
004	23-Sep-82	1-May-04	Supervisor	Vreugdenhil, Sam	6,000.00	

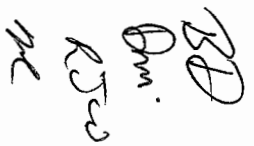
Total

34,900.00

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Big Guns Energy Services Inc.
 Pay Type - Salary Employee
 SCHEDULE "C"

Division	Date of Birth	Start Date	Job Title	Name	Shop/Travel Rate	Hourly Rate	Hourly Rate	Northern Rate	Vehicle Allowance
004	19-Feb-64	30-Aug-10	Floorhand (Roughneck) CL3	Allen, Dave (Harry)	22.00	28.00		30.00	
004	26-Jan-76	22-Sep-11	Driller	Bell, Shane	22.00	38.50		40.50	
004	6-Dec-72	7-Nov-12	Driller	Bukovec, James	22.00	45.00		47.00	Yes
004	18-Jul-74	12-Jan-12	Driller	Denney, Donald	22.00	38.50	45.00	40.50	Yes
004	6-Jun-84	10-May-11	Floorhand (Roughneck) CL3 & Pumphand	Godfrey, Craig	22.00	30.00	34.50	36.50	
004	28-Jun-83	5-Feb-13	Pump Hand	Gordon, Shane	22.00	34.50		36.40	
004	4-Oct-90	8-Jan-13	Floorhand (Roughneck)	Hallgren, Brady	22.00	23.00		25.00	
004	23-Jul-84	29-Oct-10	Driller	Inker, Scott	22.00	38.50		40.50	
004	19-Mar-90	8-Jun-11	Floorhand (Roughneck) CL3	Krush, Justin	22.00	28.00		30.00	Yes
004	2-Apr-85	16-Jun-08	Floorhand (Roughneck) CL3	Nash, Brandon	22.00	28.00		30.00	
004	23-Apr-84	8-Jun-10	Floorhand (Roughneck) CL3 & Pumphand	Pohl, Alex	22.00	28.00	32.50	34.50	
004	14-May-78	22-Oct-12	Floorhand (Roughneck) CL3	Quarton, Mark	22.00	28.00		30.00	
004	2-Sep-79	15-Jan-13	Driller	Quirion, Steve	22.00	45.00		47.00	
004	23-Aug-89	8-Jan-10	Driller	Rach, Grant	22.00	38.50		40.50	Yes
004	10-Mar-91	15-Jan-13	Floorhand (Roughneck) CL3	Raymont, Dustin	22.00	28.00		30.00	
004	24-Jun-86	28-May-10	Pump Hand	Russell, Corey	22.00	32.50		34.50	
004	28-Jun-90	17-Oct-12	Floorhand (Roughneck)	Traynor, Ryan	22.00	23.00		25.00	
004	11-Oct-93	22-Jan-13	Floorhand (Roughneck)	Villadsen, Dillon	22.00	23.00		25.00	



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SCHEDULE "D"

Non-Competition, Non-Solicitation and Confidentiality Agreement

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**NON-COMPETITION, NON-SOLICITATION AND CONFIDENTIALITY
AGREEMENT**

WHEREAS Big Guns Energy Services Inc. (hereinafter referred to as the "Vendor") is a party to an Asset Purchase Agreement dated effective the 18 day of March, 2013 (the "Asset Purchase Agreement"), regarding the assets as set forth in the Asset Purchase Agreement;

AND WHEREAS the Asset Purchase Agreement is to be completed on April 15, 2013 (the "Closing Date");

AND WHEREAS it was an essential and fundamental term of the Asset Purchase Agreement that the Vendor execute and deliver an agreement in the form hereof;

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT for good and valuable consideration, the receipt, benefit and sufficiency of which is hereby acknowledged by the Vendor, the Vendor hereby covenants, represents and warrants to and with the Purchaser and Mustang as follows:

1. For a period of five (5) years from the Closing Date, the Vendor, nor any person, corporation, partnership, joint venture or other business in which or by which the Vendor is providing any financial, advisory or other assistance or in which the Vendor holds directly or indirectly any shares or any interest whatsoever:
 - (a) shall own, operate, run, work in, advise, compete or in any fashion whatsoever participate in any of the businesses carried on by the Innovator Division of the Vendor or in any related activity or in any other activity that is competitive with the business that was carried on by the Innovator Division of the Vendor as at the Closing Date (such activities being hereafter collectively referred to as the "Business") from or at a location within, or to customers having places of business or residence within Canada;
 - (b) shall solicit, make contact with or approach any customers or clients of the Innovator Division of the Vendor as at the Closing Date, or parties that become customers or clients after said Closing date, for the purposes of enticing said customers or clients to conduct business with the Vendor which business is the same or similar to the business carried on by the Innovator Division of the Vendor at the Closing Date;
 - (c) shall offer employment to any person that was an employee of the Innovator Division of the Vendor on the Closing Date;
2. For a period of five (5) years from the Closing Date, the Vendor agrees to hold in strict confidence and shall not use, nor disclose to any person other than the

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Purchaser, any confidential or proprietary information or material relating to the Business or the Assets including, without limitation, financial data, business plans, customer names and lists, products services, intellectual property, trade practices and know-how pertaining to the Business and the Assets, as well as any information relating to the Purchase Price and/or the Agreement (“the Confidential Information”) and agrees that it shall cause the Vendor’s directors, officers and agents and employees to comply with the terms hereof.

3. The obligations arising in paragraph 2 above do not apply to Confidential Information which:
 - a. The Vendor is authorized to use or disclose in accordance with a written agreement signed by the Purchaser, provided that such use or disclosure accords with the agreement;
 - b. Is or becomes available to third parties in the public domain through no fault of the Vendor or the Vendor’s directors, officers, employees or agents;
 - c. Is required to be disclosed by applicable law, provided that if the Vendor is required or requested to disclose any Confidential Information, it shall immediately notify the Purchaser so that the Purchaser may seek an appropriate protective order or waive compliance with the provisions of this paragraph.
4. The Vendor acknowledges that the terms of this Agreement have been negotiated in good faith in reliance upon their enforceability and that the Purchaser and Mustang agreed to enter into the Asset Purchase Agreement in reliance upon the express promise and representation of the Vendor that the within Agreement would be abided by whether legally enforceable or not and that the Vendor would, in no event, question or challenge the enforceability of the same. Accordingly, and as a fully independent covenant for which adequate consideration is acknowledged, the Vendor agrees to indemnify and save harmless the Purchaser and Mustang from any and all costs and expenses including, without limitation, reasonable legal fees and disbursements on a solicitor and his own client basis incurred by either of them in enforcing this Agreement in the event that the Vendor is in default of this Agreement.
5. The Vendor acknowledges and agrees that if it breaches any of the terms herein, directly or indirectly, that damages alone would be an insufficient remedy and that an interim and permanent injunction would be an appropriate remedy and further that the Vendor will consent to, and shall not oppose, an order enjoining the continuation of such activity and shall not require the provision of any undertaking as to damages.
6. In the event that a covenant herein in respect of any particular time period or geographical area or combination thereof is found to be unreasonable or unenforceable by a Court of competent jurisdiction, the Vendor agrees and submits to the reduction of the geographical area of restriction and/or time limitation to such geographical area or restriction and time limitation as the Court shall deem to be reasonable and enforceable. The Vendor agrees that such finding of any covenant herein being unenforceable by reason of length, uncertainty, public policy, illegality or any other reason, shall not affect the enforceability of any covenant with respect to any

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other time period or geographical area or combination thereof that may be demanded by the Purchaser and Mustang in their sole discretion.

7. Should any provision of this Agreement be illegal, void, or otherwise unenforceable such provision shall be severed from the rest of this Agreement and the rest of this Agreement shall remain in full force and effect and be binding upon the parties as though the said provision or provisions had never been included.
8. The terms and definitions used herein shall have the same meaning as set out in the Asset Purchase Agreement dated March 18, 2013.
9. This Agreement and any one or more of the covenants hereunder are assignable by the Purchaser and Mustang to any party purchasing the assets of, or shares in, either, or any of its subsidiaries.

DATED this ____ day of _____, 2013.

BIG GUNS ENERGY SERVICES INC.

Per: _____
William Darling

Per: _____
Duncan McPhedran

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SCHEDULE "E"

MRBD Unanimous Shareholder Agreement

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UNANIMOUS SHAREHOLDER AGREEMENT
made effective as and from the 15 day of April, 2013.

BETWEEN:

ROYDEN WIDEMAN
(hereinafter referred to as "**Royden**")

OF THE FIRST PART,

- and -

MIKE KALLAL
(hereinafter referred to as "**Mike**")

OF THE SECOND PART,

-and-

HAYMAX ENERGY INC.
(hereinafter referred to as "**Haymax**")

OF THE THIRD PART,

-and-

McPHEDRAN CONSULTING INC.
(hereinafter referred to as "**McPhedran**")

OF THE FOURTH PART,

- and -

MRBD LTD.
(hereinafter referred to as "**the Corporation**")

OF THE FIFTH PART.

THE PARTIES HERETO mutually covenant and agree with the others as follows:

SECTION 1 - DEFINITIONS

Article 1.01- Definitions

1.01.01 In this Agreement:

- (a) "**Act**" means the Alberta Business Corporations Act as amended from time to time.

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- (b) **"Directors"** means the board of directors of the Corporation and any consent, election, request or other act or decision of the Directors required or provided for hereunder means a resolution of the board of directors to that effect.
- (c) **"Non-Permitted Shareholder"** means any Shareholder who is not a Permitted Shareholder.
- (d) **"Permitted Shareholders"** means each of Royden, Mike, Haymax and McPhedran, if and for so long as they hold Shares and also includes any other Shareholder who has acquired Shares pursuant to a transfer or issuance which has received the approvals and consents required hereunder and, for greater certainty, does not include persons who have become Shareholders without such approval or consents even where such approval or consents have been dispensed with or otherwise overridden by court order; provided further however that for all purposes of this Agreement a Shareholder, whether specifically named above or not, ceases to be a Permitted Shareholder and becomes a Non-Permitted Shareholder upon becoming a bankrupt or upon a receiver or a receiver manager being appointed to govern his affairs and a corporate Shareholder shall cease to be a Permitted Shareholder and become a Non-Permitted Shareholder if any legal or beneficial interest in any of its shares are issued or transferred in contravention of this Agreement (even where the approvals or consents required under this Agreement have been dispensed with or otherwise overridden by court order).
- (e) **"Preferred Shares"** means the preferred redeemable retractable Shares in the Corporation that are, at any given time, issued and outstanding.
- (f) **"Redemption Value"** means, in respect of a particular class of Preferred Shares, the redemption price attached to such Shares determined in accordance with the Corporation's articles of incorporation.
- (g) **"Share"** means a share in the Corporation and **"Shareholders"** means the shareholders of the Corporation.
- (h) **"Shareholder's Loan"** means any loan, advance or other indebtedness owing from the Corporation to a Shareholder or to a body corporate controlled by a Shareholder whether repayable on demand or otherwise, but excludes:
 - (i) unpaid salaries, wages and commissions unless paid out and loaned back to the Corporation;
 - (ii) monies owing in respect of the reimbursement of authorized expenses incurred on the Corporation's behalf unless paid out and loaned back to the Corporation;

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- (iii) monies owing under any of the indemnities contained in Article 8.05, or in respect of the purchase of Shares by the Corporation under the provisions hereof;
- (iv) monies payable in respect of the sale, supply, provision, rental or lease of goods, lands, property, advice or services;

unless by agreement at any time made with the Corporation (which said agreement may be implied by conduct or acquiescence including acquiescence to ongoing accounting practices) they are to be regarded as Shareholder's Loans for the purposes of this Agreement. For greater certainty a Shareholder's Loan does not cease to be a Shareholder's Loan by reason only that the person to whom it is owed ceases to be a Shareholder or body corporate controlled by a Shareholder.

- (i) **"Unanimous Consent"** means the consent of all of the Voting Shareholders who are Permitted Shareholders and for greater certainty, in the event there is only one Permitted Shareholder holding Voting Shares, means the consent of the Permitted Shareholder.
- (j) **"Voting Shareholder"** means a Shareholder holding Voting Shares and **"Voting Shares"** means Shares which have attached to them the right to vote at annual general meetings.

1.01.02 All other terms used herein shall, unless a contrary intention appears, have the same meaning and definition as terms contained in the Act.

SECTION II - SHAREHOLDINGS

Article 2.01 - Issued Share Capital

2.01.01 The parties acknowledge and agree that the issued share capital in the Corporation as at the date hereof is as follows:

Royden	-	100 Class "A" Common Voting Shares
Mike	-	100 Class "A" Common Voting Shares
Haymax	-	30,000 Class "H" Preferred Non-Voting Shares each with a Redemption Value of \$100.00 per Class "H" Share
McPhedran	-	10,000 Class "H" Preferred Non-Voting Shares each with a Redemption Value of \$100.00 per Class "H" Share

with no other shares being issued and outstanding and the Corporation's records and ledgers shall, if inconsistent with the foregoing, be immediately amended to record the foregoing.

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Article 2.02 - Disposition of Shares

2.02.01 No Shareholder shall sell, transfer, pledge, mortgage or otherwise dispose of any Shares or Shareholder's Loans (or any interest in such Shares or Shareholder's Loans) other than pursuant to the provisions hereof without **Unanimous Consent**. Where a Shareholder holding Shares is a body corporate, any transfer, issuance, agreement or arrangement such that control of that Shareholder is lost or abdicated by any person or group of persons having control prior to such transfer, agreement or arrangement shall be deemed to be a transfer of Shares and Shareholders Loans for the purposes of this paragraph 2.02.01 and shall be deemed to be a contravention of this Agreement by that Shareholder if the same contravenes this paragraph.

2.02.02 Except as may be permitted under the terms hereof, neither the Corporation nor any of its subsidiaries shall issue, or approve or permit the transfer of, any shares in their authorized capital without **Unanimous Consent**.

2.02.03 Notwithstanding the foregoing, and for greater certainty, all consents and approvals required under this Agreement (including **Unanimous Consent** unless otherwise expressly noted) or under the Constitution shall be deemed to have been given in the case of the following dispositions of Shares:

- (a) a sale of Shares made pursuant to the provisions of this Agreement;
- (b) the exchange, conversion or redemption of Shares in the exercise of rights or obligations attached to such Shares under the Corporation's Constitution; or
- (c) a transfer of Shares between joint holders.

2.02.04 The Directors shall be deemed to have approved any disposition of Shares made pursuant to the terms of Sections V, VI, VII or VIII or as described in paragraph 2.02.03.

SECTION III - FUNDAMENTAL CHANGES

Article 3.01 - Changes in Constitution

3.01.01 The parties covenant and agree that no change shall be made to the Constitution without **Unanimous Consent**.

Article 3.02 -- Winding Up

3.02.01 Without limitation to any restrictions or other prerequisites in this regard contained in the Act:

- a. the Corporation shall not wind up, liquidate or dissolve or commence any proceedings for the purpose of doing so; and

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- b. no Shareholder shall under the just and equitable rule, or upon any other grounds whatsoever commence legal proceedings for the purpose of effecting the result of either:
 - i. causing the Corporation to wind up, liquidate or dissolve; or
 - ii. compelling the purchase or repurchase of Shares of a Shareholder by the Corporation or any of its Shareholders (except to the extent expressly provided for in this Agreement);

without **Unanimous Consent**, it being understood and agreed that the buy sell provisions and other remedies contained in this Agreement are intended to be exhaustive.

SECTION IV - DIRECTORS

Article 4.01 - Election

4.01.01 Each Permitted Shareholder or group of Permitted Shareholders holding in the aggregate 50% percent or more of the total issued Voting Shares is entitled to appoint one (1) individual as a Director (and to remove and replace such Director) from time to time by written notice to the Corporation. Any additional Directors shall be appointed by ordinary resolution of the Shareholders. The Directors as of the date of this Agreement are as follows:

ROYDEN WIDEMAN
MIKE KALLAL

4.01.02 A director who ceases to be qualified under paragraph 4.01.01 by reason of having his appointment or designation revoked, by reason that the Shareholders appointing him cease to be Permitted Shareholders or cease to hold the requisite percentage of Shares or for any other reason, shall be deemed to have immediately ceased to be a director with or without his formal resignation or any shareholder's resolution confirming his resignation or replacement.

Article 4.02 - Voting

4.02.01 A Director and any entity in which he has any direct or indirect interest may enter into contracts or other arrangements with the Corporation or its subsidiaries. A Director may vote in respect of any such contract or arrangement in which he is directly or indirectly interested provided he has disclosed such interest to the other Directors.

SECTION V - OPTION TO PURCHASE

Article 5.01 - Definitions

5.01.01 For the purposes of this Section V a "**Withdrawing Shareholder**" means and includes:

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- (a) a Non-Permitted Shareholder;
- (b) a Shareholder who dies or by reason of mental incapacity has a guardian, committee or attorney appointed to handle his affairs;

and includes the executor, administrator, guardian, committee, liquidator, trustee or other authorized representative of such Shareholder.

Article 5.02 - Grant

5.02.01 In the event that a shareholder becomes a Withdrawing Shareholder pursuant to paragraph 5.01.01 (a) or (b) hereto, and subject to paragraph 5.03.01, then the Corporation shall have the option, exercisable at any time, to purchase all or any of the Shares of such Withdrawing Shareholder at the price established in accordance with the provisions of Schedule "A" hereto and pursuant to the mechanisms set out under Schedule "B" hereto, except for and excluding the Class H Preferred Non-Voting Shares issued to Haymax and McPhedran, for which the price shall be the Redemption Value of \$100.00 per Share.

Article 5.03 - Forced Option on Death

5.03.01 Where a Shareholder has become a Withdrawing Shareholder by reason of a death under sub-paragraph 5.01.01(b):

- (a) a Notice to Sell shall have attached to it a copy of this Agreement and the Notice to Sell shall prominently display the following statement in bold or red type of at least the same font size as the remaining text of the Notice to Sell:

"This Notice to Sell is of great importance to you. If you do not respond within the time limits set out in the attached agreement you may suffer a major financial loss. Despite what anyone may tell you to the contrary, you should seek independent legal advice immediately."

- (b) unless the estate of the Withdrawing Shareholder otherwise agrees, the Corporation shall exercise its option under this Section within three (3) months of the date of such death.

SECTION VI - SHOTGUN BUY-SELL

Article 6.01 - Shotgun

6.01.01 In this section VI and in Schedule "C" hereto, in the event that Royden becomes a Triggering Shareholder, then Mike shall be the "Notified Shareholder", and in the event that Mike becomes a Triggering Shareholder, then Royden shall be the "Notified Shareholder".

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6.01.02 Either Royden or Mike (as the "Triggering Shareholder"), provided each is then a Permitted Shareholder, may at any time serve a notice upon the Notified Shareholder, compelling the Notified Shareholder to elect to either:

- (a) sell his Shares to the Triggering Shareholder at the price stipulated in such notice; or
- (b) purchase the Shares of the Triggering Shareholder at the price stipulated in such notice;

all in accordance with the provisions of Schedule "C" hereof.

SECTION VII - RIGHTS OF FIRST REFUSAL

Article 7.01 - Rights of First Refusal

7.01.01 Notwithstanding Article 2.02, either of Royden or Mike may sell all or any of his Shares provided that such sale is made pursuant to the terms of an Eligible Offer (as defined in Article 7.02) that is first offered to the other in accordance with, and otherwise in compliance with, the provisions of Schedule "D" hereto.

Article 7.02 – Definition

7.02.01 For the purposes hereof, "Eligible Offer" means a bona fide offer to or from a third party to buy, issue or sell Shares and which said offer satisfies the following conditions:

- (a) The offer states that the entire consideration for such Shares is to be paid by cash, bank draft, certified cheque, negotiable securities or solicitor's trust cheque on the closing date;
- (b) The offer states that each of the Purchasers, if not already a party hereto, will execute an agreement to be bound by the terms of this Agreement as provided under Article 10.03 of this Agreement;
- (c) The offer states that the Seller is bound to ensure that as of the date of closing such Shares are to be conveyed free and clear of any and all claims, charges and encumbrances whatsoever, except that they shall be subject to this Agreement; and
- (d) The offer forms the entire agreement between the parties and there are no collateral or other agreements or understandings between the parties and affecting the subject matter thereof save as expressed in the offer.

Article 7.03 – Saving

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7.03.01 Notwithstanding the foregoing, and for greater certainty, this Section VII does not apply to the following dispositions of Shares:

- (a) a sale of Shares made pursuant to the other provisions of this Agreement;
- (b) an exchange, issuance, re-issuance, or re-characterization of Shares as a result of an amalgamation of the Corporation with any other entity;
- (c) an exchange, conversion, issuance, re-issuance or re-characterization of Shares in the course of a bona fide reorganization of the Corporation's capital;
- (d) an exchange, conversion or redemption of Shares in the exercise of rights or obligations attached to such Shares under the Constitution; or
- (e) a conveyance of any interest in Shares amongst joint holders of those Shares;

and, subject always to any other consents or approvals required under this Agreement, nothing in this Section VII prevents such dispositions from occurring.

SCHEDULE VIII - FINANCIAL/OPERATIONAL

Article 8.01 - Repayment of Shareholder's Loans

8.01.01 Save as expressly permitted under this Agreement, no principal or interest shall be repaid by the Corporation on account of any Shareholders' Loan (and no Shareholder may demand or otherwise enforce payment on his said Shareholders' Loan) without **Unanimous Consent**. Without limitation to the foregoing, Shareholder Loans owed to a Non-Permitted Shareholder or to a person who has acquired the same, by assignment, operation of law or otherwise, from a Non-Permitted Shareholder or without the consents required under this Agreement, shall be repayable at the pleasure of the Corporation.

8.01.02 Without limitation to paragraph 8.01.01, no principal or interest shall be repaid by the Corporation on account of a Shareholder's Loan, unless such principal or interest, as the case may be, is paid or repaid proportionately (and, in particular, in such a fashion that the ratio between the amount paid to that Shareholder at that time on account of his Shareholder's Loan and the total amount paid on all Shareholders' Loans owed to Permitted Shareholders at the same time equals the ratio between that Shareholder's Shareholders' Loan and the total amount owing by the Corporation under all Shareholders' Loans owed to Permitted Shareholders).

8.01.03 Notwithstanding any other provision of this Agreement, no principal or interest shall be repaid by the Corporation on account of a Shareholder's Loan if such repayment would cause the Corporation to be in breach of any offer letter, agreement, security or other obligation owed to a financial institution that has advanced funds to the Corporation.

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8.01.04 Notwithstanding any other provisions of this Agreement, the Corporation shall not repay any Shareholder's Loans to Royden and Mike, until such time as all the Class H Preferred Non-Voting Shares issued to Haymax and McPhedran have been redeemed or purchased from Haymax and McPhedran as provided for in Article 8.08

Article 8.02 - Repayment of Loans after Buy-Sell

8.02.01 In the event that a Shareholder (the "**Former Shareholder**") sells all, but not less than all, of his Shares to the Corporation or to the other Shareholders (or to someone else nominated by the Shareholders as permitted hereunder) pursuant to the provisions of this Agreement, all of that Former Shareholder's Shareholder's Loans shall after the closing of such sale be repayable to that Former Shareholder upon demand unless that Former Shareholder was a Non-Permitted Shareholder at the time of such sale in which event his Shareholder's Loans may be demanded only upon the expiry of the fifth (5th) anniversary of the closing date of such sale.

8.02.02 Save as expressly provided herein the transfer or other disposition of Shares does not in any manner affect the restrictions and other provisions herein relating to repayment of Shareholder's Loans.

Article 8.03 - Auditors

8.03.01 Should the Shareholders in general meeting resolve not to appoint auditors, all Shareholders shall be deemed to have consented, and do hereby consent, to such resolution.

Article 8.04 - Intellectual Property

8.04.01 Each of the Shareholders agrees that all property, including copyright (all moral rights of the Shareholders being hereby waived and released), in and to all brochures, inventions, designs, processes, software, writings, product composition (including, without limitation, the compositions of any custom made software products used in the Corporation's operations) and other forms of intellectual property developed, created, discovered or otherwise devised by the Corporation or its employees or by a Shareholder in such Shareholder's capacity as director, employee, contractor or officer of the Corporation shall be and shall remain the property of the Corporation and not of that Shareholder.

Article 8.05 - Indemnities

8.05.01 For the purposes of this Article the term "**Acting Officer**" means any person who was, or is, party to this Agreement and who has been a shareholder, director or officer of the Corporation or any of its subsidiaries, together with their respective guarantors, heirs and executors, administrators and successors.

8.05.02 The Acting Officers shall be indemnified and secured harmless by the Corporation from and against all actions, costs, charges, losses, damages and expenses (including legal expenses, on a solicitor and his own client basis) which they, or any of them, shall or may incur or sustain by

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reason of holding the office of, or exercising the powers of, director or officer, or by reason of any act done, not done, concurred in, or committed in or about the execution of their duties or supposed duties in their respective offices or trusts or in carrying out any other acts at the request of the Corporation or the Directors thereof, except such, if any, as they shall incur or sustain through or by their own wilful neglect or default.

8.05.03 To the full extent that the law permits, none of the Acting Officers shall be liable or in any other manner answerable to any of the Corporation or to the Shareholders or to any other person whatsoever:

- (a) for the acts, receipts, neglects or default of the other or others of them; or
- (b) for joining in any act for the sake of conformity; or
- (c) for voting for, consenting to or participating in any act, authorization or resolution contrary to the provisions of the Act; or
- (d) for any other loss, misfortune or damage,

which may happen in the execution of acts requested of them by the Corporation or the Directors thereof or in the execution of their respective offices, or in relation thereto EXCEPT where such Acting Officer has done the same with the subjective intent of committing a legal wrong.

8.05.04 The Corporation shall indemnify and save harmless each Acting Officer from and against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a Party by reason of being or having been an Acting Officer if:

- (a) he acted honestly and in good faith with a view to the best interests of the Corporation; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

8.05.05 The Corporation shall, at the instance of any Shareholder, including any Shareholder who benefits thereby, seek the approval of a court to indemnify an Acting Officer in respect of an action by or on behalf of the Corporation or body corporate to procure a judgment in its favour, to which he is made a Party by reason of being or having been a director or an officer of the Corporation or body corporate, against all costs, charges and expenses reasonably incurred by him in connection with such action if he fulfils the conditions set out in subparagraphs 8.05.04 (a) and (b).

8.05.06 The Corporation shall indemnify and save harmless an Acting Officer from and against all costs, charges and expenses reasonably incurred by him in connection with the defence of any civil, criminal or administrative action or proceeding to which he is made a Party by reason of

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being or having been a director or officer of the Corporation or its subsidiaries, if such Acting Officer:

- (a) was substantially successful on the merits in his defence of the action or proceeding; and
- (b) fulfils the conditions set out in subparagraphs 8.05.04 (a) and (b) above.

Article 8.06 - General Security Agreement

8.06.01 The Corporation hereby transfers, mortgages, grants and assigns to Mike and Royden a joint and several security interest (the "Security Interest") in all of the present and after-acquired personal property of the Corporation (or in which the Corporation now or anytime hereafter has or acquires rights) of any and all kinds whatsoever and all proceeds and renewals thereof, accessions thereto and substitutions therefor save and except only the last day of the term of any lease or agreement therefor (the "Collateral").

8.06.02 The Security Interest as granted hereby secures payment and satisfaction of any and all monies at any time owing from the Corporation to Mike or Royden or both of them, whether in the form of Shareholder's Loans or otherwise, and any and all other obligations, indebtedness and liability whatsoever of the Corporation to Mike or Royden or either of them present or future that were incurred or created during, but only during, the time that such person was a Permitted Shareholder.

8.06.03 This Security Interest may be enforced in any manner permitted under the Alberta Personal Property Security Act or at law generally provided however that it may not be enforced without the joint consent of such of Mike and Royden if both are then Permitted Shareholders.

Article 8.07 - Release of Guarantee

8.07.01 If the Shares of a Permitted Shareholder are purchased pursuant to the provisions of Section VI or VII of this Agreement, the person buying shall take all reasonable steps to obtain the release of any guarantee of the indebtedness of the Corporation made by the Shareholder selling (and where the Shareholder selling is a body corporate, by its directors, officers and shareholders).

Article 8.08 - Redemption of the Preferred Shares held by Haymax and McPhedran

8.08.01 The Corporation agrees to redeem each year, at a minimum, the amount of Preferred Shares held by Haymax and McPhedran stated in the schedule of redemptions attached as Schedule "E" (the "Yearly Minimums"), provided it is permitted by law. Further, the Corporation shall be free to redeem additional Preferred Shares held by either or both of Haymax and McPhedran in excess of the Yearly Minimums at any time. In the event that the Corporation redeems more than the Yearly Minimums for any given year, then any excess Preferred Shares redeemed shall be credited towards the Yearly Minimums required in the next year and so forth.

Handwritten signatures and initials in the bottom right corner of the page, including what appears to be 'BD', 'Dm', 'RJC', and 'MK'.

8.08.02 Each of Haymax and McPhedran agree to not exercise any retraction rights available at law or contained within the Corporation's articles of incorporation in relation to their Preferred Shares except as provided for in 8.08.06 and in accordance with Schedule "E".

8.08.03 The redemptions of Preferred Shares by the Corporation required herein shall occur on May 1 of each year, as more specifically set out in Schedule "E".

8.08.04 In the event the Corporation is unable, at any given time, to redeem some or all of the requisite number of Preferred Shares within the time periods set forth in Schedule "E" because it is not permitted by law, then the Corporation shall redeem the amount it is able to redeem from each on a proportionate basis having regard to the amount of the Yearly Minimums, and unless either or both of Haymax and McPhedran agree otherwise in relation to their respective Preferred Shares, the remaining Preferred Shares to be redeemed for the applicable year (the "Remaining Preferreds") shall instead be purchased by each of Royden and Mike, on an equal basis, within one hundred and eighty (180) days of default by the Corporation to redeem same. In the event Royden and Mike purchase the Redeemed Shares, as provided for herein, the purchase price shall be the redemption price per share plus interest at 20% accruing from the date the Corporation was to redeem said shares and did not, up to and including the date of payment by Mike and Royden.

8.08.05 Immediately upon the redemption or purchase of the Preferred Shares, as the case may be, each of Haymax and McPhedran shall tender to the Corporation any share certificates held representing such Preferred Shares sold or redeemed, in exchange for newly issued share certificates showing the reduced number of Preferred Shares then held by each. Except as modified herein, the provisions contained within the Corporation's articles of incorporation shall otherwise remain applicable.

8.08.06 In the event, at anytime during the currency of this Agreement, that Mike and Royden are collectively not the controlling common shareholders of the Corporation, then and in that event, Haymax and McPhedran, shall be at liberty to demand redemption of all the Preferred Shares that they hold at such time, with payment to be made within 60 days of said demand. Should the Corporation fail to redeem said Preferred Shares, then and in that event said Preferred Shares shall be purchased by Mike and Royden, on an equal basis, and the provisions of 8.08.04 shall apply, mutatis mutandis.

Article 8.09 - Resignation as Officer and Employee

8.09.01 If a Shareholder (a "departing Shareholder") ceases to own any Shares he shall, notwithstanding anything contained herein, upon the transfer of all the beneficial interest in all its Shares or upon lawful notation in the Corporation's shareholders' ledger that it has ceased to be a Shareholder in the Corporation (whichever first occurs), be deemed to have resigned as a director, officer and employee of the Corporation without any right for compensation for such termination (including any damages which he might otherwise have had for wrongful dismissal) excepting any salaries, wages or benefits accrued to the date of such resignation.

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SECTION IX - NOTICES

Article 9.01 - Address for Notice

9.01.01 Any notice required or permitted to be given to any Party hereunder shall be validly given if either delivered to the address provided below:

To Haymax and McPhedran: Big Guns Energy Services Inc.
Suite 500 640 8th Avenue SW
Calgary, Alberta
T2P 1G7

With a copy to:

Bennett Jones LLP
Attn: Kieran Ryan
4500 Bankers Hall East
825-2nd Street, S.W.
Calgary, Alberta, T2P 4K7

To the Corporation, Royden
And Mike: Mustang Well Services Ltd.
P.O. Box 1467
Camrose, Alberta
T4V 1X4

With a copy to:

Reynolds, Mirth, Richards & Farmer LLP
Attn: Wesley M. Pedruski
3200, 10180-101 Street
Edmonton, Alberta, T5J 3W8

9.01.02 Any such notice delivered as aforesaid shall be deemed to have been received by and given to the addressee when delivered.

Article 9.02 - Change in Address

9.02.01 Any Party may at any time give notice in writing to the others of any change of address or of facsimile number, or both, of the Party giving such notice. An address for notice must be located within Canada.

SECTION X - MISCELLANEOUS

Article 10.01 - Nominee Purchaser

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10.01.01 Whenever in this Agreement the Corporation is given the right or ability, or an obligation is imposed upon the Corporation to purchase Shares, the Corporation may, in its discretion, appoint in writing any other Person or Persons to purchase such Shares in the Corporation's stead, and such Person or Person(s) shall then have full right, ability and authority to purchase such Shares under the terms hereof.

Article 10.02 - Attorney

10.02.01 In the event that a Shareholder (the "Defaulting Shareholder") neglects, refuses, or is unable to execute or deliver any document required to be executed or delivered pursuant to the provisions of this Agreement, then such Defaulting Shareholder shall be deemed to have appointed the Corporation as his agent and lawful attorney for the purpose of executing and delivering such document and such execution or delivery by the Corporation shall be as valid and effectual, for all purposes, as though it had been executed or delivered by the Defaulting Shareholder.

Article 10.03 - Change in Parties

10.03.01 All Shareholders for the time being shall be deemed to be parties to this Agreement and shall be bound by each and every term hereof as though all such Shareholders were original signatories hereto.

10.03.02 Except where the terms or context hereof otherwise require, any Party hereto who has ceased holding Shares (a "**Former Shareholder**") shall, effective the date lawfully noted, or required to be lawfully noted, in the Corporate shareholder's ledger as the being the date that such person was last a Shareholder (the "**Cessation Date**") cease to be a Party to this Agreement and this Agreement shall continue in full force and effect as between the remaining parties except that, for greater certainty, Section VIII, to the extent applicable, shall continue to apply to a Former Shareholder.

10.03.03 The Corporation may, for the better accomplishment of the purport of paragraph 10.04.01, require persons acquiring Shares in the Corporation to execute an agreement stating that such persons have agreed to, and have agreed to be bound by, each and every term of this Agreement and (without any limitation to paragraph 10.04.01 whatsoever) upon such execution such person shall be deemed to be a Party hereto. In the event of such requirement, notwithstanding anything contained in the Constitution and notwithstanding that the Directors and the Shareholders shall have approved a transfer of Shares, a transfer of Shares shall not be effective to transfer any legal or equitable interest in such Shares unless and until the transferee has executed such an agreement.

Article 10.04 - Better Accomplishment

10.04.01 Each Party hereto shall vote his Shares and shall execute such further and other documents, as may from time to time be reasonably requested of him by the Directors, to better accomplish the terms and intent hereof.

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Article 10.05 - Majority Rule/Agreement Governs

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- (a) Each Party agrees that in any and all events, he will abide by the terms of this Agreement and will seek only those remedies available hereunder (the parties having agreed that such remedies are to be exhaustive and that this Agreement alone shall govern disputes permitted the parties).
- (b) It is further acknowledged and agreed by all parties hereto that the exercise or non-exercise of any right, privilege or discretion given to any Director or Shareholder hereunder, shall (if not in contravention of the terms hereof) be accepted by all parties without complaint and without allegation that the same is oppressive or unfairly prejudicial or that it unfairly disregards the interests of anyone.

Article 10.06 - Entire Agreement

10.06.01 This Agreement constitutes the entire agreement and understanding between the parties concerning the subject matter hereof and, for greater certainty, but without limitation to the foregoing, no additional understandings or agreements are to be implied into this Agreement for any reason or purpose whatsoever including any anticipated or unanticipated circumstance or eventuality not expressly provided for hereunder (and whether or not now within the reasonable contemplation of the parties).

Article 10.07 - Termination

10.07.01 This Agreement shall terminate if the Shareholders unanimously agree to terminate it (whether or not any other parties hereto have also agreed to terminate) or if the Corporation completes a public offering of its securities in accordance with the securities legislation of any jurisdiction.

10.07.02 For greater certainty, Section VIII survives the termination of this Agreement unless the Shareholders unanimously agree otherwise.

Article 10.08 - Interpretation

10.08.01 Where in this Agreement a period of time is prescribed, dated or calculated from a day or event the time shall be calculated excluding such day or the day of such event, unless a contrary intention appears. Where in this Agreement the time for doing anything falls or expires on a Saturday, Sunday or on a statutory holiday in the Province of Alberta then such thing may be validly done on the first day thereafter that is not a Saturday, Sunday or holiday.

10.08.02 In this Agreement words importing the singular shall include the plural and words importing the masculine shall include the feminine or neuter or bodies corporate, or vice versa, as the context, or the number or gender of the parties, from time to time, so requires.

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10.08.03 Should any clause of this Agreement be illegal, void or otherwise unenforceable, the rest of this Agreement shall remain in full force and effect and be binding upon the parties as though such clause had been severed.

10.08.04 Where the terms of this Agreement are inconsistent with the Constitution, the terms of this Agreement shall prevail and at any meeting called for such purpose, the Shareholders shall vote their Shares to amend the Constitution to remedy such inconsistency at any meeting called for such purpose.

10.08.05 This Agreement is, and is intended to be, a unanimous shareholder agreement for each of the Corporation and its wholly owned subsidiaries, from time to time, if any.

10.08.06 Except where otherwise stated herein, where the name of any person or company is used in this Agreement such name means that person or company alone (and its permitted assigns) and does not include any person who has acquired the shares of such person or company by reason of such acquisition.

10.08.07 Schedules "A", "B", "C", "D" and "E" form a part of this Agreement.

Article 10.09 – General

10.09.01 This Agreement shall survive an amalgamation of the Corporation with a subsidiary of the Corporation but shall terminate upon any other amalgamation.

10.09.02 This Agreement may be executed in separate counterparts and the execution of a counterpart shall have the same effect as the execution of the original and each Party shall be bound by the terms hereof once all parties have executed the original or counterparts hereof whether or not all parties have actual knowledge or such execution.

10.09.03 The rights and entitlements under this Agreement may not be assigned, in whole or in part, by a Shareholder except to a permitted transferee of Shares hereunder. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

10.09.04 This Agreement shall be governed by the laws of the Province of Alberta, Canada, and each Party hereto attorns and submits to the jurisdiction of the Courts of the Province of Alberta, Canada.

10.09.05 Time shall be of the essence hereof.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the day and year first above written.

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THIS AGREEMENT HAS BEEN PREPARED BY THE LAW FIRM OF REYNOLDS MIRTH RICHARDS & FARMER LLP ACTING IN THEIR CAPACITY AS SOLICITORS FOR THE CORPORATION ONLY AND EACH OF THE SHAREHOLDERS IS AWARE OF THE ADVISABILITY OF OBTAINING INDEPENDENT LEGAL ADVICE.

WITNESS

MIKE KALLAL

WITNESS

ROYDEN WIDEMAN

HAYMAX ENERGY INC.

Per: _____
William Darling

McPHERAN CONSULTING INC.

Per: _____
Duncan McPhedran

MRBD LTD.

Per: _____
Mike Kallal

Per: _____
Royden Wideman

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SCHEDULE "A"

VALUATION (SECTION V)

The purchase price for the Shares to be purchased under Section V shall be determined by the Corporation's auditors or accounting advisors as the case may be (the "Valuator") in the manner hereinafter provided:

1. In this Schedule "A", the terms "Valuation Date" means the first day of the month immediately preceding the date of service of the Notice to Sell except where the shareholder has become a Withdrawing Shareholder in consequence of death in which event the Valuation Date shall be the first day of the month immediately preceding the date of such death and "Closing Date" has the meaning given to it under Schedule "B".
2. The Voting Permitted Shareholders of the Corporation may, from time to time, by dated agreement in writing (a "Valuation Agreement"), unanimously agree upon a purchase price for Shares purchased under Section V or upon a formula for determining such price and in so doing may employ different prices or formulas for different classes of Shares. Any such agreement shall be binding upon all Shareholders and shall, unless such agreement contains express terms to the contrary, expire and cease to be of any effect one (1) year from its date or upon the Voting Permitted Shareholders entering into another such agreement dated subsequent in time, whichever is the earlier. Any such agreement may contain an expiry date or may provide for cancellation upon Notice to Sell from one or more parties to it.
3. In the event that there is as at the date of service of the Notice to Sell a valid and unexpired Valuation Agreement applicable to the particular Buy Sell Section then the purchase price for the said Shares shall be the purchase price stipulated in, or as the case may be, calculated in accordance with, the Valuation Agreement.
4. In the event that as at the date of service of the Notice to Sell there does not exist a valid and unexpired Valuation Agreement applicable to the particular Buy Sell Section being exercised, then such price shall be determined by the Valuators in the manner hereinafter provided:
 - a. The purchase price for the Shares shall in the case of a purchase under 5.01.01(b) be their fair market value as determined by the Valuator who shall (subject to the following) use such criteria as the Valuator deems reasonable and appropriate having regard to the nature of the business conducted by the Corporation and all other facts and circumstances deemed relevant by the Valuator and in the case of the purchase from a Non-Permitted Shareholder under 5.01.01(a) be 80% of such fair market value.
 - b. The said Shares shall be valued as at the Valuation Date.
 - c. In making its determination of fair market value the Valuator shall:

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- i. assume that there exists a ready market for the subject Shares at a fair price and without need to reduce pricing on the basis of a need to sell within a limited time;
 - ii. not apply any price discounts on the grounds that the Shares may represent a minority holding;
 - iii. exclude the value of any life insurance proceeds received or receivable by the Corporation in consequence of a Shareholder's death; and
 - iv. notwithstanding the foregoing, the fair market value of a Preferred Shares shall be equal to its Redemption Value.
5. In the event that the Valuator shall determine a range of values for the said Shares the price shall be the average between them.
6. The Corporation shall retain the Valuator within fourteen (14) days of service of the Notice of Rejection (as defined in Schedule "B") and shall direct the Valuator to use reasonable efforts to complete its determination within fourteen (14) days thereafter.
7. The Valuators shall act reasonably and bona fide in making their determinations hereunder (but, although entitled to obtain information from the Corporation or any other Party hereto, shall not be obliged to hear representations from any Party). All parties to this Agreement shall promptly comply with such requests for information and documentation as the Valuator shall reasonably require.
8. In the event that a Party alleges that the Valuator has not acted reasonably or bona fide such Party's remedies shall be strictly limited to a separate action for the purposes of establishing a different value and seeking payment or reimbursement from the purchasing Party in respect of the difference, and in no event shall such allegations, or the circumstances giving rise to them, entitle the complaining Party to refuse or delay the tender or delivery of documents or funds as required or to rescission of the underlying obligation to sell or purchase.
9. The Valuator may employ such agents and appraisers as it deems appropriate.
10. Subject to paragraph 7 above, the Valuator's decision shall be final and conclusive as against all parties to this Agreement.
11. The costs of a valuation under this Section shall be borne entirely by the Corporation except that where the selling Shareholder has become a Withdrawing Shareholder under subparagraph 5.01.01 (a), if the price determined by the Valuators exceeds the purchase proposed by the Corporation in the Notice to Sell, such costs shall be borne entirely by the Withdrawing Shareholder who shall indemnify the Corporation for the same (and which said amount may be deducted by the Corporation from the Purchase Price otherwise payable).

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SCHEDULE "B"

OPTION TO PURCHASE (SECTION V)

Article 1 - Exercise

- 1.1 For the purposes of this section, "Purchaser" means the Corporation in accordance with paragraph 5.02.01 herein or its nominee.
- 1.2 Subject to subparagraph 5.03.01(b), the Purchaser may exercise its option to purchase under Section V hereof at any time by serving upon the Withdrawing Shareholder a notice in writing (the "**Notice to Sell**") specifying the number and classes of the Withdrawing Shareholder's Shares to be purchased (the "**Optioned Shares**"), the proposed price for the Withdrawing Shareholder's Shares to be purchased (the "**Proposed Price**"), an explanation of how the Purchaser has calculated the said price and the date (being not less than sixty (60) days from the date of service of the Notice to Sell) that such Shares are to be delivered to the Purchaser for sale (the "**Closing Date**"). Upon service of the Notice to Sell the Withdrawing Shareholder shall be obliged to sell and the Purchaser shall be bound to purchase the Optioned Shares upon the terms and conditions set out below.
- 1.3 Upon receipt of the Notice to Sell, the Withdrawing Shareholder shall have thirty (30) days within which to serve written notice (the "**Notice of Rejection**") on the Purchaser rejecting the amount of the Proposed Price.
- 1.4 If the Purchaser has not received the Notice of Rejection within thirty (30) days of service upon the Withdrawing Shareholder of the Notice to Sell the Withdrawing Shareholder shall be deemed to have irrevocably accepted the Proposed Price and shall be bound to sell the Withdrawing Shareholder's Shares to the Purchaser at a price (the "**Purchase Price**") equal to the Proposed Price and on the terms as hereinafter provided.
- 1.5 If the Withdrawing Shareholder serves notice in writing upon the Purchaser within thirty (30) days from receipt by the Withdrawing Shareholder of the Notice to Sell, stating that the Withdrawing Shareholder rejects the Proposed Price, then the price for the Optioned Shares shall be the price (the "**Purchase Price**") as determined under Schedule "A" to this Agreement.

Article 2 - Closing

- 2.1 Whether or not the Withdrawing Shareholder has accepted (or is deemed to have accepted) the Proposed Price as set out in the Notice to Sell, then, on the Closing Date the Withdrawing Shareholder shall deliver to the Purchaser share certificates (duly endorsed for transfer in blank) for the Shares being purchased by the Purchaser, and the Purchaser shall then, but only then, tender the Proposed Price (or if a valuation is to take place under Schedule "A", and the valuers have by then determined a price, then the Purchaser shall tender the price so determined) by certified cheque, bank draft or solicitors trust cheque.

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- 2.2** Notwithstanding paragraph 2.1, but subject to paragraph 2.3, the Purchaser shall have the option of paying the Purchase Price in no more than 4 equal monthly instalments, the first such instalment to be due on the Closing Date and each subsequent instalment to be due on the same day, (or next earliest day if there is no same day), of each subsequent calendar month.
- 2.3** Notwithstanding paragraph 2.2, where the Corporation is the Purchaser, and in the event that the Corporation has received insurance proceeds in consequence of the death of the Withdrawing Shareholder, an amount equal to the lesser of such insurance proceeds and the Purchase Price shall be due and payable on the Closing Date and paragraph 2.2 shall be read so as to apply to the remaining balance only.
- 2.4** In the event that the Withdrawing Shareholder fails to tender its Shares as aforesaid, then at the Purchaser's option:
- (a) the Purchaser's obligation to purchase such Optioned Shares shall cease and determine, or
 - (b) the Purchaser may elect to complete the sale in which event all legal and equitable interest in the Optioned Shares shall be deemed to have vested irrevocably in the Purchaser on the Closing Date (and the Purchaser shall be entitled to alter its registers and issue share certificates accordingly) and the Purchaser shall be obliged to pay the Proposed Price (but no more than the Proposed Price) but only upon, such tender and only upon being given no less than thirty (30) days notice by the Withdrawing Shareholder of his intention to tender.
- 2.5**
- (a) The Withdrawing Shareholder shall be deemed to have covenanted, and shall be bound to ensure that as of the Closing Date the Optioned Shares are free and clear of any and all claims, charges and encumbrances whatsoever (save for this Agreement) and that the Withdrawing Shareholder otherwise has free and clear title to the same.
 - (b) In the event that the Optioned Shares are not free and clear of all such claims, charges and encumbrances as at the Closing Date, the Purchaser shall (without limitation to any other remedies it may have) be at liberty, but shall not be obliged, to withhold sufficient monies from the Purchase Price to discharge and satisfy such claims, charges and encumbrances and shall be deemed to have been authorized by the Withdrawing Shareholder to, in the name and on the behalf of the Withdrawing Shareholder, take such reasonable steps as the Purchaser deems appropriate to do so.
- 2.6** If the Purchase Price is to be determined under Schedule "A" then, notwithstanding the closing, within sixty (60) days of the Valuator's decision the Purchaser shall pay to the Withdrawing Shareholder an amount equal to the difference between the Proposed Price and the price so determined or, as the case may be, the Withdrawing Shareholder shall pay the said difference to the Purchaser.

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- 2.7 Unless otherwise agreed between the Purchaser and the Withdrawing Shareholder the closing shall take place at the Registered Office for the Purchaser at 2:00 p.m. on the Closing Date.
- 2.8 Any default resulting in the lawful rescission of any obligations to buy or sell Shares under this Schedule does not prevent the subsequent exercise of the right to purchase the same Shares under the terms of this Schedule or under any other applicable provision of this Agreement.

Article 3 – Capital Dividend Account

- 3.1 In the event that the purchase of any Shares by the Corporation pursuant to the terms of Section V and this Schedule “B” shall result in a dividend being deemed to have been declared by the Corporation to the Withdrawing Shareholder, under the provisions of any Provincial or Federal Income Tax legislation, or any regulations promulgated thereunder, the Corporation shall, to the extent possible, elect that such dividend be paid out of the Corporation's capital dividend account, if any.

Article 4 - Prohibition of Purchase

- 4.1 If, at any time, the payment of any monies towards the purchase of the Optioned Shares is prohibited by the Act, the Purchaser shall pay to the Withdrawing Shareholder as much of the amount that would otherwise have been paid as may be paid without contravening the Act and the balance of the Purchase Price shall be paid as soon as the Purchaser may do so without contravening the Act.

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SCHEDULE "C"

SHOTGUN BUY-SELL (SECTION VI)

Article 1 - Notice to Elect

- 1.1** Either Mike or Royden (the "**Triggering Shareholder**") if then a Permitted Shareholder, may serve a single notice in writing (the "**Notice to Elect**") upon the Notified Shareholder (as defined in Article 6.01.01 of this Agreement) requiring such Notified Shareholder to elect within sixty (60) days of receipt of the Notice to Elect to either sell or not to sell to the Triggering Shareholder all of the Shares held by the Notified Shareholder.
- 1.2** A Notice to Elect may not be revoked after service of the same without the unanimous written consent of the Triggering Shareholder and of the Notified Shareholder.
- 1.3** The Notice to Elect shall also particularise the following terms and conditions of the agreement of purchase and sale to be made:
- (a) The price to be paid for each Share;
 - (b) The closing date (the "**Closing Date**") as selected by the Triggering Shareholder (which shall not be a Saturday, Sunday or statutory holiday and which shall be more than ninety (90) days but no more than one hundred eighty (180) days from the service of the Notice to Elect upon the Notified Shareholder);
 - (c) The place of closing as selected by the Triggering Shareholder (which shall be in the City of Edmonton, Alberta).
 - (d) The time of closing as selected by the Triggering Shareholder (which shall be between the hours of 9:00 a.m. and 4:00 p.m. Mountain Time);
 - (e) The terms of payment, which shall be consistent with Article 2 hereof;

and shall also contain a statement that it has been served pursuant to Section VI of this Agreement.

- 1.4** A Notice to Elect which does not comply with the provisions of this Article 1 or which purports to include terms and conditions other than those permitted hereunder is void and of no effect.

Article 2 - Terms of Payment

- 2.1** The terms shall provide for full payment of the purchase price upon closing.

Article 3 - Notice of Election

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- 3.1 Within sixty (60) days after service on the Notified Shareholder of a Notice to Elect, the Notified Shareholder may elect, by notice in writing (the "**Notice of Election**") served on the Triggering Shareholder, either to sell or not to sell to the Triggering Shareholder all the Shares held by the Notified Shareholder at the price per share and upon the other terms and conditions set out in the Notice to Elect and this Schedule "C".
- 3.2 If the Notified Shareholder fails to serve such notice within the said sixty (60) day period, then upon the expiration of the said sixty (60) day period, the Notified Shareholder shall be conclusively deemed to have elected to sell all his Shares.
- 3.3 Subject to paragraph 7.2 of this Schedule, an election, deemed or otherwise, may not be revoked once made.

Article 4 - Election to Sell

- 4.1 If the Notified Shareholder elects to sell his Shares to the Triggering Shareholder, then the Triggering Shareholder shall be bound to purchase and the Notified Shareholder shall be bound to sell all the Shares held by the Notified Shareholder at the price per share and upon the other terms and conditions set out in the Notice to Elect and under this Schedule "C".

Article 5 - Election Not to Sell

- 5.1 If the Notified Shareholder elects not to sell his Shares to the Triggering Shareholder, then the Triggering Shareholder shall be bound to sell and the Notified Shareholder shall be bound to purchase all of the Shares held by the Triggering Shareholder at the price per share and upon the terms and conditions contained in the Notice to Elect and under this Schedule "C".

Article 6 - Closing

- 6.1 A person selling Shares hereunder (a "**Seller**") shall be bound to ensure that as of the Closing Date such Shares are free and clear of any and all claims and encumbrances whatsoever as against the said Shares (save that they shall be subject to this Agreement) and shall be deemed further to have covenanted that the same have been transferred to the purchasers thereof (the "**Purchaser**") free and clear of any and all such claims, charges and encumbrances. In the event that such Shares are not free and clear of all such claims, charges and encumbrances as at the Closing Date, Purchaser shall (without limitation to any other remedy he may have) be at liberty, but shall not be obliged, to withhold sufficient monies from the purchase price to discharge and satisfy such claims, charges and encumbrances and shall be deemed to have been authorized by the Seller to, in the name and on the behalf of the Seller, take such reasonable steps as the Purchaser deems appropriate to do so.
- 6.2 At the time and place for closing set out in the Notice to Elect the Seller shall, subject to paragraph 6.3 of this Schedule, tender upon the Purchaser share certificates for the Seller's Shares duly endorsed for transfer to the Purchaser and in the event that the Seller shall fail to do so the Purchaser may at its option deem the contract of sale created hereunder as being at

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an end and otherwise the Purchaser shall be deemed to have instead elected to proceed with the said sale in which latter said event title to the Seller's Shares shall be conclusively deemed to have been fully and completely transferred to the Purchaser notwithstanding the failure to tender as aforesaid save that the Purchaser shall not be obliged to make payment therefor to the Seller until tender of such certificates actually and fully occurs.

- 6.3 At the time and place for closing set out in the Notice to Elect the Purchaser shall tender upon the Seller the full purchase price by way of certified cheque, solicitors trust cheque or bank draft.

Article 7 - Miscellaneous

- 7.1 Subject to paragraph 7.2 of this Schedule, a Notice to Elect may not be served under this Schedule "C" after a Notice to Sell is served under Section V of this Agreement or a Notice of Eligible Offer is served under Section VII of this Agreement until such time as the purchase and sale of Shares resulting from the service of the Notice to Sell or the Notice of Eligible Offer has closed or the process commenced thereunder has otherwise been brought to an end.
- 7.2 Following the death of a Shareholder a Notice to Elect may not be served under this Schedule "C" by or as against the Shareholder who has become a Withdrawing Shareholder until such time as the purchase and sale of Shares of that Withdrawing Shareholder's shares under Section V has closed or the process commenced thereunder has otherwise been brought to an end.

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SCHEDULE "D"

RIGHT OF FIRST REFUSAL/PREEMPTIVE RIGHT SECTION VII

Article 1 – Interpretation

1.1 In this Schedule "D":

- (a) "Divested Shares" has the meaning given to it under paragraph 2.1 below.
- (b) "Notice of Eligible Offer" has the meaning given to it under paragraph 2.1 below.
- (c) "Notified Shareholder" has the following meaning:
 - i. in the event that Royden is the Seller, then Mike shall be the Notified Shareholder; and
 - ii. in the event that Mike is the Seller, then Royden shall be the Notified Shareholder.
- (d) "Purchasers" means the purchaser or purchasers of Shares under an Eligible Offer.

Article 2 - Notice of Eligible Offer

- 2.1. Royden or Mike, if not then a Withdrawing Shareholder (the "Seller") may make or accept an Eligible Offer (including, without limitation, an Eligible Offer made by auction or by invitation for tender under execution proceedings) to sell or issue Shares (such Shares being the subject matter of such Eligible Offer being herein referred to as the "Divested Shares"), provided that the Seller has by notice in writing (the "Notice of Eligible Offer") first notified the Notified Shareholder that an Eligible Offer has been made or received, or that the Seller wishes to make or receive an Eligible Offer, and the Seller is then given liberty to sell or issue the Divested Shares as provided for hereunder.
- 2.2 Notwithstanding paragraph 2.1, the Seller may make or accept an Eligible Offer to sell or issue the Divested Shares if such Eligible Offer is expressed to be subject to the true condition precedent that the Seller becomes at liberty to sell the Divested Shares under the provisions hereof.
- 2.3 The Notice of Eligible Offer shall state:
 - (a) the number of Divested Shares;
 - (b) the name of the Purchasers;
 - (c) the price per Share;
 - (d) the proposed date and time of closing, which shall be not less than sixty (60) days and not more than one hundred twenty (120) days following service of the Notice of Eligible Offer upon the last of the Shareholders to be served;
 - (e) the place of closing, which shall be in the City of Edmonton, Alberta, Canada; and

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(f) the complete text of the Eligible Offer made, received or intended to be made or received.

Article 3 – Election

- 3.1 Following receipt of a Notice of Eligible Offer the Notified Shareholder may then elect, by notice in writing (the "Notice of Acceptance") served upon the Seller within thirty (30) days of receipt by the Notified Shareholder of the Notice of Eligible Offer, to purchase the Divested Shares.
- 3.2 If the Notified Shareholder does not exercise their election within the said thirty (30) day period, they shall be conclusively deemed to have elected not to purchase any portion of the Divested Shares.
- 3.3 If the Notified Shareholder (the "Purchasing Shareholder") elects to purchase Divested Shares, then the Purchasing Shareholder shall be bound to purchase and the Seller shall be bound to sell to the Purchasing Shareholder, the Divested Shares on the following terms and conditions:
- (a) The price (the "Purchase Price") to be paid for each Divested Share shall equal the price per Share specified in the Notice of Eligible Offer.
- (b) At and on the date, time and place of closing set out in the Eligible Offer, the Seller shall deliver to the Purchasing Shareholder share certificates for the number of Divested Shares being purchased by the Purchasing Shareholder, duly endorsed to the Purchasing Shareholder.
- (c) The Purchase Price shall be paid by cash, bank draft, certified cheque or solicitor's trust cheque.
- (d) The Seller shall be bound to ensure, and shall be deemed to have covenanted, that as of the date of closing the Divested Shares are, and are conveyed, to the Purchasing Shareholder free and clear of any and all claims, charges and encumbrances whatsoever (save that they shall be subject to this Agreement). In the event that the Divested Shares are not free and clear of all such claims, charges and encumbrances as at the date of closing, the Purchasing Shareholder shall (without limitation to any other remedy they may have) be at liberty, but shall not be obliged, to withhold sufficient monies from the Purchase Price to discharge and satisfy such claims, charges and encumbrances and shall be deemed to have been authorized by the Seller to, in the name and on behalf of the Seller, take such reasonable steps as the Purchasing Shareholder deems appropriate to do so.

Article 4

- 4.1 A Notice of Eligible Offer may not be served under this Schedule "D" after a Notice to Sell is served under Section V of this Agreement or a Notice to Elect is served under Section VI of this Agreement until such time as the purchase and sale of Shares resulting from the service

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of the Notice to Sell or the Notice to Elect has closed or the process commenced thereunder
has otherwise been brought to an end.

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SCHEDULE "E"

**REDEMPTION SCHEDULE IN RELATION TO THE PREFERRED SHARES
HELD BY HAYMAX AND MCPHEDRAN
(SECTION VIII)**

<u>Year</u>	<u>Payable</u>	<u>McPhedran</u>	<u>Haymax</u>	<u>TotalRedemption</u>
1	May 1, 2014	\$270,000.00	\$810,000.00	\$1,080,000.00
2	May 1, 2015	\$330,000.00	\$990,000.00	\$1,320,000.00
3	May 1, 2016	\$400,000.00	\$1,200,000.00	\$1,600,000.00
		<u>\$1,000,000.00</u>	<u>\$3,000,000.00</u>	<u>\$4,000,000.00</u>

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GUARANTEES ACKNOWLEDGEMENT ACT

CERTIFICATE OF NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. Mike Kallal of Cochrane, in the Province of Alberta, the guarantor (or one of the guarantors) in the guarantee dated the 15th day of April, 2013, to which this certificate is attached to or noted on, appeared in person before me and acknowledged that he had executed the guarantee;
2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at _____, in the Province of Alberta, this 15th day of April, 2013 under my hand and seal of office.

A Notary Public in and for the Province
of Alberta

STATEMENT OF GUARANTOR

I am the person named in this certificate.

MIKE KALLAL

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GUARANTEES ACKNOWLEDGEMENT ACT

CERTIFICATE OF NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. Royden Wideman of Camrose, in the Province of Alberta, the guarantor (or one of the guarantors) in the guarantee dated the 15th day of April, 2013, to which this certificate is attached to or noted on, appeared in person before me and acknowledged that he had executed the guarantee;
2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at _____, in the Province of Alberta, this 15th day of April, 2013 under my hand and seal of office.

A Notary Public in and for the Province
of Alberta

STATEMENT OF GUARANTOR

I am the person named in this certificate.

ROYDEN WIDEMAN

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SCHEDULE "F"

Consulting Agreements entered into between the Purchaser and each of Haymax and McPhedran
Inc.

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CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT DATED effective the 15 day of April, 2013.

BETWEEN:

McPHEDRAN CONSULTING INC.
a body corporate incorporated under
the laws of the Province of Alberta
(hereinafter referred to as the "Consultant")

OF THE FIRST PART,

- and -

MRBD LTD.
a body corporate incorporated under
the laws of the Province of Alberta
(hereinafter referred to as the "Corporation")

OF THE SECOND PART,

-and-

MIKE KALLAL,
of the City of Cochrane,
In the Province of Alberta
(hereinafter referred to as "Mike")

OF THE THIRD PART,

-and-

ROYDEN WIDEMAN
of the Town of Tofield,
In the Province of Alberta
(hereinafter referred to as "Royden")

OF THE FOURT PART.

WHEREAS:

- A. The Corporation owns assets, including all rights to Canada Patent 2,503,947 and U.S. Patent 7,249,629(the "Patents"), which assets are leased to Mustang Well Services Ltd. (hereinafter referred to as the "Business"); and
- B. Mike and Royden are the controlling common shareholders of the Corporation; and,



- C. The Consultant possesses expertise and knowledge specific to the Business, which expertise and knowledge is required by the Corporation; and
- D. The Corporation desires to engage the Consultant to provide consulting and other services to the Corporation as more particularly set forth herein; and
- E. The Consultant agrees to provide consulting services to the Corporation and apply its expertise and knowledge specific to the Business of the Corporation, on the terms set out herein;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises, the covenants herein contained, and the amounts payable under this agreement, the parties hereto do hereby mutually covenant and agree with each other as follows:

ARTICLE 1: ENGAGEMENT

1.01 The Corporation agrees to retain the services of the Consultant and the Consultant agrees to provide services to the Corporation in accordance with and subject to the terms of this agreement.

1.02 The engagement shall be for a term of one (3) years, commencing April 15, 2013 and ending on April 14, 2016.

ARTICLE 2: POWERS AND DUTIES

2.01 The Consultant agrees to provide consulting services, in relation to the matters more specifically delineated in paragraph 2.02 hereof, to operate and maintain the Business in a manner consistent with that of a reasonable and prudent owner. The Consultant further agrees to devote its services to the extent required by the Corporation. The Consultant shall exercise its powers in an efficient, skilful, diligent, timely and professional manner. The Consultant further agrees to ensure that all individuals (or other persons) that are designated by the Consultant to exercise delegated powers exercise those powers in the same manner.

2.02 The Consultant is hereby empowered and enabled (with those powers of delegation set out in this Agreement) to develop strategies and policies, and to take steps to ensure the implementation of said strategies and policies, on the Corporation's behalf, in the Corporation's

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name, at the Corporation's cost, and without prior approval from the Corporation (but subject always to the overriding direction and control of the Corporation's board of directors, acting reasonably), for the efficient and profitable operation of the Corporation's Business in relation to the following (the interpretation of one not to in any manner to limit the interpretation of another):

- (a) set up a program for the efficient servicing and maintenance of the assets of the Corporation;
- (b) set up a program to ensure that the maintenance fees and related costs regarding the Patents are paid so as to ensure they remain duly registered and enforceable at all times;
- (c) take all steps as necessary, including the making of all inquiries as needed, to ensure that the Patents are not being infringed upon;
- (d) in the event of infringement of the Patents, to over see and take all steps, including the commencement of an infringement action(s) to ensure the protection of the Patents for the benefit of the Corporation;
- (e) assist in trouble shooting, preparation and planning for use of the assets and worldwide registration of the Patents.

2.03 For the better accomplishment of paragraph 2.02, the Consultant may appoint a suitably qualified individual as designated by the Consultant to act on the Corporation's behalf, and as such to perform any or all of the functions provided under paragraph 2.02 and to execute all such documents and do all such things on the Corporation's behalf as the Consultant deems advisable to exercise the powers herein conferred on it in accordance with the terms of this agreement. Notwithstanding the foregoing, the parties recognize that Duncan McPhedran, the principal of the Consultant, is integral to the successful performance of the services contracted hereunder and accordingly the Consultant agrees that if the appointed person referred to above is someone other than Duncan McPhedran, the prior written consent of the Corporation shall first be obtained, which consent shall not be unreasonably withheld.

2.04 Subject to paragraph 2.03, the Consultant may delegate its powers and discharge its duties and responsibilities as set out herein through the use of suitably qualified individuals who may be an employee of the Consultant.

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2.05 The Consultant shall provide its services as an independent contractor and it is further understood that the relationship constituted between the parties hereunder shall not constitute a partnership, joint venture or employment relationship.

2.06 The Consultant shall be free to provide consulting and other services to third parties during the term of this agreement, provided that it does not interfere, in any way, with the Consultant's provision of duties hereunder and provided that the Consultant does not perform services for third parties which may create a conflict of interest for the Consultant.

2.07 The Consultant warrants that it shall at all times comply with any and all statutes, regulations and other laws and bylaws as may be applicable to its activities whether such activities are conducted in furtherance of the Consultant's duties hereunder or otherwise. Without limitation to the aforesaid, the Consultant agrees that it shall not breach or infringe any patent, copyright, trademark or other proprietary right owned by others during the performance of the services contracted hereunder and shall indemnify and save harmless the Corporation from and against all claims, demands, actions, costs, damages or expenses arising from or alleged to arise from any such breach or infringement. The indemnity contained in this paragraph 2.07 shall survive the termination of this agreement.

ARTICLE 3: TERMINATION

3.01 This agreement shall be terminable at either the Corporation's or the Consultant's option, upon thirty (30) days written notice, upon the happening of any one or more of the following events:

- (a) if the other party defaults in the performance or observance of any material obligation under this agreement and fails to rectify such default within fourteen (14) days of written demand to do so; or
- (b) if the other party institutes voluntary liquidation, dissolution or winding-up proceedings, or takes any voluntary proceedings under any bankruptcy or insolvency legislation for any relief, or makes a compromise with or an assignment for the benefit of its creditors, or if a receiver, trustee or other like officer is appointed in

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respect of any material part of the other party's assets, or a court adjudges the other party to be bankrupt or makes an order requiring the liquidation, dissolution or winding-up of the other party;

(c) upon the death of Duncan McPhedran.

3.02 In the event that this agreement is terminated pursuant to paragraph 3.01, the Corporation shall remain liable to pay the Consulting Fees as set out herein.

ARTICLE 4: CONSULTING FEES

4.01 In consideration of the Consultant's services provided herein, the Corporation shall pay to the Consultant a consulting fee, exclusive of any goods and services taxes or other like taxes, in the amount as set out in Schedule A hereto.

4.02 In the event that, at any time during the currency of this Agreement, Mike and Royden are no longer the controlling common shareholders of the Corporation, or should the Corporation fail to pay the consulting fee as set out on Schedule A, then and in that event, the Consultant shall be at liberty to demand payment in full from Mike and Royden of all outstanding amounts as set out in Schedule A, and in such event Mike and Royden shall, jointly and severally, be obligated to pay the said outstanding amounts, with payment to be made within 180 days of said demand. In such event, interest shall accrue at the rate of 20% on the amounts owing from the date of demand until payment in full.

4.03 For greater clarity, in addition to the consulting fees set forth above, the Corporation shall pay (or reimburse) to the Consultant, all out-of-pocket expenses incurred or sustained by the Consultant in connection with the performance of its duties hereunder. Prior to the reimbursement of expenses, the Consultant is to provide a summary of the expenses incurred and submit it to the Corporation together with supporting receipts and other invoices.

4.04 The Corporation shall be entitled to set off against and deduct any monies owed by the Consultant to the Corporation from any monies owed by the Corporation to the Consultant.

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4.05 The Consultant represents and warrants that it is properly registered for the purposes of the *Excise Tax Act* (Canada) .

4.06 In addition to the consulting fees set forth above, both parties acknowledge that the Consultant may be entitled to additional fees for the provision of extra services over and above the services set out in this Agreement. The amount of such additional fees shall be agreed upon by the parties prior to the Consultant providing the said extra services.

ARTICLE 5: CONFIDENTIALITY

5.01 The Consultant acknowledges and agrees that it will have access to trade secrets, property and information of the Corporation and the Business and that such trade secrets, property and information (the "Confidential Information") constitutes valuable confidential information of the Corporation which the Consultant agrees not to disclose to any third party without the prior written consent of the Corporation. The Consultant further agrees that the Confidential Information it has access to or acquires in relation to providing the services hereunder, or otherwise, shall be used only for the benefit of the Corporation and the Consultant agrees not to use same for its own purposes or for any purpose other than that of the Corporation. The Consultant further agrees to ensure that all individuals or other persons who have delegated responsibilities in relation to the services to be provided hereunder agree to be bound, to the same extent as the Consultant, by the confidentiality obligations contained in this Article 5. For greater clarity, the term "Confidential Information" shall not include any information already in the public domain through a source that was free to disclose that information. The obligations of confidence contained herein shall survive the termination of this agreement.

ARTICLE 6 - INDEMNITY

6.01 Without limitation to any other indemnities contained herein, the Consultant agrees to indemnify and save harmless the Corporation from and against any losses or liabilities resulting from damages to any property or injuries to any person, caused by or arising out of the gross negligence or wilful act or omission of the Consultant whether in connection with the Consultant's work conducted hereunder or otherwise.

ARTICLE 7: MISCELLANEOUS

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7.01 The Consultant acknowledges that this agreement may not be assigned by the Consultant to any person without the Corporation's prior written consent. Any change in control of the Consultant shall be deemed to be an assignment for the purposes of this agreement. The provisions hereof, where the context permits, shall enure to the benefit of and be binding upon the successors and permitted assigns of the parties hereto.

7.02 The failure of either party to exercise a right contained herein shall not be construed as a general waiver or relinquishment of any right granted hereunder.

7.03 If any portion of this agreement, however fundamental, shall be held to be void, voidable or otherwise unenforceable by reason of illegality, uncertainty or for any other reason whatsoever, the enforceability of the remaining provisions of this agreement shall remain unaffected and the balance of this agreement shall remain in full force and effect.

7.04 This agreement shall be governed in accordance with the laws of the Province of Alberta, and all parties hereby attorn to and submit to the jurisdiction of the Courts of Alberta.

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IN WITNESS WHEREOF this agreement shall be effective as of the date first above written, and the parties hereto have executed this agreement this ____ day of _____, 2013.

MCPHEDRAN CONSULTING INC.

Per: _____
Duncan McPhedran

MRBD LTD.

Per: _____
Royden Wideman

Per: _____
Mike Kallal

Witness

MIKE KALLAL

Witness

ROYDEN WIDEMAN

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AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF ALBERTA
TO WIT:

) I, _____ ,
) of _____ ,
) in the Province of Alberta
) MAKE OATH AND SAY:

1. THAT I was personally present and did see Mike Kallal, named in the within instrument, who based on identification shown to me are the person(s) named therein, duly sign and execute the same, for the purpose named therein;
2. THAT the instrument was executed at _____, Alberta and that I am the subscribing witness thereto;
3. THAT I believe _____, whose signature I witnessed is at least eighteen years of age.

Sworn before me at _____, in)
the Province of Alberta on _____,)
2013)

A Commissioner of Oaths in and for the)
Province of Alberta)

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AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF ALBERTA
TO WIT:

) I, _____,
) of _____,
) in the Province of Alberta
) MAKE OATH AND SAY:

1. THAT I was personally present and did see Royden Wideman, named in the within instrument, who based on identification shown to me are the person(s) named therein, duly sign and execute the same, for the purpose named therein;

1. THAT the instrument was executed at _____, Alberta and that I am the subscribing witness thereto;
2. THAT I believe _____, whose signature I witnessed is at least eighteen years of age.

Sworn before me at _____ in the)
Province of Alberta)

A Commissioner of Oaths in and for the)
Province of Alberta)

) _____
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SCHEDULE A

<u>YEAR</u>	<u>PAYABLE</u>	<u>AMOUNT</u>
1	April 14, 2014	\$176,155.00
2	April 14, 2015	\$116,958.00
3	April 14, 2016	\$ 44,779.00
	TOTAL	\$337,892.00

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GUARANTEES ACKNOWLEDGEMENT ACT

CERTIFICATE OF NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. Royden Wideman of Camrose, in the Province of Alberta, the guarantor (or one of the guarantors) in the guarantee dated the 15th day of April, 2013, to which this certificate is attached to or noted on, appeared in person before me and acknowledged that he had executed the guarantee;
2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at _____, in the Province of Alberta, this 15th day of April, 2013 under my hand and seal of office.

A Notary Public in and for the Province
of Alberta

STATEMENT OF GUARANTOR

I am the person named in this certificate.

ROYDEN WIDEMAN

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GUARANTEES ACKNOWLEDGEMENT ACT

CERTIFICATE OF NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. Mike Kallal of Cochrane, in the Province of Alberta, the guarantor (or one of the guarantors) in the guarantee dated the 15th day of April, 2013, to which this certificate is attached to or noted on, appeared in person before me and acknowledged that he had executed the guarantee;
2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at _____, in the Province of Alberta, this 15th day of April, 2013 under my hand and seal of office.

A Notary Public in and for the Province
of Alberta

STATEMENT OF GUARANTOR

I am the person named in this certificate.

MIKE KALLAL

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THIS AGREEMENT DATED effective
the 15 day of April, 2013.

BETWEEN:

McPHERAN CONSULTING INC.

a body corporate incorporated under
the laws of the Province of Alberta
(herein referred to as the "Consultant")

OF THE FIRST PART,

- and -

MRBD LTD.

a body corporate incorporated under,
the laws of the Province of Alberta
(herein referred to as the "Corporation")

OF THE SECOND PART.

CONSULTING AGREEMENT

REYNOLDS, MIRTH, RICHARDS
& FARMER LLP
Barristers & Solicitors
3200 Manulife Place
10180 - 101 Street
Edmonton, AB T5J 3W8

Telephone: (780) 425-9510
Fax: (780) 429-3044

Lawyer: Wes Pedruski
File No: 1023,785-016

1038988; March 16, 2013

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CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT DATED effective the 15 day of April, 2013.

BETWEEN:

HAYMAX ENERGY INC.
a body corporate incorporated under
the laws of the Province of Alberta
(hereinafter referred to as the "Consultant")

OF THE FIRST PART,

- and -

MRBD LTD.
a body corporate incorporated under
the laws of the Province of Alberta
(hereinafter referred to as the "Corporation")

OF THE SECOND PART,

-and-

MIKE KALLAL,
of the City of Cochrane,
In the Province of Alberta
(hereinafter referred to as "Mike")

OF THE THIRD PART

-and-

ROYDEN WIDEMAN,
of the Town of Tofield,
In the Province of Alberta
(hereinafter referred to as "Royden"),

OF THE FOURTH PART.

WHEREAS:

- A. The Corporation owns assets, including all rights to Canada Patent 2,503,947 and U.S. Patent 7,249,629(the "Patents"), which assets are leased to Mustang Well Services Ltd. (hereinafter referred to as the "Business"); and

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- B. Mike and Royden are the controlling common shareholders of the Corporation; and,
- C. The Consultant possesses expertise and knowledge specific to the Business, which expertise and knowledge is required by the Corporation; and
- D. The Corporation desires to engage the Consultant to provide consulting and other services to the Corporation as more particularly set forth herein; and
- E. The Consultant agrees to provide consulting services to the Corporation and apply its expertise and knowledge specific to the Business of the Corporation, on the terms set out herein;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises, the covenants herein contained, and the amounts payable under this agreement, the parties hereto do hereby mutually covenant and agree with each other as follows:

ARTICLE 1: ENGAGEMENT

1.01 The Corporation agrees to retain the services of the Consultant and the Consultant agrees to provide services to the Corporation in accordance with and subject to the terms of this agreement.

1.02 The engagement shall be for a term of one (3) years, commencing April 15, 2013 and ending on April 14, 2016.

ARTICLE 2: POWERS AND DUTIES

2.01 The Consultant agrees to provide consulting services, in relation to the matters more specifically delineated in paragraph 2.02 hereof, to operate and maintain the Business in a manner consistent with that of a reasonable and prudent owner. The Consultant further agrees to devote its services to the extent required by the Corporation. The Consultant shall exercise its powers in an efficient, skilful, diligent, timely and professional manner. The Consultant further agrees to ensure that all individuals (or other persons) that are designated by the Consultant to exercise delegated powers exercise those powers in the same manner.

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2.02 The Consultant is hereby empowered and enabled (with those powers of delegation set out in this Agreement) to develop strategies and policies, and to take steps to ensure the implementation of said strategies and policies, on the Corporation's behalf, in the Corporation's name, at the Corporation's cost, and without prior approval from the Corporation (but subject always to the overriding direction and control of the Corporation's board of directors, acting reasonably), for the efficient and profitable operation of the Corporation's Business in relation to the following (the interpretation of one not to in any manner to limit the interpretation of another):

- (a) set up a program for the efficient servicing and maintenance of the assets of the Corporation;
- (b) set up a program to ensure that the maintenance fees and related costs regarding the Patents are paid so as to ensure they remain duly registered and enforceable at all times;
- (c) take all steps as necessary, including the making of all inquiries as needed, to ensure that the Patents are not being infringed upon;
- (d) in the event of infringement of the Patents, to over see and take all steps, including the commencement of an infringement action(s) to ensure the protection of the Patents for the benefit of the Corporation;
- (e) assist in trouble shooting, preparation and planning for use of the assets and worldwide registration of the Patents.

2.03 For the better accomplishment of paragraph 2.02, the Consultant may appoint a suitably qualified individual as designated by the Consultant to act on the Corporation's behalf, and as such to perform any or all of the functions provided under paragraph 2.02 and to execute all such documents and do all such things on the Corporation's behalf as the Consultant deems advisable to exercise the powers herein conferred on it in accordance with the terms of this agreement. Notwithstanding the foregoing, the parties recognize that William Darling, the principal of the Consultant, is integral to the successful performance of the services contracted hereunder and accordingly the Consultant agrees that if the appointed person referred to above is someone other than William Darling, the prior written consent of the Corporation shall first be obtained, which consent shall not be unreasonably withheld.

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2.04 Subject to paragraph 2.03, the Consultant may delegate its powers and discharge its duties and responsibilities as set out herein through the use of suitably qualified individuals who may be an employee of the Consultant.

2.05 The Consultant shall provide its services as an independent contractor and it is further understood that the relationship constituted between the parties hereunder shall not constitute a partnership, joint venture or employment relationship.

2.06 The Consultant shall be free to provide consulting and other services to third parties during the term of this agreement, provided that it does not interfere, in any way, with the Consultant's provision of duties hereunder and provided that the Consultant does not perform services for third parties which may create a conflict of interest for the Consultant.

2.07 The Consultant warrants that it shall at all times comply with any and all statutes, regulations and other laws and bylaws as may be applicable to its activities whether such activities are conducted in furtherance of the Consultant's duties hereunder or otherwise. Without limitation to the aforesaid, the Consultant agrees that it shall not breach or infringe any patent, copyright, trademark or other proprietary right owned by others during the performance of the services contracted hereunder and shall indemnify and save harmless the Corporation from and against all claims, demands, actions, costs, damages or expenses arising from or alleged to arise from any such breach or infringement. The indemnity contained in this paragraph 2.07 shall survive the termination of this agreement.

ARTICLE 3: TERMINATION

3.01 This agreement shall be terminable at either the Corporation's or the Consultant's option, upon thirty (30) days written notice, upon the happening of any one or more of the following events:

- (a) if the other party defaults in the performance or observance of any material obligation under this agreement and fails to rectify such default within fourteen (14) days of written demand to do so; or

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- (b) if the other party institutes voluntary liquidation, dissolution or winding-up proceedings, or takes any voluntary proceedings under any bankruptcy or insolvency legislation for any relief, or makes a compromise with or an assignment for the benefit of its creditors, or if a receiver, trustee or other like officer is appointed in respect of any material part of the other party's assets, or a court adjudges the other party to be bankrupt or makes an order requiring the liquidation, dissolution or winding-up of the other party;
- (c) upon the death of William Darling.

3.02 In the event that this agreement is terminated pursuant to paragraph 3.01, the Corporation shall remain liable to pay the Consulting Fees as set out herein.

ARTICLE 4: CONSULTING FEES

4.01 In consideration of the Consultant's services provided herein, the Corporation shall pay to the Consultant a consulting fee, exclusive of any goods and services taxes or other like taxes, in the amount as set out in Schedule A hereto.

4.02 In the event that, at any time during the currency of this Agreement, Mike and Royden are no longer the controlling common shareholders of the Corporation, or should the Corporation fail to pay the consulting fee as set out on Schedule A, then and in that event, the Consultant shall be at liberty to demand payment in full from Mike and Royden of all outstanding amounts as set out on Schedule A, and in such event Mike and Royden shall, jointly and severally, be obligated to pay said outstanding amounts, with payment to be made within 180 days of said demand. In such event, interest shall accrue at the rate of 20% on the amounts owing from the date of demand until payment in full.

4.03 For greater clarity, in addition to the consulting fees set forth above, the Corporation shall pay (or reimburse) to the Consultant, all out-of-pocket expenses incurred or sustained by the Consultant in connection with the performance of its duties hereunder. Prior to the reimbursement of

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expenses, the Consultant is to provide a summary of the expenses incurred and submit it to the Corporation together with supporting receipts and other invoices.

4.04 The Corporation shall be entitled to set off against and deduct any monies owed by the Consultant to the Corporation from any monies owed by the Corporation to the Consultant.

4.05 The Consultant represents and warrants that it is properly registered for the purposes of the *Excise Tax Act* (Canada) .

4.06 In addition to the consulting fees set forth above, both parties acknowledge that the Consultant may be entitled to additional fees for the provision of extra services over and above the services set out in this Agreement. The amount of such additional fees shall be agreed upon by the parties prior to the Consultant providing the said extra services.

ARTICLE 5: CONFIDENTIALITY

5.01 The Consultant acknowledges and agrees that it will have access to trade secrets, property and information of the Corporation and the Business and that such trade secrets, property and information (the "Confidential Information") constitutes valuable confidential information of the Corporation which the Consultant agrees not to disclose to any third party without the prior written consent of the Corporation. The Consultant further agrees that the Confidential Information it has access to or acquires in relation to providing the services hereunder, or otherwise, shall be used only for the benefit of the Corporation and the Consultant agrees not to use same for its own purposes or for any purpose other than that of the Corporation. The Consultant further agrees to ensure that all individuals or other persons who have delegated responsibilities in relation to the services to be provided hereunder agree to be bound, to the same extent as the Consultant, by the confidentiality obligations contained in this Article 5. For greater clarity, the term "Confidential Information" shall not include any information already in the public domain through a source that was free to disclose that information. The obligations of confidence contained herein shall survive the termination of this agreement.

ARTICLE 6 - INDEMNITY

6.01 Without limitation to any other indemnities contained herein, the Consultant agrees to indemnify and save harmless the Corporation from and against any losses or liabilities resulting from damages to any property or injuries to any person, caused by or arising out of the gross negligence or

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wilful act or omission of the Consultant whether in connection with the Consultant's work conducted hereunder or otherwise.

ARTICLE 7: MISCELLANEOUS

7.01 The Consultant acknowledges that this agreement may not be assigned by the Consultant to any person without the Corporation's prior written consent. Any change in control of the Consultant shall be deemed to be an assignment for the purposes of this agreement. The provisions hereof, where the context permits, shall enure to the benefit of and be binding upon the successors and permitted assigns of the parties hereto.

7.02 The failure of either party to exercise a right contained herein shall not be construed as a general waiver or relinquishment of any right granted hereunder.

7.03 If any portion of this agreement, however fundamental, shall be held to be void, voidable or otherwise unenforceable by reason of illegality, uncertainty or for any other reason whatsoever, the enforceability of the remaining provisions of this agreement shall remain unaffected and the balance of this agreement shall remain in full force and effect.

7.04 This agreement shall be governed in accordance with the laws of the Province of Alberta, and all parties hereby attorn to and submit to the jurisdiction of the Courts of Alberta.

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IN WITNESS WHEREOF this agreement shall be effective as of the date first above written, and the parties hereto have executed this agreement this ____ day of _____, 2013.

HAYMAX ENERGY INC.

Per: _____
William Darling

MRBD LTD.

Per: _____
Royden Wideman

Per: _____
Mike Kallal

Witness

Mike Kallal

Witness

Royden Wideman

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AFFIDAVIT OF EXECUTION

CANADA) I, _____,
 PROVINCE OF ALBERTA) of _____,
 TO WIT:) in the Province of Alberta
) MAKE OATH AND SAY:

1. THAT I was personally present and did see Mike Kallal, named in the within instrument, who based on identification shown to me are the person(s) named therein, duly sign and execute the same, for the purpose named therein;
2. THAT the instrument was executed at _____, Alberta and that I am the subscribing witness thereto;
3. THAT I believe _____, whose signature I witnessed is at least eighteen years of age.

Sworn before me at _____, in)
 the Province of Alberta on _____,)
 2013)
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 A Commissioner of Oaths in and for the)
 Province of Alberta)

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AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF ALBERTA
TO WIT:

) I, _____,
) of _____,
) in the Province of Alberta
) MAKE OATH AND SAY:

1. THAT I was personally present and did see Royden Wideman, named in the within instrument, who based on identification shown to me are the person(s) named therein, duly sign and execute the same, for the purpose named therein;

1. THAT the instrument was executed at _____, Alberta and that I am the subscribing witness thereto;
2. THAT I believe _____, whose signature I witnessed is at least eighteen years of age.

Sworn before me at _____ in the)
Province of Alberta)

A Commissioner of Oaths in and for the)
Province of Alberta)

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SCHEDULE A

<u>YEAR</u>	<u>PAYABLE</u>	<u>AMOUNT</u>
1	April 14, 2014	\$ 528,458.00
2	April 14, 2015	\$ 350,877.00
3	April 14, 2016	\$ 134,336.00
	TOTAL	<hr/> \$1,013,671.00

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GUARANTEES ACKNOWLEDGEMENT ACT
CERTIFICATE OF NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. Royden Wideman of Camrose, in the Province of Alberta, the guarantor (or one of the guarantors) in the guarantee dated the 15th day of April, 2013, to which this certificate is attached to or noted on, appeared in person before me and acknowledged that he had executed the guarantee;
2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at _____, in the Province of Alberta, this 15th day of April, 2013
under my hand and seal of office.

A Notary Public in and for the Province
of Alberta

STATEMENT OF GUARANTOR

I am the person named in this certificate.

ROYDEN WIDEMAN

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GUARANTEES ACKNOWLEDGEMENT ACT
CERTIFICATE OF NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. Mike Kallal of Cochrane, in the Province of Alberta, the guarantor (or one of the guarantors) in the guarantee dated the 15th day of April, 2013, to which this certificate is attached to or noted on, appeared in person before me and acknowledged that he had executed the guarantee;
2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at _____, in the Province of Alberta, this 15th day of April, 2013 under my hand and seal of office.

A Notary Public in and for the Province
of Alberta

STATEMENT OF GUARANTOR

I am the person named in this certificate.

MIKE KALLAL

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THIS AGREEMENT DATED effective
the 15th day of April, 2013.

BETWEEN:

HAYMAX ENERGY INC.
a body corporate incorporated under
the laws of the Province of Alberta
(herein referred to as the "Consultant")

OF THE FIRST PART,

- and -

MRBD LTD.
a body corporate incorporated under,
the laws of the Province of Alberta
(herein referred to as the "Corporation")

OF THE SECOND PART.

CONSULTING AGREEMENT

REYNOLDS, MIRTH, RICHARDS
& FARMER LLP
Barristers & Solicitors
3200 Manulife Place
10180 – 101 Street
Edmonton, AB T5J 3W8

Telephone: (780) 425-9510
Fax: (780) 429-3044

Lawyer: Wes Pedruski
File No: 1023,785-016

1039545; March 16, 2013

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SCHEDULE "G"

Employment Agreement between Mustang and Darling

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Mustang Well Services Ltd.

PERSONAL AND CONFIDENTIAL

March 28, 2013

Mr. William Darling,

Mustang Well Services Ltd. ("**Mustang**") is pleased to offer you employment in the position of Operations Manager of the Innovator Division on the terms and conditions described in this letter. If accepted by you, upon execution, this letter will form a binding agreement evidencing the terms of your employment ("**Agreement**").

PART 1 COMMITMENT

1.1 Your appointment as Operations Manager of the Innovator Division shall take effect April 15, 2013, and shall continue for a period of three (3) years, terminating on April 14, 2016, subject to the provisions of paragraph 5 hereof.

PART 2 DUTIES AND RESPONSIBILITIES

2.1 As Operations Manager of the Innovator Division, you will report to the Board of Directors of Mustang (the "Board").

2.2 During and throughout your employment you agree to devote your full working time, attention and effort to the performance of your duties, except for vacations and reasonable absences due to illness or incapacity, and agree to observe all instructions, rules, policies and practices now or hereafter established by Mustang for the conduct of its affairs. You warrant and represent to Mustang that there are no restraints upon you which will prohibit you from devoting the required time and attention to your employment duties and agree not to undertake any other business, occupation, work or employment without the written consent of Mustang.

2.3 As the business needs of Mustang may change from time to time, it is understood and agreed that the Board may, in consultation with you, amend your title, duties and responsibilities from time to time at the Board's discretion and in accordance with Mustang business interests without requiring a written amendment to this Agreement and that any such alteration or change will not constitute a breach or termination of this Agreement.

2.4 You acknowledge that you are employed in a fiduciary capacity and that you will act in the best interests of Mustang, without any conflict of interest whatsoever, and consistently with your duty of loyalty to Mustang.

PART 3 COMPENSATION

3.1 You shall receive an annual base salary of no less than One Hundred and Eighty Thousand Dollars (\$180,000) CAD, less all applicable deductions and withholdings, payable in accordance with the established payroll practices of Mustang (the "**Salary**").

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3.2 You shall be entitled to participate in any applicable Mustang employee benefit plans (in accordance with governing terms of the plans which may be amended from time to time) at a level commensurate with your position, subject to satisfying any insurability requirements established by the carrier or carriers that provide the benefits (the "**Benefits**").

3.3 You shall be entitled to six (6) weeks vacation annually, to be scheduled at the mutual convenience of you and Mustang. Vacation may not be carried forward into the next year and any amount not taken in any year shall be forfeited.

3.4 All Salary and other payments made to you shall be subject to deductions as required by law or as authorized by you. You agree that Mustang may deduct and set off monies owed to Mustang by you from salary, entitlements, benefits, bonus and other monies payable to you at anytime, including from a termination payment.

3.5 Mustang, in its sole discretion, may, but shall not be obligated to pay a bonus, on such terms and in such amount as it may determine, for exceptional services provided.

PART 4 REIMBURSEMENT FOR EXPENSES

4.1 You shall be reimbursed by Mustang for all reasonable business expenses actually and properly incurred by you in connection with your duties in accordance with Mustang policy upon submission of original receipts acceptable to Mustang.

PART 5 TERMINATION

5.1 Mustang may terminate your employment at any time, without notice or any obligation to provide pay in lieu thereof, for just cause.

5.2 In the event Mustang terminates the employment agreement for any reason other than for cause, you will be entitled to receive a payment equal to the trailing twelve months salary (the "termination fee") from date of termination, payable no later than 30 days following termination of the engagement without cause. You agree that the entitlements described in this Section 5.2 include all amounts payable under the *Employment Standards Code* (Alberta), as amended from time to time, including but not limited to statutory severance pay (if applicable).

5.3 Upon termination of your employment by Mustang, your entitlement to the Benefits will end on the Last Day of Employment (as defined in Section 5.4 below). You agree that Mustang will not be liable for any claims arising from death, illness or disability suffered after the cessation of the Benefits.

5.4 "**Last Day of Employment**" means: the day you receive notice from Mustang of termination of your employment for just cause or without cause, whichever is applicable.

5.5 The terms and arrangements described in this Part 5 recognize your past service, are fair and reasonable and constitute Mustang's sole obligation to provide notice of termination, severance pay or related compensation (including without limitation, all payments under applicable employment standards legislation including the *Employment Standards Code*) to you. You acknowledge and agree that if the payment referred to herein is made, it constitutes a reasonable estimate of the damages you might suffer as a result of your termination, said amount being liquidated damages and not a penalty. No payments or entitlements are owed or

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shall be provided to you except as outlined expressly in this Part 5 upon termination of your employment. You agree that you will not have or make any claims against Mustang, and any subsidiary or affiliated company or their respective officers, directors, employees, shareholders, stockholders ("**Releasees**"), for any damages, losses or compensation based on or resulting from your termination or the manner of termination including, without limitation, claims for wrongful dismissal, constructive dismissal, severance or bad faith. You unconditionally release the Releasees from any and all claims, liabilities or obligations under this Agreement or under statute or common law in connection with your employment or the termination thereof.

5.6 Any payment made by Mustang to you pursuant to Section 5.2 hereof shall not be deemed to be an admission that just cause for termination does not exist, and Mustang shall be entitled later to assert just cause, notwithstanding any such payment.

5.7 You may resign your employment by providing Mustang with ninety (90) days written notice (the "**Resignation Notice**"). At its sole and absolute discretion, Mustang may waive all or a portion of the Resignation Notice and Mustang will continue to pay your Salary in lieu of the period of notice waived. Such waiver shall not be deemed to be a termination of employment.

5.8 This employment shall also be terminated in the event of your death, in which event Mustang shall not be liable for any further, payments, entitlements or benefits as set out herein, except for and excluding only all amounts owing hereunder up to the time of death.

PART 6 CONFIDENTIAL INFORMATION

6.1 For the purposes of this Agreement, "**Confidential Information**" means information relating to Mustang, its affiliates, its business and methods of operation, which: is issued or developed to be used in connection with Mustang (respectively), its affiliates, its business including its business strategy plans, and financial information and its production/manufacturing and technologies; results from the research or development of Mustang or any of its affiliates, customers or suppliers; is private or confidential in that it is not generally known or available to the public; gives Mustang or any of its affiliates, customers or suppliers an opportunity to obtain a competitive advantage; and includes, but is not limited to, all documents or records marked confidential or proprietary, together with any and all analyses, compilations, studies or other documents which contain or otherwise reflect such information and information which is "personal information" within the meaning of the applicable privacy statute. Confidential Information does not include: information, knowledge or documents which are within the public domain other than as a result of your act or omission, or knowledge or documents required to be disclosed pursuant to an order from a court or regulatory or other lawful authority of competent jurisdiction.

6.2 You acknowledge that by virtue of your employment and position of trust with Mustang and during the course of your employment you have acquired, and will continue to have access to and acquire Confidential Information. You further acknowledge and agree that:

- (a) the Confidential Information belonging to Mustang, as applicable, is the exclusive property of Mustang and/or its affiliates and the right of Mustang to maintain such Confidential Information as confidential constitutes a proprietary right which Mustang is entitled to protect; and

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- (b) the use or disclosure, either directly or indirectly, of the Confidential Information by or to anyone, but particularly to the public or competitors of Mustang, would be highly detrimental to the business interests of Mustang.

6.3 You strictly covenant and agree that all Confidential Information disclosed to you in connection with your employment shall be held in the strictest confidence and that you shall not, during or after your employment, use or communicate or disclose any Confidential Information to any person, firm, or corporation, other than Mustang or Mustang's employees who have a need to know such information, for any purpose other than carrying out your duties under this Agreement.

Without limiting the generality of the foregoing, you agree that you will not:

- (a) use the Confidential Information for your own benefit or the benefit of any other person, corporation, enterprise or entity other than Mustang;
- (b) use the Confidential Information in any way detrimental to Mustang; or
- (c) copy, disclose, or publish the Confidential Information in any manner whatsoever in whole or in part except as required to perform your duties.

6.4 You further agree to take precautions to maintain the confidentiality of the Confidential Information in your possession and use your best efforts to prevent any other person or entity from making unauthorized use of the Confidential Information.

6.5 All letters, notes, data, photographs, sketches, drawings, lists of customers, or users, publications, manuals, books, tools, equipment, supplies, keys and any other property pertaining to the business of Mustang, its operations and processes are, and shall remain, the sole and exclusive property of Mustang, as applicable. You agree to promptly surrender to Mustang, as applicable, all such property which may be under your control or in your possession if requested at any time during your employment or upon termination of your employment for any reason whatsoever.

PART 7 INTELLECTUAL PROPERTY AND BUSINESS OPPORTUNITIES

7.1 You agree not to take or omit to take any action if the result would be to divert from Mustang to your personal benefit, or to the benefit of any third party, any opportunity which is within the scope of Mustang's business.

7.2 You agree that Mustang, as applicable, shall be entitled to the sole benefit and exclusive ownership, throughout the world in perpetuity, of all patents, designs, plans, discoveries, inventions, improvements, innovations, developments, and adaptations (collectively, the "**Developments**") conceived, developed, made or discovered by you at any time or place during your employment with Mustang, with regard to any system, software, method, trade secret, Confidential Information, technique, plant, machinery, process or other product, service or property owned, licensed or used by Mustang, including, without limitation, all patent, copyright, trade mark and other intellectual property rights therein, and the right to commercially exploit any or all of the Developments, and to adapt or modify any or all of the Developments in any manner whatsoever; subject only to any limits imposed by law; and to that end, you hereby grant, transfer and assign to Mustang, without reservation, exclusively and forever, throughout the world, all of your right, title and interest in and to the Developments.

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7.3 At the request of Mustang, as applicable, at any time during your employment and thereafter, you shall perform all acts and execute all documents required by that entity to give full effect to this Part 7.

7.4 You hereby forsake the right to institute, maintain or permit any legal action asserting that the exercise by Mustang, as applicable, of any of the rights granted by you to them pursuant to this Part 7 constitutes an infringement of your moral rights and to the extent permitted by law, globally you hereby waive (and confirm that you have waived) all moral rights that you have or in the future may have to the Developments.

PART 8 NO COMPETITION

8.1 You covenant and agree that you will not, either during your employment, or for ~~twenty four (24)~~ ^{twelve} months following the termination of your employment, howsoever caused and regardless of the reasons therefore, without the prior written consent of the Board, directly or indirectly, either individually or in partnership or jointly or in conjunction with any other person or persons, firm, partnership, corporation, or other legal entity, whether as owner, principal, fiduciary, agent, shareholder or in any other capacity whatsoever, carry on, be engaged in, employed by, or have any ownership interest in any business that competes with Mustang within Canada.

PART 9 NO SOLICITATION

9.1 You covenant and agree that you will not, either during your employment, or for ~~twenty four (24)~~ months following the termination of your employment, howsoever caused and regardless of the reasons therefore, without the prior written consent of the Board, directly or indirectly, either individually or in partnership or jointly or in conjunction with any other person or persons, firm, partnership, corporation, or other legal entity, whether as owner, principal, fiduciary, agent, shareholder or in any other capacity whatsoever:

- (a) encourage any of the Mustang's customers to terminate or reduce their relationship with the Mustang;
- (b) call upon, divert, take away, or solicit, either directly or indirectly, any customers of Mustang, who were customers as of the date of termination, where such solicitation or other action relates to or involves any business or activity which is the same as the business of Mustang as of the date of termination;
- (c) solicit, hire, or retain any employee or independent contractor employed or retained by Mustang in connection with any business or activity which is the same as the business of Mustang as of the date of termination; or
- (d) encourage any customer, supplier, employee or independent contractor employed or retained by Mustang to reduce, cease or end their relationship, employment or engagement with Mustang, as applicable.

PART 10 ACKNOWLEDGEMENT OF REASONABLENESS

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10.1 By signing this Agreement, you agree and acknowledge that the terms, including the duration and geographic limitations, set out in Part 8 and Part 9 hereof are reasonable and properly required for the adequate protection of the business interests of Mustang given that you hold a senior role in Mustang; and that you have prior experience and can carry on business and earn an income exclusive of the matters and activities prohibited by the provisions set out in Part 8 and Part 9 hereof, and your ability to work or earn a living will not be unduly compromised by the enforcement of such covenants.

PART 11 MISCELLANEOUS

11.1 Mustang will protect the personal information collected from their employees and will continue to do so in compliance with applicable privacy legislation. Personal information is information that identifies an individual and can include address, email address, and telephone number. Any personal information you have provided or will provide pursuant to this Agreement will be used to administer the employment relationship. By providing personal information, you agree to its collection, use and if necessary, disclosure for these purposes.

11.2 The parties agree that this Agreement constitutes the entire agreement between the parties relating to your employment.

11.3 If any provision of this Agreement is found to be unenforceable or invalid for any reason whatsoever, such unenforceability or invalidity will not affect the enforceability or validity of the remaining provisions of this Agreement and such provisions will be severable from the remainder of this Agreement, which shall remain in full force and effect. No waiver by either party of any provision or breach of this Agreement by the other party shall be deemed a waiver of any similar or dissimilar provision or breach at the same or at any prior or subsequent date.

11.4 This Agreement will be construed and interpreted in accordance with the laws of the Province of Alberta. The parties hereby irrevocably attorn to the jurisdiction of the courts.

11.5 Each of the parties shall from time to time and at all times do such further acts and execute and deliver all such further deeds and documents as shall be reasonably required in order to fully perform the terms of this Agreement.

11.6 The rights and obligations of Mustang under this Agreement shall enure to the benefit of and shall be binding upon the successors and assigns of Mustang. You may not assign, transfer or pledge either this Agreement or any of the payments or benefits hereunder, in whole or in part, in any manner whatsoever.

11.7 Both parties agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party is not applicable in any interpretation of this Agreement. You acknowledge that you have read and understand the foregoing and that Mustang has advised you that the foregoing substantially alters and supersedes your common law rights. You acknowledge that Mustang has advised you to seek independent legal advice prior to executing this Agreement.

11.8 The provisions of sections 2.4, 5.5, 5.6 and Part 6, Part 7, Part 8 and Part 9 and any other provisions necessary to give efficacy thereto will survive termination of this Agreement, and your employment thereunder, regardless of the circumstances or reasons for such termination.

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If the terms and conditions set out herein are acceptable to you, please sign the duplicate copy of this letter in the space below and return a copy to us.

Sincerely,
Mustang Well Services Ltd.
Per:

Mike Kallal

Accepted: _____
William Darling

Witness: _____
Signature

Date: _____

Print Name: _____

1029733.docx

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CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT DATED effective the 15 day of April, 2013.

BETWEEN:

HAYMAX ENERGY INC.
a body corporate incorporated under
the laws of the Province of Alberta
(hereinafter referred to as the "Consultant")

OF THE FIRST PART,

- and -

MRBD LTD.
a body corporate incorporated under
the laws of the Province of Alberta
(hereinafter referred to as the "Corporation")

OF THE SECOND PART,

-and-

MIKE KALLAL,
of the City of Cochrane,
In the Province of Alberta
(hereinafter referred to as "Mike")

OF THE THIRD PART

-and-

ROYDEN WIDEMAN,
of the Town of Tofield,
In the Province of Alberta
(hereinafter referred to as "Royden"),

OF THE FOURTH PART.

WHEREAS:

- A. The Corporation owns assets, including all rights to Canada Patent 2,503,947 and U.S. Patent 7,249,629 (the "Patents"), which assets are leased to Mustang Well Services Ltd. (hereinafter referred to as the "Business"); and

- B. Mike and Royden are the controlling common shareholders of the Corporation; and,
- C. The Consultant possesses expertise and knowledge specific to the Business, which expertise and knowledge is required by the Corporation; and
- D. The Corporation desires to engage the Consultant to provide consulting and other services to the Corporation as more particularly set forth herein; and
- E. The Consultant agrees to provide consulting services to the Corporation and apply its expertise and knowledge specific to the Business of the Corporation, on the terms set out herein;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises, the covenants herein contained, and the amounts payable under this agreement, the parties hereto do hereby mutually covenant and agree with each other as follows:

ARTICLE 1: ENGAGEMENT

1.01 The Corporation agrees to retain the services of the Consultant and the Consultant agrees to provide services to the Corporation in accordance with and subject to the terms of this agreement.

1.02 The engagement shall be for a term of one (3) years, commencing April 15, 2013 and ending on April 14, 2016.

ARTICLE 2: POWERS AND DUTIES

2.01 The Consultant agrees to provide consulting services, in relation to the matters more specifically delineated in paragraph 2.02 hereof, to operate and maintain the Business in a manner consistent with that of a reasonable and prudent owner. The Consultant further agrees to devote its services to the extent required by the Corporation. The Consultant shall exercise its powers in an efficient, skilful, diligent, timely and professional manner. The Consultant further agrees to ensure that all individuals (or other persons) that are designated by the Consultant to exercise delegated powers exercise those powers in the same manner.

2.02 The Consultant is hereby empowered and enabled (with those powers of delegation set out in this Agreement) to develop strategies and policies, and to take steps to ensure the implementation of said strategies and policies, on the Corporation's behalf, in the Corporation's name, at the Corporation's cost, and without prior approval from the Corporation (but subject always to the overriding direction and control of the Corporation's board of directors, acting reasonably), for the efficient and profitable operation of the Corporation's Business in relation to the following (the interpretation of one not to in any manner to limit the interpretation of another):

- (a) set up a program for the efficient servicing and maintenance of the assets of the Corporation;
- (b) set up a program to ensure that the maintenance fees and related costs regarding the Patents are paid so as to ensure they remain duly registered and enforceable at all times;
- (c) take all steps as necessary, including the making of all inquiries as needed, to ensure that the Patents are not being infringed upon;
- (d) in the event of infringement of the Patents, to over see and take all steps, including the commencement of an infringement action(s) to ensure the protection of the Patents for the benefit of the Corporation;
- (e) assist in trouble shooting, preparation and planning for use of the assets and worldwide registration of the Patents.

2.03 For the better accomplishment of paragraph 2.02, the Consultant may appoint a suitably qualified individual as designated by the Consultant to act on the Corporation's behalf, and as such to perform any or all of the functions provided under paragraph 2.02 and to execute all such documents and do all such things on the Corporation's behalf as the Consultant deems advisable to exercise the powers herein conferred on it in accordance with the terms of this agreement. Notwithstanding the foregoing, the parties recognize that William Darling, the principal of the Consultant, is integral to the successful performance of the services contracted hereunder and accordingly the Consultant agrees that if the appointed person referred to above is someone other than William Darling, the prior written consent of the Corporation shall first be obtained, which consent shall not be unreasonably withheld.

2.04 Subject to paragraph 2.03, the Consultant may delegate its powers and discharge its duties and responsibilities as set out herein through the use of suitably qualified individuals who may be an employee of the Consultant.

2.05 The Consultant shall provide its services as an independent contractor and it is further understood that the relationship constituted between the parties hereunder shall not constitute a partnership, joint venture or employment relationship.

2.06 The Consultant shall be free to provide consulting and other services to third parties during the term of this agreement, provided that it does not interfere, in any way, with the Consultant's provision of duties hereunder and provided that the Consultant does not perform services for third parties which may create a conflict of interest for the Consultant.

2.07 The Consultant warrants that it shall at all times comply with any and all statutes, regulations and other laws and bylaws as may be applicable to its activities whether such activities are conducted in furtherance of the Consultant's duties hereunder or otherwise. Without limitation to the aforesaid, the Consultant agrees that it shall not breach or infringe any patent, copyright, trademark or other proprietary right owned by others during the performance of the services contracted hereunder and shall indemnify and save harmless the Corporation from and against all claims, demands, actions, costs, damages or expenses arising from or alleged to arise from any such breach or infringement. The indemnity contained in this paragraph 2.07 shall survive the termination of this agreement.

ARTICLE 3: TERMINATION

3.01 This agreement shall be terminable at either the Corporation's or the Consultant's option, upon thirty (30) days written notice, upon the happening of any one or more of the following events:

- (a) if the other party defaults in the performance or observance of any material obligation under this agreement and fails to rectify such default within fourteen (14) days of written demand to do so; or

- (b) if the other party institutes voluntary liquidation, dissolution or winding-up proceedings, or takes any voluntary proceedings under any bankruptcy or insolvency legislation for any relief, or makes a compromise with or an assignment for the benefit of its creditors, or if a receiver, trustee or other like officer is appointed in respect of any material part of the other party's assets, or a court adjudges the other party to be bankrupt or makes an order requiring the liquidation, dissolution or winding-up of the other party;
- (c) upon the death of William Darling.

3.02 In the event that this agreement is terminated pursuant to paragraph 3.01, the Corporation shall remain liable to pay the Consulting Fees as set out herein.

ARTICLE 4: CONSULTING FEES

4.01 In consideration of the Consultant's services provided herein, the Corporation shall pay to the Consultant a consulting fee, exclusive of any goods and services taxes or other like taxes, in the amount as set out in Schedule A hereto.

4.02 In the event that, at any time during the currency of this Agreement, Mike and Royden are no longer the controlling common shareholders of the Corporation, or should the Corporation fail to pay the consulting fee as set out on Schedule A, then and in that event, the Consultant shall be at liberty to demand payment in full from Mike and Royden of all outstanding amounts as set out on Schedule A, and in such event Mike and Royden shall, jointly and severally, be obligated to pay said outstanding amounts, with payment to be made within 180 days of said demand. In such event, interest shall accrue at the rate of 20% on the amounts owing from the date of demand until payment in full.

4.03 For greater clarity, in addition to the consulting fees set forth above, the Corporation shall pay (or reimburse) to the Consultant, all out-of-pocket expenses incurred or sustained by the Consultant in connection with the performance of its duties hereunder. Prior to the reimbursement of

expenses, the Consultant is to provide a summary of the expenses incurred and submit it to the Corporation together with supporting receipts and other invoices.

4.04 The Corporation shall be entitled to set off against and deduct any monies owed by the Consultant to the Corporation from any monies owed by the Corporation to the Consultant.

4.05 The Consultant represents and warrants that it is properly registered for the purposes of the *Excise Tax Act* (Canada) .

4.06 In addition to the consulting fees set forth above, both parties acknowledge that the Consultant may be entitled to additional fees for the provision of extra services over and above the services set out in this Agreement. The amount of such additional fees shall be agreed upon by the parties prior to the Consultant providing the said extra services.

ARTICLE 5: CONFIDENTIALITY

5.01 The Consultant acknowledges and agrees that it will have access to trade secrets, property and information of the Corporation and the Business and that such trade secrets, property and information (the "Confidential Information") constitutes valuable confidential information of the Corporation which the Consultant agrees not to disclose to any third party without the prior written consent of the Corporation. The Consultant further agrees that the Confidential Information it has access to or acquires in relation to providing the services hereunder, or otherwise, shall be used only for the benefit of the Corporation and the Consultant agrees not to use same for its own purposes or for any purpose other than that of the Corporation. The Consultant further agrees to ensure that all individuals or other persons who have delegated responsibilities in relation to the services to be provided hereunder agree to be bound, to the same extent as the Consultant, by the confidentiality obligations contained in this Article 5. For greater clarity, the term "Confidential Information" shall not include any information already in the public domain through a source that was free to disclose that information. The obligations of confidence contained herein shall survive the termination of this agreement.

ARTICLE 6 - INDEMNITY

6.01 Without limitation to any other indemnities contained herein, the Consultant agrees to indemnify and save harmless the Corporation from and against any losses or liabilities resulting from damages to any property or injuries to any person, caused by or arising out of the gross negligence or

wilful act or omission of the Consultant whether in connection with the Consultant's work conducted hereunder or otherwise.

ARTICLE 7: MISCELLANEOUS

7.01 The Consultant acknowledges that this agreement may not be assigned by the Consultant to any person without the Corporation's prior written consent. Any change in control of the Consultant shall be deemed to be an assignment for the purposes of this agreement. The provisions hereof, where the context permits, shall enure to the benefit of and be binding upon the successors and permitted assigns of the parties hereto.

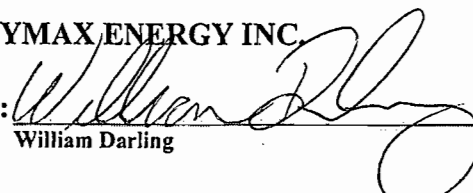
7.02 The failure of either party to exercise a right contained herein shall not be construed as a general waiver or relinquishment of any right granted hereunder.

7.03 If any portion of this agreement, however fundamental, shall be held to be void, voidable or otherwise unenforceable by reason of illegality, uncertainty or for any other reason whatsoever, the enforceability of the remaining provisions of this agreement shall remain unaffected and the balance of this agreement shall remain in full force and effect.


7.04 This agreement shall be governed in accordance with the laws of the Province of Alberta, and all parties hereby attorn to and submit to the jurisdiction of the Courts of Alberta.

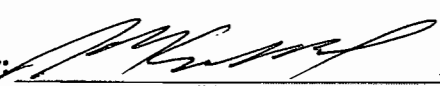
IN WITNESS WHEREOF this agreement shall be effective as of the date first above written, and the parties hereto have executed this agreement this 16 day of April, 2013.

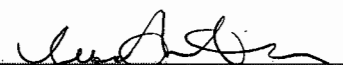
HAYMAX ENERGY INC.

Per: 
William Darling

MRBD LTD.

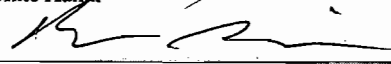
Per: 
Royden Wideman

Per: 
Mike Kallal


Witness


Witness


Mike Kallal


Royden Wideman

AFFIDAVIT OF EXECUTION

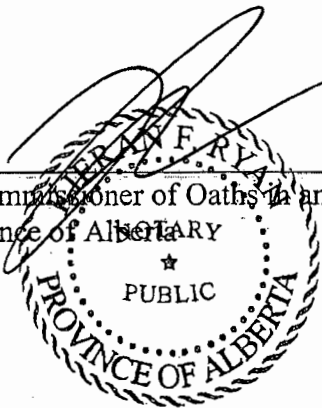
CANADA
PROVINCE OF ALBERTA
TO WIT:

) I, Cessa Goesthes,
) of Calgary,
) in the Province of Alberta
) MAKE OATH AND SAY:

1. THAT I was personally present and did see Mike Kallal, named in the within instrument, who based on identification shown to me are the person(s) named therein, duly sign and execute the same, for the purpose named therein;
2. THAT the instrument was executed at Calgary, Alberta and that I am the subscribing witness thereto;
3. THAT I believe Mike Kallal, whose signature I witnessed is at least eighteen years of age.

Sworn before me at Calgary, in)
the Province of Alberta on April 16,)
2013)

_____)
A Commissioner of Oaths and for the)
Province of Alberta)



Cessa Goesthes

SCHEDULE A

<u>YEAR</u>	<u>PAYABLE</u>	<u>AMOUNT</u>
1	April 14, 2014	\$ 528,458.00
2	April 14, 2015	\$ 350,877.00
3	April 14, 2016	\$ 134,336.00
	TOTAL	<u>\$1,013,671.00</u>


GUARANTEES ACKNOWLEDGEMENT ACT

CERTIFICATE OF NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. Royden Wideman of Camrose, in the Province of Alberta, the guarantor (or one of the guarantors) in the guarantee dated the 15th day of April, 2013, to which this certificate is attached to or noted on, appeared in person before me and acknowledged that he had executed the guarantee;
2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at Calgary, in the Province of Alberta, this 15th day of April, 2013
under my hand and seal of office.


A Notary Public in and for the Province
of Alberta

WESLEY M. PEDRUSKI
Notary Public in and for
the Province of Alberta

STATEMENT OF GUARANTOR

I am the person named in this certificate.


ROYDEN WIDEMAN

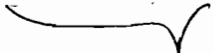
GUARANTEES ACKNOWLEDGEMENT ACT

CERTIFICATE OF NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. Mike Kallal of Cochrane, in the Province of Alberta, the guarantor (or one of the guarantors) in the guarantee dated the 15th day of April, 2013, to which this certificate is attached to or noted on, appeared in person before me and acknowledged that he had executed the guarantee;
2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

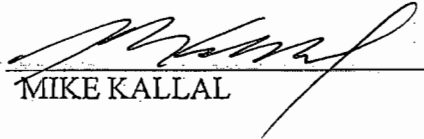
GIVEN at Calgary, in the Province of Alberta, this ²⁶~~15~~th day of April, 2013 under my hand and seal of office.


A Notary Public in and for the Province
of Alberta

WESLEY M. PEDRUSKI
Notary Public in and for
the Province of Alberta

STATEMENT OF GUARANTOR

I am the person named in this certificate.


MIKE KALLAL

THIS AGREEMENT DATED effective
the 15th day of April, 2013.

BETWEEN:

HAYMAX ENERGY INC.
a body corporate incorporated under
the laws of the Province of Alberta
(herein referred to as the "Consultant")

OF THE FIRST PART,

- and -

MRBD LTD.
a body corporate incorporated under,
the laws of the Province of Alberta
(herein referred to as the "Corporation")

OF THE SECOND PART.

CONSULTING AGREEMENT

**REYNOLDS, MIRTH, RICHARDS
& FARMER LLP**
Barristers & Solicitors
3200 Manulife Place
10180 - 101 Street
Edmonton, AB T5J 3W8

Telephone: (780) 425-9510
Fax: (780) 429-3044

Lawyer: Wes Pedruski
File No: 1023,785-016

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT DATED effective the 15 day of April, 2013.

BETWEEN:

McPHEDRAN CONSULTING INC.
a body corporate incorporated under
the laws of the Province of Alberta
(hereinafter referred to as the "Consultant")

OF THE FIRST PART,

- and -

MRBD LTD.
a body corporate incorporated under
the laws of the Province of Alberta
(hereinafter referred to as the "Corporation")

OF THE SECOND PART,

-and-

MIKE KALLAL,
of the City of Cochrane,
In the Province of Alberta
(hereinafter referred to as "Mike")

OF THE THIRD PART,

-and-

ROYDEN WIDEMAN
of the Town of Tofield,
In the Province of Alberta
(hereinafter referred to as "Royden")

OF THE FOURT PART.

WHEREAS:

- A. The Corporation owns assets, including all rights to Canada Patent 2,503,947 and U.S. Patent 7,249,629(the "Patents"), which assets are leased to Mustang Well Services Ltd. (hereinafter referred to as the "Business"); and
- B. Mike and Royden are the controlling common shareholders of the Corporation; and,

- C. The Consultant possesses expertise and knowledge specific to the Business, which expertise and knowledge is required by the Corporation; and
- D. The Corporation desires to engage the Consultant to provide consulting and other services to the Corporation as more particularly set forth herein; and
- E. The Consultant agrees to provide consulting services to the Corporation and apply its expertise and knowledge specific to the Business of the Corporation, on the terms set out herein;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises, the covenants herein contained, and the amounts payable under this agreement, the parties hereto do hereby mutually covenant and agree with each other as follows:

ARTICLE 1: ENGAGEMENT

1.01 The Corporation agrees to retain the services of the Consultant and the Consultant agrees to provide services to the Corporation in accordance with and subject to the terms of this agreement.

1.02 The engagement shall be for a term of one (3) years, commencing April 15, 2013 and ending on April 14, 2016.

ARTICLE 2: POWERS AND DUTIES

2.01 The Consultant agrees to provide consulting services, in relation to the matters more specifically delineated in paragraph 2.02 hereof, to operate and maintain the Business in a manner consistent with that of a reasonable and prudent owner. The Consultant further agrees to devote its services to the extent required by the Corporation. The Consultant shall exercise its powers in an efficient, skilful, diligent, timely and professional manner. The Consultant further agrees to ensure that all individuals (or other persons) that are designated by the Consultant to exercise delegated powers exercise those powers in the same manner.

2.02 The Consultant is hereby empowered and enabled (with those powers of delegation set out in this Agreement) to develop strategies and policies, and to take steps to ensure the implementation of said strategies and policies, on the Corporation's behalf, in the Corporation's

name, at the Corporation's cost, and without prior approval from the Corporation (but subject always to the overriding direction and control of the Corporation's board of directors, acting reasonably), for the efficient and profitable operation of the Corporation's Business in relation to the following (the interpretation of one not to in any manner to limit the interpretation of another):

- (a) set up a program for the efficient servicing and maintenance of the assets of the Corporation;
- (b) set up a program to ensure that the maintenance fees and related costs regarding the Patents are paid so as to ensure they remain duly registered and enforceable at all times;
- (c) take all steps as necessary, including the making of all inquiries as needed, to ensure that the Patents are not being infringed upon;
- (d) in the event of infringement of the Patents, to over see and take all steps, including the commencement of an infringement action(s) to ensure the protection of the Patents for the benefit of the Corporation;
- (e) assist in trouble shooting, preparation and planning for use of the assets and worldwide registration of the Patents.

2.03 For the better accomplishment of paragraph 2.02, the Consultant may appoint a suitably qualified individual as designated by the Consultant to act on the Corporation's behalf, and as such to perform any or all of the functions provided under paragraph 2.02 and to execute all such documents and do all such things on the Corporation's behalf as the Consultant deems advisable to exercise the powers herein conferred on it in accordance with the terms of this agreement. Notwithstanding the foregoing, the parties recognize that Duncan McPhedran, the principal of the Consultant, is integral to the successful performance of the services contracted hereunder and accordingly the Consultant agrees that if the appointed person referred to above is someone other than Duncan McPhedran, the prior written consent of the Corporation shall first be obtained, which consent shall not be unreasonably withheld.

2.04 Subject to paragraph 2.03, the Consultant may delegate its powers and discharge its duties and responsibilities as set out herein through the use of suitably qualified individuals who may be an employee of the Consultant.

2.05 The Consultant shall provide its services as an independent contractor and it is further understood that the relationship constituted between the parties hereunder shall not constitute a partnership, joint venture or employment relationship.

2.06 The Consultant shall be free to provide consulting and other services to third parties during the term of this agreement, provided that it does not interfere, in any way, with the Consultant's provision of duties hereunder and provided that the Consultant does not perform services for third parties which may create a conflict of interest for the Consultant.

2.07 The Consultant warrants that it shall at all times comply with any and all statutes, regulations and other laws and bylaws as may be applicable to its activities whether such activities are conducted in furtherance of the Consultant's duties hereunder or otherwise. Without limitation to the aforesaid, the Consultant agrees that it shall not breach or infringe any patent, copyright, trademark or other proprietary right owned by others during the performance of the services contracted hereunder and shall indemnify and save harmless the Corporation from and against all claims, demands, actions, costs, damages or expenses arising from or alleged to arise from any such breach or infringement. The indemnity contained in this paragraph 2.07 shall survive the termination of this agreement.

ARTICLE 3: TERMINATION

3.01 This agreement shall be terminable at either the Corporation's or the Consultant's option, upon thirty (30) days written notice, upon the happening of any one or more of the following events:

- (a) if the other party defaults in the performance or observance of any material obligation under this agreement and fails to rectify such default within fourteen (14) days of written demand to do so; or
- (b) if the other party institutes voluntary liquidation, dissolution or winding-up proceedings, or takes any voluntary proceedings under any bankruptcy or insolvency legislation for any relief, or makes a compromise with or an assignment for the benefit of its creditors, or if a receiver, trustee or other like officer is appointed in

respect of any material part of the other party's assets, or a court adjudges the other party to be bankrupt or makes an order requiring the liquidation, dissolution or winding-up of the other party;

(c) upon the death of Duncan McPhedran.

3.02 In the event that this agreement is terminated pursuant to paragraph 3.01, the Corporation shall remain liable to pay the Consulting Fees as set out herein.

ARTICLE 4: CONSULTING FEES

4.01 In consideration of the Consultant's services provided herein, the Corporation shall pay to the Consultant a consulting fee, exclusive of any goods and services taxes or other like taxes, in the amount as set out in Schedule A hereto.

4.02 In the event that, at any time during the currency of this Agreement, Mike and Royden are no longer the controlling common shareholders of the Corporation, or should the Corporation fail to pay the consulting fee as set out on Schedule A, then and in that event, the Consultant shall be at liberty to demand payment in full from Mike and Royden of all outstanding amounts as set out in Schedule A, and in such event Mike and Royden shall, jointly and severally, be obligated to pay the said outstanding amounts, with payment to be made within 180 days of said demand. In such event, interest shall accrue at the rate of 20% on the amounts owing from the date of demand until payment in full.

4.03 For greater clarity, in addition to the consulting fees set forth above, the Corporation shall pay (or reimburse) to the Consultant, all out-of-pocket expenses incurred or sustained by the Consultant in connection with the performance of its duties hereunder. Prior to the reimbursement of expenses, the Consultant is to provide a summary of the expenses incurred and submit it to the Corporation together with supporting receipts and other invoices.

4.04 The Corporation shall be entitled to set off against and deduct any monies owed by the Consultant to the Corporation from any monies owed by the Corporation to the Consultant.

4.05 The Consultant represents and warrants that it is properly registered for the purposes of the *Excise Tax Act* (Canada) .

4.06 In addition to the consulting fees set forth above, both parties acknowledge that the Consultant may be entitled to additional fees for the provision of extra services over and above the services set out in this Agreement. The amount of such additional fees shall be agreed upon by the parties prior to the Consultant providing the said extra services.

ARTICLE 5: CONFIDENTIALITY

5.01 The Consultant acknowledges and agrees that it will have access to trade secrets, property and information of the Corporation and the Business and that such trade secrets, property and information (the "Confidential Information") constitutes valuable confidential information of the Corporation which the Consultant agrees not to disclose to any third party without the prior written consent of the Corporation. The Consultant further agrees that the Confidential Information it has access to or acquires in relation to providing the services hereunder, or otherwise, shall be used only for the benefit of the Corporation and the Consultant agrees not to use same for its own purposes or for any purpose other than that of the Corporation. The Consultant further agrees to ensure that all individuals or other persons who have delegated responsibilities in relation to the services to be provided hereunder agree to be bound, to the same extent as the Consultant, by the confidentiality obligations contained in this Article 5. For greater clarity, the term "Confidential Information" shall not include any information already in the public domain through a source that was free to disclose that information. The obligations of confidence contained herein shall survive the termination of this agreement.

ARTICLE 6 - INDEMNITY

6.01 Without limitation to any other indemnities contained herein, the Consultant agrees to indemnify and save harmless the Corporation from and against any losses or liabilities resulting from damages to any property or injuries to any person, caused by or arising out of the gross negligence or wilful act or omission of the Consultant whether in connection with the Consultant's work conducted hereunder or otherwise.

ARTICLE 7: MISCELLANEOUS

7.01 The Consultant acknowledges that this agreement may not be assigned by the Consultant to any person without the Corporation's prior written consent. Any change in control of the Consultant shall be deemed to be an assignment for the purposes of this agreement. The provisions hereof, where the context permits, shall enure to the benefit of and be binding upon the successors and permitted assigns of the parties hereto.

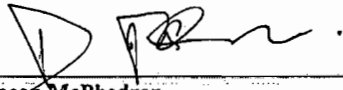
7.02 The failure of either party to exercise a right contained herein shall not be construed as a general waiver or relinquishment of any right granted hereunder.

7.03 If any portion of this agreement, however fundamental, shall be held to be void, voidable or otherwise unenforceable by reason of illegality, uncertainty or for any other reason whatsoever, the enforceability of the remaining provisions of this agreement shall remain unaffected and the balance of this agreement shall remain in full force and effect.


7.04 This agreement shall be governed in accordance with the laws of the Province of Alberta, and all parties hereby attorn to and submit to the jurisdiction of the Courts of Alberta.

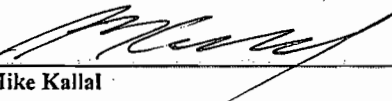
IN WITNESS WHEREOF this agreement shall be effective as of the date first above written, and the parties hereto have executed this agreement this 15 day of April, 2013.


MCPHEDRAN CONSULTING INC.


Per: 
Duncan McPhedran

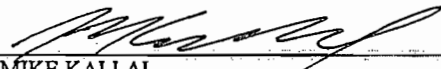
MRBD LTD.

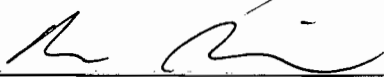
Per: 
Royden Wideman

Per: 
Mike Kallal


Witness


Witness


MIKE KALLAL


ROYDEN WIDEMAN

AFFIDAVIT OF EXECUTION

CANADA
PROVINCE OF ALBERTA
TO WIT:

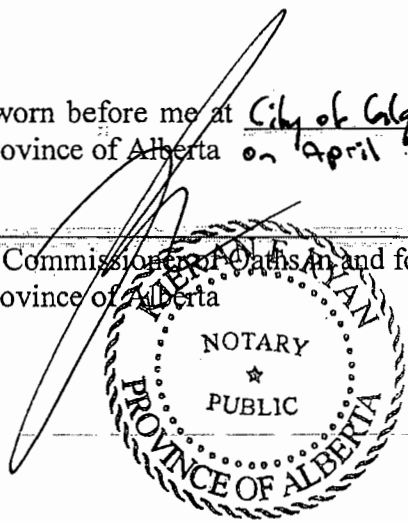
) I, Wesley M. Paterick,
) of Edmonton
) in the Province of Alberta
) MAKE OATH AND SAY:

1. THAT I was personally present and did see Royden Wideman, named in the within instrument, who based on identification shown to me are the person(s) named therein, duly sign and execute the same, for the purpose named therein;

1. THAT the instrument was executed at Calgary, Alberta and that I am the subscribing witness thereto;
2. THAT I believe Royden Wideman, whose signature I witnessed is at least eighteen years of age.

Sworn before me at City of Calgary in the)
Province of Alberta on April 16, 2013.)

_____)
A Commissioner of Oaths in and for the)
Province of Alberta)



_____)
_____)

SCHEDULE A

<u>YEAR</u>	<u>PAYABLE</u>	<u>AMOUNT</u>
1	April 14, 2014	\$176,155.00
2	April 14, 2015	\$116,958.00
3	April 14, 2016	\$ 44,779.00
	TOTAL	\$337,892.00

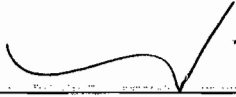
GUARANTEES ACKNOWLEDGEMENT ACT

CERTIFICATE OF NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. Royden Wideman of Camrose, in the Province of Alberta, the guarantor (or one of the guarantors) in the guarantee dated the 15th day of April, 2013, to which this certificate is attached to or noted on, appeared in person before me and acknowledged that he had executed the guarantee;
2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at Calgary, in the Province of Alberta, this ^{16th} 15th day of April, 2013 under my hand and seal of office.


A Notary Public in and for the Province
of Alberta
WESLEY M. PEDRUSKI
Notary Public in and for
the Province of Alberta

STATEMENT OF GUARANTOR

I am the person named in this certificate.


ROYDEN WIDEMAN

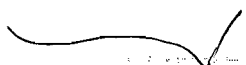
GUARANTEES ACKNOWLEDGEMENT ACT

CERTIFICATE OF NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. Mike Kallal of Cochrane, in the Province of Alberta, the guarantor (or one of the guarantors) in the guarantee dated the 15th day of April, 2013, to which this certificate is attached to or noted on, appeared in person before me and acknowledged that he had executed the guarantee;
2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at Edgemoor, in the Province of Alberta, this 15th day of April, 2013 under my hand and seal of office.


A Notary Public in and for the Province
of Alberta

WESLEY M. PEDRUSKI
Notary Public in and for
the Province of Alberta

STATEMENT OF GUARANTOR

I am the person named in this certificate.


MIKE KALLAL

THIS AGREEMENT DATED effective
the 15 day of April, 2013.

BETWEEN:

McPHEDRAN CONSULTING INC.

a body corporate incorporated under
the laws of the Province of Alberta
(herein referred to as the "Consultant")

OF THE FIRST PART,

- and -

MRBD LTD.

a body corporate incorporated under,
the laws of the Province of Alberta
(herein referred to as the "Corporation")

OF THE SECOND PART.

CONSULTING AGREEMENT

**REYNOLDS, MIRTH, RICHARDS
& FARMER LLP**
Barristers & Solicitors
3200 Manulife Place
10180 - 101 Street
Edmonton, AB T5J 3W8

Telephone: (780) 425-9510
Fax: (780) 429-3044

Lawyer: Wes Pedruski
File No: 1023,785-016

UNANIMOUS SHAREHOLDER AGREEMENT
made effective as and from the 15th day of April, 2013,
16

BETWEEN:

ROYDEN WIDEMAN
(hereinafter referred to as "Royden")

OF THE FIRST PART,

- and -

MIKE KALLAL
(hereinafter referred to as "Mike")

OF THE SECOND PART,

-and-

HAYMAX ENERGY INC.
(hereinafter referred to as "Haymax")

OF THE THIRD PART,

-and-

McPHEDRAN CONSULTING INC.
(hereinafter referred to as "McPhedran")

OF THE FOURTH PART,

- and -

MRBD LTD.
(hereinafter referred to as "the Corporation")

OF THE FIFTH PART.

THE PARTIES HERETO mutually covenant and agree with the others as follows:

SECTION 1 - DEFINITIONS

Article 1.01- Definitions

1.01.01 In this Agreement:

- (a) "Act" means the Alberta Business Corporations Act as amended from time to time.

- (b) **"Directors"** means the board of directors of the Corporation and any consent, election, request or other act or decision of the Directors required or provided for hereunder means a resolution of the board of directors to that effect.
- (c) **"Non-Permitted Shareholder"** means any Shareholder who is not a Permitted Shareholder.
- (d) **"Permitted Shareholders"** means each of Royden, Mike, Haymax and McPhedran, if and for so long as they hold Shares and also includes any other Shareholder who has acquired Shares pursuant to a transfer or issuance which has received the approvals and consents required hereunder and, for greater certainty, does not include persons who have become Shareholders without such approval or consents even where such approval or consents have been dispensed with or otherwise overridden by court order; provided further however that for all purposes of this Agreement a Shareholder, whether specifically named above or not, ceases to be a Permitted Shareholder and becomes a Non-Permitted Shareholder upon becoming a bankrupt or upon a receiver or a receiver manager being appointed to govern his affairs and a corporate Shareholder shall cease to be a Permitted Shareholder and become a Non-Permitted Shareholder if any legal or beneficial interest in any of its shares are issued or transferred in contravention of this Agreement (even where the approvals or consents required under this Agreement have been dispensed with or otherwise overridden by court order).
- (e) **"Preferred Shares"** means the preferred redeemable retractable Shares in the Corporation that are, at any given time, issued and outstanding.
- (f) **"Redemption Value"** means, in respect of a particular class of Preferred Shares, the redemption price attached to such Shares determined in accordance with the Corporation's articles of incorporation.
- (g) **"Share"** means a share in the Corporation and **"Shareholders"** means the shareholders of the Corporation.
- (h) **"Shareholder's Loan"** means any loan, advance or other indebtedness owing from the Corporation to a Shareholder or to a body corporate controlled by a Shareholder whether repayable on demand or otherwise, but excludes:
 - (i) unpaid salaries, wages and commissions unless paid out and loaned back to the Corporation;
 - (ii) monies owing in respect of the reimbursement of authorized expenses incurred on the Corporation's behalf unless paid out and loaned back to the Corporation;

- (iii) monies owing under any of the indemnities contained in Article 8.05, or in respect of the purchase of Shares by the Corporation under the provisions hereof;
- (iv) monies payable in respect of the sale, supply, provision, rental or lease of goods, lands, property, advice or services;

unless by agreement at any time made with the Corporation (which said agreement may be implied by conduct or acquiescence including acquiescence to ongoing accounting practices) they are to be regarded as Shareholder's Loans for the purposes of this Agreement. For greater certainty a Shareholder's Loan does not cease to be a Shareholder's Loan by reason only that the person to whom it is owed ceases to be a Shareholder or body corporate controlled by a Shareholder.

- (i) **"Unanimous Consent"** means the consent of all of the Voting Shareholders who are Permitted Shareholders and for greater certainty, in the event there is only one Permitted Shareholder holding Voting Shares, means the consent of the Permitted Shareholder.
- (j) **"Voting Shareholder"** means a Shareholder holding Voting Shares and **"Voting Shares"** means Shares which have attached to them the right to vote at annual general meetings.

1.01.02 All other terms used herein shall, unless a contrary intention appears, have the same meaning and definition as terms contained in the Act.

SECTION II - SHAREHOLDINGS

Article 2.01 - Issued Share Capital

2.01.01 The parties acknowledge and agree that the issued share capital in the Corporation as at the date hereof is as follows:

Royden	-	100 Class "A" Common Voting Shares
Mike	-	100 Class "A" Common Voting Shares
Haymax	-	30,000 Class "H" Preferred Non-Voting Shares each with a Redemption Value of \$100.00 per Class "H" Share
McPhedran	-	10,000 Class "H" Preferred Non-Voting Shares each with a Redemption Value of \$100.00 per Class "H" Share

with no other shares being issued and outstanding and the Corporation's records and ledgers shall, if inconsistent with the foregoing, be immediately amended to record the foregoing.

Article 2.02 - Disposition of Shares

2.02.01 No Shareholder shall sell, transfer, pledge, mortgage or otherwise dispose of any Shares or Shareholder's Loans (or any interest in such Shares or Shareholder's Loans) other than pursuant to the provisions hereof without **Unanimous Consent**. Where a Shareholder holding Shares is a body corporate, any transfer, issuance, agreement or arrangement such that control of that Shareholder is lost or abdicated by any person or group of persons having control prior to such transfer, agreement or arrangement shall be deemed to be a transfer of Shares and Shareholders Loans for the purposes of this paragraph 2.02.01 and shall be deemed to be a contravention of this Agreement by that Shareholder if the same contravenes this paragraph.

2.02.02 Except as may be permitted under the terms hereof, neither the Corporation nor any of its subsidiaries shall issue, or approve or permit the transfer of, any shares in their authorized capital without **Unanimous Consent**.

2.02.03 Notwithstanding the foregoing, and for greater certainty, all consents and approvals required under this Agreement (including **Unanimous Consent** unless otherwise expressly noted) or under the Constitution shall be deemed to have been given in the case of the following dispositions of Shares:

- (a) a sale of Shares made pursuant to the provisions of this Agreement;
- (b) the exchange, conversion or redemption of Shares in the exercise of rights or obligations attached to such Shares under the Corporation's Constitution; or
- (c) a transfer of Shares between joint holders.

2.02.04 The Directors shall be deemed to have approved any disposition of Shares made pursuant to the terms of Sections V, VI, VII or VIII or as described in paragraph 2.02.03.

SECTION III - FUNDAMENTAL CHANGES

Article 3.01 - Changes in Constitution

3.01.01 The parties covenant and agree that no change shall be made to the Constitution without **Unanimous Consent**.

Article 3.02 - Winding Up

3.02.01 Without limitation to any restrictions or other prerequisites in this regard contained in the Act:

- a. the Corporation shall not wind up, liquidate or dissolve or commence any proceedings for the purpose of doing so; and

- b. no Shareholder shall under the just and equitable rule, or upon any other grounds whatsoever commence legal proceedings for the purpose of effecting the result of either:
 - i. causing the Corporation to wind up, liquidate or dissolve; or
 - ii. compelling the purchase or repurchase of Shares of a Shareholder by the Corporation or any of its Shareholders (except to the extent expressly provided for in this Agreement);

without **Unanimous Consent**, it being understood and agreed that the buy sell provisions and other remedies contained in this Agreement are intended to be exhaustive.

SECTION IV - DIRECTORS

Article 4.01 - Election

4.01.01 Each Permitted Shareholder or group of Permitted Shareholders holding in the aggregate 50% percent or more of the total issued Voting Shares is entitled to appoint one (1) individual as a Director (and to remove and replace such Director) from time to time by written notice to the Corporation. Any additional Directors shall be appointed by ordinary resolution of the Shareholders. The Directors as of the date of this Agreement are as follows:

ROYDEN WIDEMAN
MIKE KALLAL

4.01.02 A director who ceases to be qualified under paragraph 4.01.01 by reason of having his appointment or designation revoked, by reason that the Shareholders appointing him cease to be Permitted Shareholders or cease to hold the requisite percentage of Shares or for any other reason, shall be deemed to have immediately ceased to be a director with or without his formal resignation or any shareholder's resolution confirming his resignation or replacement.

Article 4.02 - Voting

4.02.01 A Director and any entity in which he has any direct or indirect interest may enter into contracts or other arrangements with the Corporation or its subsidiaries. A Director may vote in respect of any such contract or arrangement in which he is directly or indirectly interested provided he has disclosed such interest to the other Directors.

SECTION V - OPTION TO PURCHASE

Article 5.01 - Definitions

5.01.01 For the purposes of this Section V a "**Withdrawing Shareholder**" means and includes:

- (a) a Non-Permitted Shareholder;
- (b) a Shareholder who dies or by reason of mental incapacity has a guardian, committee or attorney appointed to handle his affairs;

and includes the executor, administrator, guardian, committee, liquidator, trustee or other authorized representative of such Shareholder.

Article 5.02 - Grant

5.02.01 In the event that a shareholder becomes a Withdrawing Shareholder pursuant to paragraph 5.01.01 (a) or (b) hereto, and subject to paragraph 5.03.01, then the Corporation shall have the option, exercisable at any time, to purchase all or any of the Shares of such Withdrawing Shareholder at the price established in accordance with the provisions of Schedule "A" hereto and pursuant to the mechanisms set out under Schedule "B" hereto, except for and excluding the Class H Preferred Non-Voting Shares issued to Haymax and McPhedran, for which the price shall be the Redemption Value of \$100.00 per Share.

Article 5.03 - Forced Option on Death

5.03.01 Where a Shareholder has become a Withdrawing Shareholder by reason of a death under sub-paragraph 5.01.01(b):

- (a) a Notice to Sell shall have attached to it a copy of this Agreement and the Notice to Sell shall prominently display the following statement in bold or red type of at least the same font size as the remaining text of the Notice to Sell:

"This Notice to Sell is of great importance to you. If you do not respond within the time limits set out in the attached agreement you may suffer a major financial loss. Despite what anyone may tell you to the contrary, you should seek independent legal advice immediately."

- (b) unless the estate of the Withdrawing Shareholder otherwise agrees, the Corporation shall exercise its option under this Section within three (3) months of the date of such death.

SECTION VI - SHOTGUN BUY-SELL

Article 6.01 - Shotgun

6.01.01 In this section VI and in Schedule "C" hereto, in the event that Royden becomes a Triggering Shareholder, then Mike shall be the "Notified Shareholder", and in the event that Mike becomes a Triggering Shareholder, then Royden shall be the "Notified Shareholder".

6.01.02 Either Royden or Mike (as the "Triggering Shareholder"), provided each is then a Permitted Shareholder, may at any time serve a notice upon the Notified Shareholder, compelling the Notified Shareholder to elect to either:

- (a) sell his Shares to the Triggering Shareholder at the price stipulated in such notice; or
- (b) purchase the Shares of the Triggering Shareholder at the price stipulated in such notice;

all in accordance with the provisions of Schedule "C" hereof.

SECTION VII - RIGHTS OF FIRST REFUSAL

Article 7.01 - Rights of First Refusal

7.01.01 Notwithstanding Article 2.02, either of Royden or Mike may sell all or any of his Shares provided that such sale is made pursuant to the terms of an Eligible Offer (as defined in Article 7.02) that is first offered to the other in accordance with, and otherwise in compliance with, the provisions of Schedule "D" hereto.

Article 7.02 - Definition

7.02.01 For the purposes hereof, "Eligible Offer" means a bona fide offer to or from a third party to buy, issue or sell Shares and which said offer satisfies the following conditions:

- (a) The offer states that the entire consideration for such Shares is to be paid by cash, bank draft, certified cheque, negotiable securities or solicitor's trust cheque on the closing date;
- (b) The offer states that each of the Purchasers, if not already a party hereto, will execute an agreement to be bound by the terms of this Agreement as provided under Article 10.03 of this Agreement;
- (c) The offer states that the Seller is bound to ensure that as of the date of closing such Shares are to be conveyed free and clear of any and all claims, charges and encumbrances whatsoever, except that they shall be subject to this Agreement; and
- (d) The offer forms the entire agreement between the parties and there are no collateral or other agreements or understandings between the parties and affecting the subject matter thereof save as expressed in the offer.

Article 7.03 - Saving

7.03.01 Notwithstanding the foregoing, and for greater certainty, this Section VII does not apply to the following dispositions of Shares:

- (a) a sale of Shares made pursuant to the other provisions of this Agreement;
- (b) an exchange, issuance, re-issuance, or re-characterization of Shares as a result of an amalgamation of the Corporation with any other entity;
- (c) an exchange, conversion, issuance, re-issuance or re-characterization of Shares in the course of a bona fide reorganization of the Corporation's capital;
- (d) an exchange, conversion or redemption of Shares in the exercise of rights or obligations attached to such Shares under the Constitution; or
- (e) a conveyance of any interest in Shares amongst joint holders of those Shares;

and, subject always to any other consents or approvals required under this Agreement, nothing in this Section VII prevents such dispositions from occurring.

SCHEDULE VIII - FINANCIAL/OPERATIONAL

Article 8.01 - Repayment of Shareholder's Loans

8.01.01 Save as expressly permitted under this Agreement, no principal or interest shall be repaid by the Corporation on account of any Shareholders' Loan (and no Shareholder may demand or otherwise enforce payment on his said Shareholders' Loan) without **Unanimous Consent**. Without limitation to the foregoing, Shareholder Loans owed to a Non-Permitted Shareholder or to a person who has acquired the same, by assignment, operation of law or otherwise, from a Non-Permitted Shareholder or without the consents required under this Agreement, shall be repayable at the pleasure of the Corporation.

8.01.02 Without limitation to paragraph 8.01.01, no principal or interest shall be repaid by the Corporation on account of a Shareholder's Loan, unless such principal or interest, as the case may be, is paid or repaid proportionately (and, in particular, in such a fashion that the ratio between the amount paid to that Shareholder at that time on account of his Shareholder's Loan and the total amount paid on all Shareholders' Loans owed to Permitted Shareholders at the same time equals the ratio between that Shareholder's Shareholders' Loan and the total amount owing by the Corporation under all Shareholders' Loans owed to Permitted Shareholders).

8.01.03 Notwithstanding any other provision of this Agreement, no principal or interest shall be repaid by the Corporation on account of a Shareholder's Loan if such repayment would cause the Corporation to be in breach of any offer letter, agreement, security or other obligation owed to a financial institution that has advanced funds to the Corporation.

8.01.04 Notwithstanding any other provisions of this Agreement, the Corporation shall not repay any Shareholder's Loans to Royden and Mike, until such time as all the Class H Preferred Non-Voting Shares issued to Haymax and McPhedran have been redeemed or purchased from Haymax and McPhedran as provided for in Article 8.08

Article 8.02 - Repayment of Loans after Buy-Sell

8.02.01 In the event that a Shareholder (the "**Former Shareholder**") sells all, but not less than all, of his Shares to the Corporation or to the other Shareholders (or to someone else nominated by the Shareholders as permitted hereunder) pursuant to the provisions of this Agreement, all of that Former Shareholder's Shareholder's Loans shall after the closing of such sale be repayable to that Former Shareholder upon demand unless that Former Shareholder was a Non-Permitted Shareholder at the time of such sale in which event his Shareholder's Loans may be demanded only upon the expiry of the fifth (5th) anniversary of the closing date of such sale.

8.02.02 Save as expressly provided herein the transfer or other disposition of Shares does not in any manner affect the restrictions and other provisions herein relating to repayment of Shareholder's Loans.

Article 8.03 - Auditors

8.03.01 Should the Shareholders in general meeting resolve not to appoint auditors, all Shareholders shall be deemed to have consented, and do hereby consent, to such resolution.

Article 8.04 - Intellectual Property

8.04.01 Each of the Shareholders agrees that all property, including copyright (all moral rights of the Shareholders being hereby waived and released), in and to all brochures, inventions, designs, processes, software, writings, product composition (including, without limitation, the compositions of any custom made software products used in the Corporation's operations) and other forms of intellectual property developed, created, discovered or otherwise devised by the Corporation or its employees or by a Shareholder in such Shareholder's capacity as director, employee, contractor or officer of the Corporation shall be and shall remain the property of the Corporation and not of that Shareholder.

Article 8.05 - Indemnities

8.05.01 For the purposes of this Article the term "**Acting Officer**" means any person who was, or is, party to this Agreement and who has been a shareholder, director or officer of the Corporation or any of its subsidiaries, together with their respective guarantors, heirs and executors, administrators and successors.

8.05.02 The Acting Officers shall be indemnified and secured harmless by the Corporation from and against all actions, costs, charges, losses, damages and expenses (including legal expenses, on a solicitor and his own client basis) which they, or any of them, shall or may incur or sustain by

reason of holding the office of, or exercising the powers of, director or officer, or by reason of any act done, not done, concurred in, or committed in or about the execution of their duties or supposed duties in their respective offices or trusts or in carrying out any other acts at the request of the Corporation or the Directors thereof, except such, if any, as they shall incur or sustain through or by their own wilful neglect or default.

8.05.03 To the full extent that the law permits, none of the Acting Officers shall be liable or in any other manner answerable to any of the Corporation or to the Shareholders or to any other person whatsoever:

- (a) for the acts, receipts, neglects or default of the other or others of them; or
- (b) for joining in any act for the sake of conformity; or
- (c) for voting for, consenting to or participating in any act, authorization or resolution contrary to the provisions of the Act; or
- (d) for any other loss, misfortune or damage,

which may happen in the execution of acts requested of them by the Corporation or the Directors thereof or in the execution of their respective offices, or in relation thereto EXCEPT where such Acting Officer has done the same with the subjective intent of committing a legal wrong.

8.05.04 The Corporation shall indemnify and save harmless each Acting Officer from and against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a Party by reason of being or having been an Acting Officer if:

- (a) he acted honestly and in good faith with a view to the best interests of the Corporation; and
- (b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

8.05.05 The Corporation shall, at the instance of any Shareholder, including any Shareholder who benefits thereby, seek the approval of a court to indemnify an Acting Officer in respect of an action by or on behalf of the Corporation or body corporate to procure a judgment in its favour, to which he is made a Party by reason of being or having been a director or an officer of the Corporation or body corporate, against all costs, charges and expenses reasonably incurred by him in connection with such action if he fulfils the conditions set out in subparagraphs 8.05.04 (a) and (b).

8.05.06 The Corporation shall indemnify and save harmless an Acting Officer from and against all costs, charges and expenses reasonably incurred by him in connection with the defence of any civil, criminal or administrative action or proceeding to which he is made a Party by reason of

being or having been a director or officer of the Corporation or its subsidiaries, if such Acting Officer:

- (a) was substantially successful on the merits in his defence of the action or proceeding; and
- (b) fulfils the conditions set out in subparagraphs 8.05.04 (a) and (b) above.

Article 8.06 - General Security Agreement

8.06.01 The Corporation hereby transfers, mortgages, grants and assigns to Mike and Royden a joint and several security interest (the "Security Interest") in all of the present and after-acquired personal property of the Corporation (or in which the Corporation now or anytime hereafter has or acquires rights) of any and all kinds whatsoever and all proceeds and renewals thereof, accessions thereto and substitutions therefor save and except only the last day of the term of any lease or agreement therefor (the "Collateral").

8.06.02 The Security Interest as granted hereby secures payment and satisfaction of any and all monies at any time owing from the Corporation to Mike or Royden or both of them, whether in the form of Shareholder's Loans or otherwise, and any and all other obligations, indebtedness and liability whatsoever of the Corporation to Mike or Royden or either of them present or future that were incurred or created during, but only during, the time that such person was a Permitted Shareholder.

8.06.03 This Security Interest may be enforced in any manner permitted under the Alberta Personal Property Security Act or at law generally provided however that it may not be enforced without the joint consent of such of Mike and Royden if both are then Permitted Shareholders.

Article 8.07 - Release of Guarantee

8.07.01 If the Shares of a Permitted Shareholder are purchased pursuant to the provisions of Section VI or VII of this Agreement, the person buying shall take all reasonable steps to obtain the release of any guarantee of the indebtedness of the Corporation made by the Shareholder selling (and where the Shareholder selling is a body corporate, by its directors, officers and shareholders).

Article 8.08 - Redemption of the Preferred Shares held by Haymax and McPhedran

8.08.01 The Corporation agrees to redeem each year, at a minimum, the amount of Preferred Shares held by Haymax and McPhedran stated in the schedule of redemptions attached as Schedule "E" (the "Yearly Minimums"), provided it is permitted by law. Further, the Corporation shall be free to redeem additional Preferred Shares held by either or both of Haymax and McPhedran in excess of the Yearly Minimums at any time. In the event that the Corporation redeems more than the Yearly Minimums for any given year, then any excess Preferred Shares redeemed shall be credited towards the Yearly Minimums required in the next year and so forth.

8.08.02 Each of Haymax and McPhedran agree to not exercise any retraction rights available at law or contained within the Corporation's articles of incorporation in relation to their Preferred Shares except as provided for in 8.08.06 and in accordance with Schedule "E".

8.08.03 The redemptions of Preferred Shares by the Corporation required herein shall occur on May 1 of each year, as more specifically set out in Schedule "E".

8.08.04 In the event the Corporation is unable, at any given time, to redeem some or all of the requisite number of Preferred Shares within the time periods set forth in Schedule "E" because it is not permitted by law, then the Corporation shall redeem the amount it is able to redeem from each on a proportionate basis having regard to the amount of the Yearly Minimums, and unless either or both of Haymax and McPhedran agree otherwise in relation to their respective Preferred Shares, the remaining Preferred Shares to be redeemed for the applicable year (the "Remaining Preferreds") shall instead be purchased by each of Royden and Mike, on an equal basis, within one hundred and eighty (180) days of default by the Corporation to redeem same. In the event Royden and Mike purchase the Redeemed Shares, as provided for herein, the purchase price shall be the redemption price per share plus interest at 20% accruing from the date the Corporation was to redeem said shares and did not, up to and including the date of payment by Mike and Royden.

8.08.05 Immediately upon the redemption or purchase of the Preferred Shares, as the case may be, each of Haymax and McPhedran shall tender to the Corporation any share certificates held representing such Preferred Shares sold or redeemed, in exchange for newly issued share certificates showing the reduced number of Preferred Shares then held by each. Except as modified herein, the provisions contained within the Corporation's articles of incorporation shall otherwise remain applicable.

8.08.06 In the event, at anytime during the currency of this Agreement, that Mike and Royden are collectively not the controlling common shareholders of the Corporation, then and in that event, Haymax and McPhedran, shall be at liberty to demand redemption of all the Preferred Shares that they hold at such time, with payment to be made within 60 days of said demand. Should the Corporation fail to redeem said Preferred Shares, then and in that event said Preferred Shares shall be purchased by Mike and Royden, on an equal basis, and the provisions of 8.08.04 shall apply, mutatis mutandis.

Article 8.09 - Resignation as Officer and Employee

8.09.01 If a Shareholder (a "departing Shareholder") ceases to own any Shares he shall, notwithstanding anything contained herein, upon the transfer of all the beneficial interest in all its Shares or upon lawful notation in the Corporation's shareholders' ledger that it has ceased to be a Shareholder in the Corporation (whichever first occurs), be deemed to have resigned as a director, officer and employee of the Corporation without any right for compensation for such termination (including any damages which he might otherwise have had for wrongful dismissal) excepting any salaries, wages or benefits accrued to the date of such resignation.

SECTION IX - NOTICES

Article 9.01 - Address for Notice

9.01.01 Any notice required or permitted to be given to any Party hereunder shall be validly given if either delivered to the address provided below:

To Haymax and McPhedran: Big Guns Energy Services Inc.
Suite 500 640 8th Avenue SW
Calgary, Alberta
T2P 1G7

With a copy to:

Bennett Jones LLP
Attn: Kieran Ryan
4500 Bankers Hall East
825-2nd Street, S.W.
Calgary, Alberta, T2P 4K7

To the Corporation, Royden
And Mike: Mustang Well Services Ltd.
P.O. Box 1467
Camrose, Alberta
T4V 1X4

With a copy to:

Reynolds, Mirth, Richards & Farmer LLP
Attn: Wesley M. Pedruski
3200, 10180-101 Street
Edmonton, Alberta, T5J 3W8

9.01.02 Any such notice delivered as aforesaid shall be deemed to have been received by and given to the addressee when delivered.

Article 9.02 - Change in Address

9.02.01 Any Party may at any time give notice in writing to the others of any change of address or of facsimile number, or both, of the Party giving such notice. An address for notice must be located within Canada.

SECTION X - MISCELLANEOUS

Article 10.01 - Nominee Purchaser

10.01.01 Whenever in this Agreement the Corporation is given the right or ability, or an obligation is imposed upon the Corporation to purchase Shares, the Corporation may, in its discretion, appoint in writing any other Person or Persons to purchase such Shares in the Corporation's stead, and such Person or Person(s) shall then have full right, ability and authority to purchase such Shares under the terms hereof.

Article 10.02 - Attorney

10.02.01 In the event that a Shareholder (the "Defaulting Shareholder") neglects, refuses, or is unable to execute or deliver any document required to be executed or delivered pursuant to the provisions of this Agreement, then such Defaulting Shareholder shall be deemed to have appointed the Corporation as his agent and lawful attorney for the purpose of executing and delivering such document and such execution or delivery by the Corporation shall be as valid and effectual, for all purposes, as though it had been executed or delivered by the Defaulting Shareholder.

Article 10.03 - Change in Parties

10.03.01 All Shareholders for the time being shall be deemed to be parties to this Agreement and shall be bound by each and every term hereof as though all such Shareholders were original signatories hereto.

10.03.02 Except where the terms or context hereof otherwise require, any Party hereto who has ceased holding Shares (a "Former Shareholder") shall, effective the date lawfully noted, or required to be lawfully noted, in the Corporate shareholder's ledger as the being the date that such person was last a Shareholder (the "Cessation Date") cease to be a Party to this Agreement and this Agreement shall continue in full force and effect as between the remaining parties except that, for greater certainty, Section VIII, to the extent applicable, shall continue to apply to a Former Shareholder.

10.03.03 The Corporation may, for the better accomplishment of the purport of paragraph 10.04.01, require persons acquiring Shares in the Corporation to execute an agreement stating that such persons have agreed to, and have agreed to be bound by, each and every term of this Agreement and (without any limitation to paragraph 10.04.01 whatsoever) upon such execution such person shall be deemed to be a Party hereto. In the event of such requirement, notwithstanding anything contained in the Constitution and notwithstanding that the Directors and the Shareholders shall have approved a transfer of Shares, a transfer of Shares shall not be effective to transfer any legal or equitable interest in such Shares unless and until the transferee has executed such an agreement.

Article 10.04 - Better Accomplishment

10.04.01 Each Party hereto shall vote his Shares and shall execute such further and other documents, as may from time to time be reasonably requested of him by the Directors, to better accomplish the terms and intent hereof.

Article 10.05 - Majority Rule/Agreement Governs

10.05.01

- (a) Each Party agrees that in any and all events, he will abide by the terms of this Agreement and will seek only those remedies available hereunder (the parties having agreed that such remedies are to be exhaustive and that this Agreement alone shall govern disputes permitted the parties).
- (b) It is further acknowledged and agreed by all parties hereto that the exercise or non-exercise of any right, privilege or discretion given to any Director or Shareholder hereunder, shall (if not in contravention of the terms hereof) be accepted by all parties without complaint and without allegation that the same is oppressive or unfairly prejudicial or that it unfairly disregards the interests of anyone.

Article 10.06 - Entire Agreement

10.06.01 This Agreement constitutes the entire agreement and understanding between the parties concerning the subject matter hereof and, for greater certainty, but without limitation to the foregoing, no additional understandings or agreements are to be implied into this Agreement for any reason or purpose whatsoever including any anticipated or unanticipated circumstance or eventuality not expressly provided for hereunder (and whether or not now within the reasonable contemplation of the parties).

Article 10.07 - Termination

10.07.01 This Agreement shall terminate if the Shareholders unanimously agree to terminate it (whether or not any other parties hereto have also agreed to terminate) or if the Corporation completes a public offering of its securities in accordance with the securities legislation of any jurisdiction.

10.07.02 For greater certainty, Section VIII survives the termination of this Agreement unless the Shareholders unanimously agree otherwise.

Article 10.08 - Interpretation

10.08.01 Where in this Agreement a period of time is prescribed, dated or calculated from a day or event the time shall be calculated excluding such day or the day of such event, unless a contrary intention appears. Where in this Agreement the time for doing anything falls or expires on a Saturday, Sunday or on a statutory holiday in the Province of Alberta then such thing may be validly done on the first day thereafter that is not a Saturday, Sunday or holiday.

10.08.02 In this Agreement words importing the singular shall include the plural and words importing the masculine shall include the feminine or neuter or bodies corporate, or vice versa, as the context, or the number or gender of the parties, from time to time, so requires.

10.08.03 Should any clause of this Agreement be illegal, void or otherwise unenforceable, the rest of this Agreement shall remain in full force and effect and be binding upon the parties as though such clause had been severed.

10.08.04 Where the terms of this Agreement are inconsistent with the Constitution, the terms of this Agreement shall prevail and at any meeting called for such purpose, the Shareholders shall vote their Shares to amend the Constitution to remedy such inconsistency at any meeting called for such purpose.

10.08.05 This Agreement is, and is intended to be, a unanimous shareholder agreement for each of the Corporation and its wholly owned subsidiaries, from time to time, if any.

10.08.06 Except where otherwise stated herein, where the name of any person or company is used in this Agreement such name means that person or company alone (and its permitted assigns) and does not include any person who has acquired the shares of such person or company by reason of such acquisition.

10.08.07 Schedules "A", "B", "C", "D" and "E" form a part of this Agreement.

Article 10.09 – General

10.09.01 This Agreement shall survive an amalgamation of the Corporation with a subsidiary of the Corporation but shall terminate upon any other amalgamation.

10.09.02 This Agreement may be executed in separate counterparts and the execution of a counterpart shall have the same effect as the execution of the original and each Party shall be bound by the terms hereof once all parties have executed the original or counterparts hereof whether or not all parties have actual knowledge or such execution.

10.09.03 The rights and entitlements under this Agreement may not be assigned, in whole or in part, by a Shareholder except to a permitted transferee of Shares hereunder. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.

10.09.04 This Agreement shall be governed by the laws of the Province of Alberta, Canada, and each Party hereto attorns and submits to the jurisdiction of the Courts of the Province of Alberta, Canada.

10.09.05 Time shall be of the essence hereof.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the day and year first above written.

THIS AGREEMENT HAS BEEN PREPARED BY THE LAW FIRM OF REYNOLDS MIRTH RICHARDS & FARMER LLP ACTING IN THEIR CAPACITY AS SOLICITORS FOR THE CORPORATION ONLY AND EACH OF THE SHAREHOLDERS IS AWARE OF THE ADVISABILITY OF OBTAINING INDEPENDENT LEGAL ADVICE.



WITNESS



MIKE KALLAL




WITNESS



ROYDEN WIDEMAN

HAYMAX ENERGY INC

Per: 

William Darling

McPHERAN CONSULTING INC.


Per: 

Duffan McPhedran

MRBD LTD.

Per: 

Mike Kallal

Per: 

Royden Wideman

SCHEDULE "A"

VALUATION (SECTION V)

The purchase price for the Shares to be purchased under Section V shall be determined by the Corporation's auditors or accounting advisors as the case may be (the "Valuator") in the manner hereinafter provided:

1. In this Schedule "A", the terms "Valuation Date" means the first day of the month immediately preceding the date of service of the Notice to Sell except where the shareholder has become a Withdrawing Shareholder in consequence of death in which event the Valuation Date shall be the first day of the month immediately preceding the date of such death and "Closing Date" has the meaning given to it under Schedule "B".
2. The Voting Permitted Shareholders of the Corporation may, from time to time, by dated agreement in writing (a "Valuation Agreement"), unanimously agree upon a purchase price for Shares purchased under Section V or upon a formula for determining such price and in so doing may employ different prices or formulas for different classes of Shares. Any such agreement shall be binding upon all Shareholders and shall, unless such agreement contains express terms to the contrary, expire and cease to be of any effect one (1) year from its date or upon the Voting Permitted Shareholders entering into another such agreement dated subsequent in time, whichever is the earlier. Any such agreement may contain an expiry date or may provide for cancellation upon Notice to Sell from one or more parties to it.
3. In the event that there is as at the date of service of the Notice to Sell a valid and unexpired Valuation Agreement applicable to the particular Buy Sell Section then the purchase price for the said Shares shall be the purchase price stipulated in, or as the case may be, calculated in accordance with, the Valuation Agreement.
4. In the event that as at the date of service of the Notice to Sell there does not exist a valid and unexpired Valuation Agreement applicable to the particular Buy Sell Section being exercised, then such price shall be determined by the Valuators in the manner hereinafter provided:
 - a. The purchase price for the Shares shall in the case of a purchase under 5.01.01(b) be their fair market value as determined by the Valuator who shall (subject to the following) use such criteria as the Valuator deems reasonable and appropriate having regard to the nature of the business conducted by the Corporation and all other facts and circumstances deemed relevant by the Valuator and in the case of the purchase from a Non-Permitted Shareholder under 5.01.01(a) be 80% of such fair market value.
 - b. The said Shares shall be valued as at the Valuation Date.
 - c. In making its determination of fair market value the Valuator shall:

- i. assume that there exists a ready market for the subject Shares at a fair price and without need to reduce pricing on the basis of a need to sell within a limited time;
 - ii. not apply any price discounts on the grounds that the Shares may represent a minority holding;
 - iii. exclude the value of any life insurance proceeds received or receivable by the Corporation in consequence of a Shareholder's death; and
 - iv. notwithstanding the foregoing, the fair market value of a Preferred Shares shall be equal to its Redemption Value.
5. In the event that the Valuator shall determine a range of values for the said Shares the price shall be the average between them.
6. The Corporation shall retain the Valuator within fourteen (14) days of service of the Notice of Rejection (as defined in Schedule "B") and shall direct the Valuator to use reasonable efforts to complete its determination within fourteen (14) days thereafter.
7. The Valuators shall act reasonably and bona fide in making their determinations hereunder (but, although entitled to obtain information from the Corporation or any other Party hereto, shall not be obliged to hear representations from any Party). All parties to this Agreement shall promptly comply with such requests for information and documentation as the Valuator shall reasonably require.
8. In the event that a Party alleges that the Valuator has not acted reasonably or bona fide such Party's remedies shall be strictly limited to a separate action for the purposes of establishing a different value and seeking payment or reimbursement from the purchasing Party in respect of the difference, and in no event shall such allegations, or the circumstances giving rise to them, entitle the complaining Party to refuse or delay the tender or delivery of documents or funds as required or to rescission of the underlying obligation to sell or purchase.
9. The Valuator may employ such agents and appraisers as it deems appropriate.
10. Subject to paragraph 7 above, the Valuator's decision shall be final and conclusive as against all parties to this Agreement.
11. The costs of a valuation under this Section shall be borne entirely by the Corporation except that where the selling Shareholder has become a Withdrawing Shareholder under subparagraph 5.01.01 (a), if the price determined by the Valuators exceeds the purchase proposed by the Corporation in the Notice to Sell, such costs shall be borne entirely by the Withdrawing Shareholder who shall indemnify the Corporation for the same (and which said amount may be deducted by the Corporation from the Purchase Price otherwise payable).

SCHEDULE "B"

OPTION TO PURCHASE (SECTION V)

Article 1 - Exercise

- 1.1 For the purposes of this section, "Purchaser" means the Corporation in accordance with paragraph 5.02.01 herein or its nominee.
- 1.2 Subject to subparagraph 5.03.01(b), the Purchaser may exercise its option to purchase under Section V hereof at any time by serving upon the Withdrawing Shareholder a notice in writing (the "**Notice to Sell**") specifying the number and classes of the Withdrawing Shareholder's Shares to be purchased (the "**Optioned Shares**"), the proposed price for the Withdrawing Shareholder's Shares to be purchased (the "**Proposed Price**"), an explanation of how the Purchaser has calculated the said price and the date (being not less than sixty (60) days from the date of service of the Notice to Sell) that such Shares are to be delivered to the Purchaser for sale (the "**Closing Date**"). Upon service of the Notice to Sell the Withdrawing Shareholder shall be obliged to sell and the Purchaser shall be bound to purchase the Optioned Shares upon the terms and conditions set out below.
- 1.3 Upon receipt of the Notice to Sell, the Withdrawing Shareholder shall have thirty (30) days within which to serve written notice (the "**Notice of Rejection**") on the Purchaser rejecting the amount of the Proposed Price.
- 1.4 If the Purchaser has not received the Notice of Rejection within thirty (30) days of service upon the Withdrawing Shareholder of the Notice to Sell the Withdrawing Shareholder shall be deemed to have irrevocably accepted the Proposed Price and shall be bound to sell the Withdrawing Shareholder's Shares to the Purchaser at a price (the "**Purchase Price**") equal to the Proposed Price and on the terms as hereinafter provided.
- 1.5 If the Withdrawing Shareholder serves notice in writing upon the Purchaser within thirty (30) days from receipt by the Withdrawing Shareholder of the Notice to Sell, stating that the Withdrawing Shareholder rejects the Proposed Price, then the price for the Optioned Shares shall be the price (the "**Purchase Price**") as determined under Schedule "A" to this Agreement.

Article 2 - Closing

- 2.1 Whether or not the Withdrawing Shareholder has accepted (or is deemed to have accepted) the Proposed Price as set out in the Notice to Sell, then, on the Closing Date the Withdrawing Shareholder shall deliver to the Purchaser share certificates (duly endorsed for transfer in blank) for the Shares being purchased by the Purchaser, and the Purchaser shall then, but only then, tender the Proposed Price (or if a valuation is to take place under Schedule "A", and the valuers have by then determined a price, then the Purchaser shall tender the price so determined) by certified cheque, bank draft or solicitors trust cheque.

- 2.2 Notwithstanding paragraph 2.1, but subject to paragraph 2.3, the Purchaser shall have the option of paying the Purchase Price in no more than 4 equal monthly instalments, the first such instalment to be due on the Closing Date and each subsequent instalment to be due on the same day, (or next earliest day if there is no same day), of each subsequent calendar month.
- 2.3 Notwithstanding paragraph 2.2, where the Corporation is the Purchaser, and in the event that the Corporation has received insurance proceeds in consequence of the death of the Withdrawing Shareholder, an amount equal to the lesser of such insurance proceeds and the Purchase Price shall be due and payable on the Closing Date and paragraph 2.2 shall be read so as to apply to the remaining balance only.
- 2.4 In the event that the Withdrawing Shareholder fails to tender its Shares as aforesaid, then at the Purchaser's option:
- (a) the Purchaser's obligation to purchase such Optioned Shares shall cease and determine, or
 - (b) the Purchaser may elect to complete the sale in which event all legal and equitable interest in the Optioned Shares shall be deemed to have vested irrevocably in the Purchaser on the Closing Date (and the Purchaser shall be entitled to alter its registers and issue share certificates accordingly) and the Purchaser shall be obliged to pay the Proposed Price (but no more than the Proposed Price) but only upon, such tender and only upon being given no less than thirty (30) days notice by the Withdrawing Shareholder of his intention to tender.
- 2.5
- (a) The Withdrawing Shareholder shall be deemed to have covenanted, and shall be bound to ensure that as of the Closing Date the Optioned Shares are free and clear of any and all claims, charges and encumbrances whatsoever (save for this Agreement) and that the Withdrawing Shareholder otherwise has free and clear title to the same.
 - (b) In the event that the Optioned Shares are not free and clear of all such claims, charges and encumbrances as at the Closing Date, the Purchaser shall (without limitation to any other remedies it may have) be at liberty, but shall not be obliged, to withhold sufficient monies from the Purchase Price to discharge and satisfy such claims, charges and encumbrances and shall be deemed to have been authorized by the Withdrawing Shareholder to, in the name and on the behalf of the Withdrawing Shareholder, take such reasonable steps as the Purchaser deems appropriate to do so.
- 2.6 If the Purchase Price is to be determined under Schedule "A" then, notwithstanding the closing, within sixty (60) days of the Valuator's decision the Purchaser shall pay to the Withdrawing Shareholder an amount equal to the difference between the Proposed Price and the price so determined or, as the case may be, the Withdrawing Shareholder shall pay the said difference to the Purchaser.

- 2.7 Unless otherwise agreed between the Purchaser and the Withdrawing Shareholder the closing shall take place at the Registered Office for the Purchaser at 2:00 p.m. on the Closing Date.
- 2.8 Any default resulting in the lawful rescission of any obligations to buy or sell Shares under this Schedule does not prevent the subsequent exercise of the right to purchase the same Shares under the terms of this Schedule or under any other applicable provision of this Agreement.

Article 3 – Capital Dividend Account

- 3.1 In the event that the purchase of any Shares by the Corporation pursuant to the terms of Section V and this Schedule “B” shall result in a dividend being deemed to have been declared by the Corporation to the Withdrawing Shareholder, under the provisions of any Provincial or Federal Income Tax legislation, or any regulations promulgated thereunder, the Corporation shall, to the extent possible, elect that such dividend be paid out of the Corporation's capital dividend account, if any.

Article 4 - Prohibition of Purchase

- 4.1 If, at any time, the payment of any monies towards the purchase of the Optioned Shares is prohibited by the Act, the Purchaser shall pay to the Withdrawing Shareholder as much of the amount that would otherwise have been paid as may be paid without contravening the Act and the balance of the Purchase Price shall be paid as soon as the Purchaser may do so without contravening the Act.

SCHEDULE "C"

SHOTGUN BUY-SELL (SECTION VI)

Article 1 - Notice to Elect

- 1.1 Either Mike or Royden (the "**Triggering Shareholder**") if then a Permitted Shareholder, may serve a single notice in writing (the "**Notice to Elect**") upon the Notified Shareholder (as defined in Article 6.01.01 of this Agreement) requiring such Notified Shareholder to elect within sixty (60) days of receipt of the Notice to Elect to either sell or not to sell to the Triggering Shareholder all of the Shares held by the Notified Shareholder.
- 1.2 A Notice to Elect may not be revoked after service of the same without the unanimous written consent of the Triggering Shareholder and of the Notified Shareholder.
- 1.3 The Notice to Elect shall also particularise the following terms and conditions of the agreement of purchase and sale to be made:
- (a) The price to be paid for each Share;
 - (b) The closing date (the "**Closing Date**") as selected by the Triggering Shareholder (which shall not be a Saturday, Sunday or statutory holiday and which shall be more than ninety (90) days but no more than one hundred eighty (180) days from the service of the Notice to Elect upon the Notified Shareholder);
 - (c) The place of closing as selected by the Triggering Shareholder (which shall be in the City of Edmonton, Alberta).
 - (d) The time of closing as selected by the Triggering Shareholder (which shall be between the hours of 9:00 a.m. and 4:00 p.m. Mountain Time);
 - (e) The terms of payment, which shall be consistent with Article 2 hereof;
- and shall also contain a statement that it has been served pursuant to Section VI of this Agreement.
- 1.4 A Notice to Elect which does not comply with the provisions of this Article 1 or which purports to include terms and conditions other than those permitted hereunder is void and of no effect.

Article 2 - Terms of Payment

- 2.1 The terms shall provide for full payment of the purchase price upon closing.

Article 3 - Notice of Election

- 3.1 Within sixty (60) days after service on the Notified Shareholder of a Notice to Elect, the Notified Shareholder may elect, by notice in writing (the "**Notice of Election**") served on the Triggering Shareholder, either to sell or not to sell to the Triggering Shareholder all the Shares held by the Notified Shareholder at the price per share and upon the other terms and conditions set out in the Notice to Elect and this Schedule "C".
- 3.2 If the Notified Shareholder fails to serve such notice within the said sixty (60) day period, then upon the expiration of the said sixty (60) day period, the Notified Shareholder shall be conclusively deemed to have elected to sell all his Shares.
- 3.3 Subject to paragraph 7.2 of this Schedule, an election, deemed or otherwise, may not be revoked once made.

Article 4 - Election to Sell

- 4.1 If the Notified Shareholder elects to sell his Shares to the Triggering Shareholder, then the Triggering Shareholder shall be bound to purchase and the Notified Shareholder shall be bound to sell all the Shares held by the Notified Shareholder at the price per share and upon the other terms and conditions set out in the Notice to Elect and under this Schedule "C".

Article 5 - Election Not to Sell

- 5.1 If the Notified Shareholder elects not to sell his Shares to the Triggering Shareholder, then the Triggering Shareholder shall be bound to sell and the Notified Shareholder shall be bound to purchase all of the Shares held by the Triggering Shareholder at the price per share and upon the terms and conditions contained in the Notice to Elect and under this Schedule "C".

Article 6 - Closing

- 6.1 A person selling Shares hereunder (a "**Seller**") shall be bound to ensure that as of the Closing Date such Shares are free and clear of any and all claims and encumbrances whatsoever as against the said Shares (save that they shall be subject to this Agreement) and shall be deemed further to have covenanted that the same have been transferred to the purchasers thereof (the "**Purchaser**") free and clear of any and all such claims, charges and encumbrances. In the event that such Shares are not free and clear of all such claims, charges and encumbrances as at the Closing Date, Purchaser shall (without limitation to any other remedy he may have) be at liberty, but shall not be obliged, to withhold sufficient monies from the purchase price to discharge and satisfy such claims, charges and encumbrances and shall be deemed to have been authorized by the Seller to, in the name and on the behalf of the Seller, take such reasonable steps as the Purchaser deems appropriate to do so.
- 6.2 At the time and place for closing set out in the Notice to Elect the Seller shall, subject to paragraph 6.3 of this Schedule, tender upon the Purchaser share certificates for the Seller's Shares duly endorsed for transfer to the Purchaser and in the event that the Seller shall fail to do so the Purchaser may at its option deem the contract of sale created hereunder as being at

an end and otherwise the Purchaser shall be deemed to have instead elected to proceed with the said sale in which latter said event title to the Seller's Shares shall be conclusively deemed to have been fully and completely transferred to the Purchaser notwithstanding the failure to tender as aforesaid save that the Purchaser shall not be obliged to make payment therefor to the Seller until tender of such certificates actually and fully occurs.

- 6.3** At the time and place for closing set out in the Notice to Elect the Purchaser shall tender upon the Seller the full purchase price by way of certified cheque, solicitors trust cheque or bank draft.

Article 7 - Miscellaneous

- 7.1** Subject to paragraph 7.2 of this Schedule, a Notice to Elect may not be served under this Schedule "C" after a Notice to Sell is served under Section V of this Agreement or a Notice of Eligible Offer is served under Section VII of this Agreement until such time as the purchase and sale of Shares resulting from the service of the Notice to Sell or the Notice of Eligible Offer has closed or the process commenced thereunder has otherwise been brought to an end.
- 7.2** Following the death of a Shareholder a Notice to Elect may not be served under this Schedule "C" by or as against the Shareholder who has become a Withdrawing Shareholder until such time as the purchase and sale of Shares of that Withdrawing Shareholder's shares under Section V has closed or the process commenced thereunder has otherwise been brought to an end.

SCHEDULE "D"

RIGHT OF FIRST REFUSAL/PREEMPTIVE RIGHT SECTION VII

Article 1 – Interpretation

1.1 In this Schedule "D":

- (a) "Divested Shares" has the meaning given to it under paragraph 2.1 below.
- (b) "Notice of Eligible Offer" has the meaning given to it under paragraph 2.1 below.
- (c) "Notified Shareholder" has the following meaning:
 - i. in the event that Royden is the Seller, then Mike shall be the Notified Shareholder; and
 - ii. in the event that Mike is the Seller, then Royden shall be the Notified Shareholder.
- (d) "Purchasers" means the purchaser or purchasers of Shares under an Eligible Offer.

Article 2 - Notice of Eligible Offer

- 2.1. Royden or Mike, if not then a Withdrawing Shareholder (the "Seller") may make or accept an Eligible Offer (including, without limitation, an Eligible Offer made by auction or by invitation for tender under execution proceedings) to sell or issue Shares (such Shares being the subject matter of such Eligible Offer being herein referred to as the "Divested Shares"), provided that the Seller has by notice in writing (the "Notice of Eligible Offer") first notified the Notified Shareholder that an Eligible Offer has been made or received, or that the Seller wishes to make or receive an Eligible Offer, and the Seller is then given liberty to sell or issue the Divested Shares as provided for hereunder.
- 2.2. Notwithstanding paragraph 2.1, the Seller may make or accept an Eligible Offer to sell or issue the Divested Shares if such Eligible Offer is expressed to be subject to the true condition precedent that the Seller becomes at liberty to sell the Divested Shares under the provisions hereof.
- 2.3. The Notice of Eligible Offer shall state:
 - (a) the number of Divested Shares;
 - (b) the name of the Purchasers;
 - (c) the price per Share;
 - (d) the proposed date and time of closing, which shall be not less than sixty (60) days and not more than one hundred twenty (120) days following service of the Notice of Eligible Offer upon the last of the Shareholders to be served;
 - (e) the place of closing, which shall be in the City of Edmonton, Alberta, Canada; and

(f) the complete text of the Eligible Offer made, received or intended to be made or received.

Article 3 – Election

3.1 Following receipt of a Notice of Eligible Offer the Notified Shareholder may then elect, by notice in writing (the "Notice of Acceptance") served upon the Seller within thirty (30) days of receipt by the Notified Shareholder of the Notice of Eligible Offer, to purchase the Divested Shares.

3.2 If the Notified Shareholder does not exercise their election within the said thirty (30) day period, they shall be conclusively deemed to have elected not to purchase any portion of the Divested Shares.

3.3 If the Notified Shareholder (the "Purchasing Shareholder") elects to purchase Divested Shares, then the Purchasing Shareholder shall be bound to purchase and the Seller shall be bound to sell to the Purchasing Shareholder, the Divested Shares on the following terms and conditions:

(a) The price (the "Purchase Price") to be paid for each Divested Share shall equal the price per Share specified in the Notice of Eligible Offer.

(b) At and on the date, time and place of closing set out in the Eligible Offer, the Seller shall deliver to the Purchasing Shareholder share certificates for the number of Divested Shares being purchased by the Purchasing Shareholder, duly endorsed to the Purchasing Shareholder.

(c) The Purchase Price shall be paid by cash, bank draft, certified cheque or solicitor's trust cheque.

(d) The Seller shall be bound to ensure, and shall be deemed to have covenanted, that as of the date of closing the Divested Shares are, and are conveyed, to the Purchasing Shareholder free and clear of any and all claims, charges and encumbrances whatsoever (save that they shall be subject to this Agreement). In the event that the Divested Shares are not free and clear of all such claims, charges and encumbrances as at the date of closing, the Purchasing Shareholder shall (without limitation to any other remedy they may have) be at liberty, but shall not be obliged, to withhold sufficient monies from the Purchase Price to discharge and satisfy such claims, charges and encumbrances and shall be deemed to have been authorized by the Seller to, in the name and on behalf of the Seller, take such reasonable steps as the Purchasing Shareholder deems appropriate to do so.

Article 4

4.1 A Notice of Eligible Offer may not be served under this Schedule "D" after a Notice to Sell is served under Section V of this Agreement or a Notice to Elect is served under Section VI of this Agreement until such time as the purchase and sale of Shares resulting from the service

of the Notice to Sell or the Notice to Elect has closed or the process commenced thereunder
has otherwise been brought to an end.

SCHEDULE "E"

**REDEMPTION SCHEDULE IN RELATION TO THE PREFERRED SHARES
HELD BY HAYMAX AND MCPHEDRAN
(SECTION VIII)**

<u>Year</u>	<u>Payable</u>	<u>McPhedran</u>	<u>Haymax</u>	<u>TotalRedemption</u>
1	May 1, 2014	\$270,000.00	\$810,000.00	\$1,080,000.00
2	May 1, 2015	\$330,000.00	\$990,000.00	\$1,320,000.00
3	May 1, 2016	\$400,000.00	\$1,200,000.00	\$1,600,000.00
		<u>\$1,000,000.00</u>	<u>\$3,000,000.00</u>	<u>\$4,000,000.00</u>

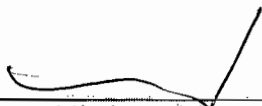
GUARANTEES ACKNOWLEDGEMENT ACT

CERTIFICATE OF NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. Mike Kallal of Cochrane, in the Province of Alberta, the guarantor (or one of the guarantors) in the guarantee dated the 15th day of April, 2013, to which this certificate is attached to or noted on, appeared in person before me and acknowledged that he had executed the guarantee;
2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at Edgemoor, in the Province of Alberta, this 15th day of April, 2013 under my hand and seal of office.


A Notary Public in and for the Province
of Alberta

WESLEY M. PEDRUSKI
Notary Public in and for
the Province of Alberta

STATEMENT OF GUARANTOR

I am the person named in this certificate.


MIKE KALLAL


GUARANTEES ACKNOWLEDGEMENT ACT

CERTIFICATE OF NOTARY PUBLIC

I HEREBY CERTIFY THAT:

1. Royden Wideman of Camrose, in the Province of Alberta, the guarantor (or one of the guarantors) in the guarantee dated the 15th day of April, 2013, to which this certificate is attached to or noted on, appeared in person before me and acknowledged that he had executed the guarantee;
2. I satisfied myself by examination of him that he is aware of the contents of the guarantee and understands it.

GIVEN at Edgry, in the Province of Alberta, this 15th day of April, 2013 under my hand and seal of office.


A Notary Public in and for the Province of Alberta

WESLEY M. PEDRUSKI
Notary Public in and for
the Province of Alberta

STATEMENT OF GUARANTOR

I am the person named in this certificate.


ROYDEN WIDEMAN

Marechal, Danielle

From: Bill Darling [billdarling1@outlook.com]
Sent: Wednesday, June 20, 2018 11:15 AM
To: Comstock, Richard; Duncan McPhedran (duncan.mcphedran@bges.ca)
Cc: Helkaa, Deryck; Olver, Dustin; Oliver, Jeffrey
Subject: Question b, Reconciliation of amounts owing
Attachments: Bill and Duncan Outstandings.xlsx

For the question (b) advise us the amount of monies owing and from which particular debtor and the parties that received the money.

See attached sent to us by the CFO Darren Sentner Feb 3, 2017. Mustang made 4 more payments to both Dunc and I after Dec 13 2016. I have the dates if you need.

A total of \$30,000 (4 more payments of \$7500) off the consulting fee which brings my consulting total owing down to \$353,005.32. My total owing as of today stands at 2,250,948.36 for consulting fees and preferred shares Dunc's consulting went down a further \$10,000 (4 payments of \$2500) for a total consulting fee left owing of \$117,667.88. Duncan's total left owing is \$750,315.45

There is a total shortfall of \$3,001,263.81 still to be paid.

The money always went to Haymax Energy Inc and McPhedran Consulting and was being paid by Mustang.

From: Darren Sentner [mailto:darren@mwsrig.com]
Sent: Friday, February 03, 2017 12:56 PM
To: Bill Darling; Duncan McPhedran
Subject: Reconciliation of amounts owing

Gentlemen,

Here is what our records are showing, have a look and let me know if you see it differently.

Thanks.

Will keep you posted as to how it goes with our bank line increase

M. Darren Sentner

Mustang Well Services Ltd.
Office: (403) 540-3600
Direct: (403) 807-3712

This email (including any attachments) may contain CONFIDENTIAL and/or PRIVILEGED information. If you are not an intended recipient, you are hereby notified that any distribution, copying or use by you of this information is strictly prohibited. If you have received this message in error please immediately notify the sender and delete all copies of this information from your system. Thank you.

M. Darren Sentner

Mustang Well Services Ltd.
Office: (403) 540-3600
Direct: (403) 807-3712

Date	Preferred Shares		Consulting Contract		Total		Notes
	Bill	Duncan	Bill	Duncan	Duncan	Total	
30-Mar-15	2,190,000.00	730,000.00	485,213.00	161,737.00	646,950.00	891,737.00	3,566,950.00 Opening balance March, 2015
1-May-15	36,507.12	12,169.05	8,088.46	2,696.14	10,784.60	14,865.19	59,460.77
1-Jun-15	36,507.12	12,169.05	8,088.46	2,696.14	10,784.60	14,865.19	59,460.77
1-Jul-15	36,507.12	12,169.05	8,088.46	2,696.14	10,784.60	14,865.19	59,460.77
1-Aug-15	36,507.12	12,169.05	8,088.46	2,696.14	10,784.60	14,865.19	59,460.77
1-Sep-15	36,507.12	12,169.05	8,088.46	2,696.14	10,784.60	14,865.19	59,460.77
1-Oct-15	36,507.12	12,169.05	8,088.46	2,696.14	10,784.60	14,865.19	59,460.77
1-Nov-15	36,507.12	12,169.05	8,088.46	2,696.14	10,784.60	14,865.19	59,460.77
1-Dec-15	36,507.12	12,169.05	8,088.46	2,696.14	10,784.60	14,865.19	59,460.77
26-May-16			7,500.00	2,500.00	10,000.00	2,500.00	10,000.00
30-Jun			7,500.00	2,500.00	10,000.00	2,500.00	10,000.00 payment made August 2
31-Jul			7,500.00	2,500.00	10,000.00	2,500.00	10,000.00 Payment made September 1
31-Aug			7,500.00	2,500.00	10,000.00	2,500.00	10,000.00 Payment made October 3
30-Sep			7,500.00	2,500.00	10,000.00	2,500.00	10,000.00 Payment made December 13
Total outstand	1,897,943.04	632,647.60	383,005.32	127,667.88	510,673.20	760,315.48	3,041,263.84

Marechal, Danielle

From: Bill Darling [billdarling1@outlook.com]
Sent: Wednesday, June 20, 2018 11:33 AM
To: Comstock, Richard; Duncan McPhedran (duncan.mcphedran@bges.ca)
Cc: deryck.helkaa@fticonsulting.com; Olver, Dustin (Dustin.Olver@fticonsulting.com); Oliver, Jeffrey
Subject: Question c and d
Attachments: 003.jpg

(c) Duncan McPhedran, David Phillips and myself do not have an executed copy of the Amendment Proposal of MRBD. (attached)

I contacted Wesley Pedruski, lawyer from RMRF, whom we have on email record below as getting together with Mike and Royden to sign the Amendment April 30 2015 but as you can read also below he says he has no access to the document without direction from the receiver. We understand Mr Pedruski is now working for the receiver. We don't accept Wes Pedruski's position. All property of Mustang and of the other debtors (incl. MRBD) may be under the control of the receiver, but a copy of the agreement that Mr McPhedran and myself signed and the principals of Mustang/MRBD signed in 2015 is our property too.

Question d) As to why there was an amendment proposal in the first place is because after making the initial payment to Haymax and McPhedran Consulting at closing May 1, 2014 it was disclosed in March of 2015 to Duncan and myself that they were going to miss the April 14 2015 payment for our consulting contracts and our May 1, 2015 payment for the preferred shares. This was not good news as the equipment had been very busy and all promises on our side had been met.

Mike and Royden agreed to give us security in the form of Rig 8 (a rig in their possession that was unencumbered) to secure our position and to change the payment schedule from a yearly one to a monthly one.

From: Wesley M. Pedruski, Q.C. [mailto:WPedruski@rmrf.com]
Sent: Friday, June 08, 2018 3:45 PM
To: Bill Darling
Cc: 'Duncan McPhedran (duncan.mcphedran@bges.ca)'
Subject: RE: MRBD - Granting of Security by Mustang to Haymax and McPhedran

Bill

By Court Order all property of Mustang, and the other corporations, including the material at my office is under the control and direction of the Receiver.

Upon receipt of authorization from the Receiver we will review our files and forward this document – if we have it.

Wes

Wesley M. Pedruski, Q.C. | Partner
Direct: 780.497.3340

From: Bill Darling [mailto:billdarling1@outlook.com]
Sent: Friday, June 08, 2018 2:05 PM

To: Wesley M. Pedruski, Q.C.
Cc: 'Duncan McPhedran (duncan.mcphedran@bges.ca)'
Subject: FW: MRBD - Granting of Security by Mustang to Haymax and McPhedran

Mr Pedruski

Please find attached an email from yourself to both Mike Kallal and Royden Wideman forwarded to myself and my partner referring to the signing of the Amendment Proposal of MRBD dated March 30, 2015.
As I stated earlier in the week the Receivers (FTI Consulting) require a fully executed copy of this document in order for my partner Duncan McPhedran and myself to realize on the security.
I am requesting a copy of this document if you have it and will compensate for the time it requires.
I can be reached at 403 312 5114 or my partner Duncan McPhedran can be reached at 403 312 5550

Thank you for your assistance in this matter

Bill Darling

From: Wesley M. Pedruski, Q.C. [<mailto:WPedruski@rmrf.com>]
Sent: April-17-15 9:02 AM
To: Royden Wideman; Mike Kallal
Subject: MRBD - Granting of Security by Mustang to Haymax and McPhedran

Royden and Mike



Further to your instructions, I have now registered the security granted by Mustang in favor of Haymax and McPedran, and enclose:

- a. Copy of Verification Statement dated April 17, 2015;
- b. Copy of pages 1, 169 and 170 of the PPR Search on Mustang, dated April 17, 2015, which evidence this registration.

As discussed with Royden, we will attend to signing of the paperwork regarding this matter when we get together on April 30.

Let me know if you have any comments or questions.

Wes

 B.A.F. F.I.T.E.P.S. SOLICITORS	Reynolds Munn Richards & Farmer LLP	 Celebrating a Century	Wesley M. Pedruski, Q.C. Partner 3200 Manulife Place 10180 - 101 Street Edmonton AB Canada T5J 3W Direct: 780.497.3340 Fax: 780.429.3044 Toll Free: 1.800.661.7673 wpedruski@rmrf.com www.rmrf.com
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Amendment Proposal of MRBD Preferred Share Redemption

March 30, 2015

We propose that a \$60,000.00 a month payment be made to Bill Darling and Duncan McPhedran for the period of 5 years or 60 months.

This will pay down the total sum of the amount owing of \$3,566, 950.00

The break down will be as follows per month:

William (Bill) Darling (Haymax Energy Inc.):	\$45,000/month for a total of:	\$2,675,213.00
Duncan McPhedran (Mcphehdan Consulting Inc.):	\$15,000/month for a total of:	\$ 891,737.00

The amounts will be deposited on the 1st of every month through an ETF (Electronic Funds Transfer)

The option may be granted to pay down one or the other quicker if requested by Bill & or Duncan and agreed by all parties.

The first payment will commence April 15th 2015 and 60 consecutive payments will be made until April 15th, 2020. The final payment will be adjusted to reflect the balance of the account. Debt left owing after April 15, 2018 will begin accruing interest at the rate of 5% till it is paid in full.

In the event that additional payment can be made they may be made at any time throughout this agreement and will be intended to pay down the amount owing quicker.

Every attempt will be made to make the final payment on April 15, 2016 and May 1, 2016 of \$1,779,115. If this amount is paid down the monthly payment of \$60,000.00 will continue until such time that the entire \$3,566, 950.00 is paid in full. If this payment is not made monthly payments will continue to the end of the term or a point in time when Mustang Well Services can pay down or the entirety of the amount left owing.

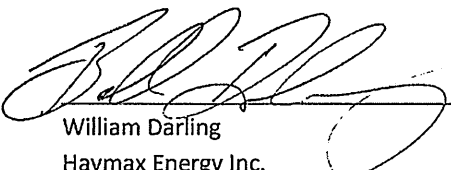
The remaining preferred shares held in MRBD will remain in place until such time that the total amount of \$3,566, 950.00 is paid in full. The Innovator assets will remain in MRBD until entire \$3,566, 950.00 is paid in full.

To secure the position Mustang Well Services will allow a charge to be placed over unencumbered rig number 8. If financing is available to pay down the amount owing to Bill and Duncan the charge will need to be removed once payment is made.

Royden Wideman
Mustang Well Services

Duncan McPhedran
McPhedran Consulting Inc

Mike Kallal
Mustang Well Service Ltd.


William Darling
Haymax Energy Inc.

Marechal, Danielle

From: Bill Darling [billdarling1@outlook.com]
Sent: Wednesday, June 20, 2018 11:44 AM
To: Comstock, Richard; Duncan McPhedran (duncan.mcphedran@bges.ca)
Cc: deryck.helkaa@fticonsulting.com; Olver, Dustin (Dustin.Olver@fticonsulting.com); Oliver, Jeffrey
Subject: Question e and f and g
Attachments: 003.jpg; 001.jpg; 002.jpg; Resized_20180328_091405_6576.jpeg

- (e) Three things:
- i. the March 30, 2015 agreement (attached)
 - ii. the April 1, 2015 letter accepted by ATB on April 7, 2015, indicating that ATB had no interest in Rig 8 and related equipment (attached)
 - iii. the PPR registration. (attached)

(f) Please clarify what it is you are asking in this question

(g) The ATB signed a PPSA waiver (attached) If the ATB wasn't of the understanding that the Rig 8 was our security for the 3,566,950.00 outstanding why would they sign such a letter?

The ATB engaged Sageworth to sell the equipment in March of this year. They put together a sales document which showed the owners of the Rig 8 as Duncan McPhedran and myself (attached).

The sales process was disbanded when it was realized that there was no bid for the rigs and only 1.5 mill bid on the Innovators. This is when the ATB put Mustang into receivership.

Amendment Proposal of MRBD Preferred Share Redemption

March 30, 2015

We propose that a \$60,000.00 a month payment be made to Bill Darling and Duncan McPhedran for the period of 5 years or 60 months.

This will pay down the total sum of the amount owing of \$3,566, 950.00

The break down will be as follows per month:

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Every attempt will be made to make the final payment on April 15, 2016 and May 1, 2016 of \$1,779,115. If this amount is paid down the monthly payment of \$60,000.00 will continue until such time that the entire \$3,566, 950.00 is paid in full. If this payment is not made monthly payments will continue to the end of the term or a point in time when Mustang Well Services can pay down or the entirety of the amount left owing.

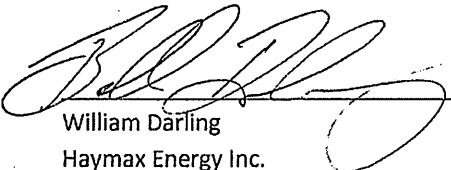
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To secure the position Mustang Well Services will allow a charge to be placed over unencumbered rig number 8. If financing is available to pay down the amount owing to Bill and Duncan the charge will need to be removed once payment is made.

Royden Wideman
Mustang Well Services

Duncan McPhedran
McPhedran Consulting Inc

Mike Kallal
Mustang Well Service Ltd.



William Darling
Haymax Energy Inc.

MRBD Ltd.
Box 1467
Camrose, AB
T4V 1X4

PPSA Waiver Letter

April 1, 2015

Attn: ATB Financial
Marilyn Tasciuk

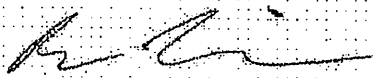
Equipment Description:

Rig Carrier: 2010 Rykar Model Free Standing 5-axle self-propelled back-in carrier,
s/n: 2RCR545S2A16F8386
Mast 2010 Rykar Model 72-140, 21.9-m(72-ft) s/n: RK609-10-10
Pump Truck 2005 Western Star Model T800 s/n: SKJRALCK55PN28007
Auxiliary Truck 1999 Western Star Model T800 s/n: 2WVPCD2G4YK960579

MRBD Ltd. has entered into an agreement with Haymax Consulting Inc and McPhedran Consulting Inc. in connection with the equipment described above. We note that you have a general security interest registered against the debtor. Please indicate, by signing and returning a copy of this letter, that you have no interest in this equipment.

This letter may be executed in any number of counterparts and by different parties hereto in separate counter part, each which, when so executed, shall be deemed to be an original and all of which taken together shall constitute one and the same agreement and the execution and delivery of counterparts of this letter by tele copier by any party shall be binding upon the parties hereto.

Sincerely,
MRBD Ltd



Royden Wideman

ATB:  Date: APR 7, 2015

Name: MARILYNN TASCUK

Search ID#: Z10322504

Serial Number Collateral Search For:

2RCR545S2A16F8386

Search ID #: Z10322504

Date of Search: 2018-May-29

Time of Search: 11:38:11

Registration Number: 15041704915

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Apr-17

Registration Status: Current

Expiry Date: 2020-Apr-17 23:59:59

Exact Match on: Serial Collateral No: 1

Debtor(s)

Block

Status

1 MUSTANG WELL SERVICES LTD.
BOX 1467
CAMROSE, AB T4V 1X4

Current

Secured Party / Parties

Block

Status

1 HAYMAX ENERGY INC.
1500, 407 - 2ND STREET SW
CALGARY, AB T2P 2Y3

Current

Block

Status

2 MCPHEDRAN CONSULTING INC.
6539 LAURENTIAN WAY SW
CALGARY, AB T3E 5N4

Current

Collateral: Serial Number Goods

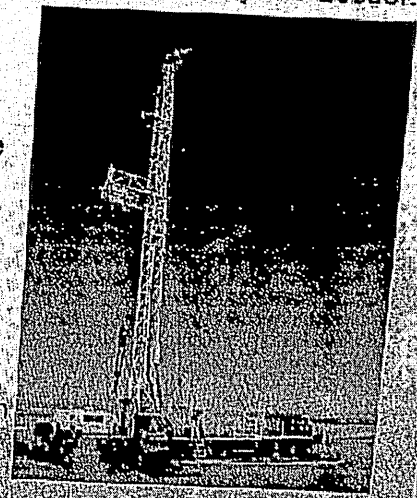
<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	2RCR545S2A16F8386	2010	RYKAR MOBILE RIG CARRIER	TR - Trailer	Current
2	RK6091010	2010	RYKAR 72-140 MAST	TR - Trailer	Current
3	5KJRALCK55PN28007	2005	WESTERN STAR T800	MV - Motor Vehicle	Current
4	2WLPCD2G4YK960579	1999	WESTERN STAR T800	MV - Motor Vehicle	Current

EQUIPMENT – SERVICE RIGS



The current fleet consists of 12 service rigs, of which 4 are under rental/lease arrangements:

- Rig 4 – The rig is a Class II Mobile Single/Double Rod rig that is rented from a third party, Brightsand Holdings Ltd. Within the rental agreement, Mustang is required to pay \$19,333.33 plus GST per month. The rental lease term is for 54 months commencing on November 5, 2015 and ending on April 5, 2020. Included are auxiliary pieces of equipment in the rig package. The rental agreement can be cancelled by the Lessor.
- Rig 11 – The rig is a Class III Mobile Double/Triple Rod rig that is rented from Brightsand Holdings Ltd. Within the rental agreement, Mustang is required to pay \$35,000 plus GST per month. The rental lease term is for 60 months commencing on June 22, 2017 and ending on June 30, 2022. Included are auxiliary pieces of equipment in the rig package. The rental agreement can be cancelled by the Lessor.
- Rig 8 – The rig is a Class II Mobile Single/Double Rod rig that was provided as security to the vendors of the Innovators purchased in 2013. The Innovator vendors have full security of the rig to support the preferred shares in MRBD that have a value of \$2.5M.
- Rig 12 – The rig is a Class II Mobile Double/Double Rod rig that is a capital lease via Element Financial Corporation for a monthly cost of \$17,598. As of January 1, 2017, the Corporation had 43 additional payments in the term and an outstanding balance of approximately \$800,000.



Private & Confidential

Appendix 3



CASSELS BROCK
LAWYERS

July 20, 2018

By E-mail: billdarling1@outlook.com
duncan.mcphedran@bges.ca

joliver@casselsbrock.com
tel: +1 403 351 2921
fax: +1 403 648 1151
file # 45306-7

Haymax Energy Inc.
900, 332 6th Avenue SW
Calgary, AB T2P 0B2

Attention: Bill Darling

McPhedran Consulting Inc.
6539 Laurentian Way SW
Calgary, AB T3E 5N4

Attention: Duncan McPhedran

Dear Sirs:

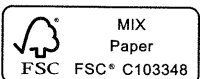
**Re: Receivership of Mustang Well Services Ltd., KKSER Enterprises Ltd., Complete Oilfield Manufacturing Inc., Reaction Oilfield Supply (2012) Ltd. and MRBD Ltd. (collectively, the "Debtors")
Court of Queen's Bench Action No. 1801-06866**

We are writing further to our letter dated June 11, 2018 and your email response to that letter date June 20, 2018.

We have performed an initial review of the documents you provided (the "**Documents**") in support of the registration made by Haymax Energy Inc. ("**Haymax**") and McPhedran Consulting Inc. ("**McPhedran Inc.**") against Mustang Well Services Ltd. ("**Mustang**") in the Alberta Personal Property Registry (the "**Registration**") in relation to the following collateral:

- (a) 2010 Rykar Mobile Rig serial number 2RCR545S2A16F8386;
 - (b) 2010 Rykar 72-140 Mast serial number RK6091010;
 - (c) 2005 Western Star T800 serial number 5KJRALCK55PN28007; and
 - (d) 1998 Western Star T800 serial number 2WLPCD2G4YK960579,
- (collectively, the "**Equipment**").

We are writing to seek confirmation of certain facts in relation to the Documents and Registration as well as to advise you of an upcoming court application and certain relief that the Receiver will be seeking during that application.



Confirmation of Facts

As mentioned previously, Haymax and McPhedran Inc. (collectively, “**you**” or the “**Creditors**”) provided us with Documents in support of the Registration. In order to ensure that our review of the Documents and any subsequent legal determinations with respect to your potential security interest in the Equipment are as complete and accurate as possible, we are requesting that you confirm our understanding of the facts set out below.

On March 18, 2013, Big Guns Energy Services (“**Big Guns**”), MRBD Ltd. (“**MRBD**”), Mustang, William Darling (“**Darling**”), Duncan McPhedran (“**McPhedran**”) and the Creditors entered into an agreement (the “**Purchase Agreement**”) whereby:

- (a) the Assets (as defined in the Purchase Agreement) were purchased by MRBD from Big Guns;
- (b) total consideration in the amount of \$8,000,000 was paid for the purchase of the Assets (the “**Total Consideration**”);
- (c) of the Total Consideration, \$4,000,000 was assigned by Big Guns in favour of the Creditors to be paid by MRBD as follows:
 - (i) the issuance of preferred shares of MRBD in favour of each of the Creditors in accordance with a Unanimous Shareholders Agreement (the “**USA**”); and
 - (ii) MRBD and each of the Creditors entering into consulting agreements (the “**Consulting Agreements**”).

The Purchase Agreement did not establish a security interest in favour of the Creditors or anyone of them.

Pursuant to the USA dated April 16, 2013:

- (a) Haymax was issued 30,000 Class “H” preferred non-voting shares each with a redemption value of \$100 per Class “H” share;
- (b) McPhedran Inc. was issued 10,000 Class “H” preferred non-voting shares each with a redemption value of \$100 per Class “H” share (collectively, the Haymax Preferred Shares and the McPhedran Inc. Preferred Shares are referred to as the “**Preferred Shares**”);
- (c) No security interest was granted to Haymax and/or McPhedran Inc. as part of the USA; and
- (d) Pursuant to Schedule “E” of the USA, the Preferred Shares were to be redeemed by MRBD to each of the Creditors as follows:
 - (i) May 1, 2014

- (A) McPhedran Inc. - \$270,000
- (B) Haymax - \$810,000
- (ii) May 1, 2015
 - (A) McPhedran Inc. - \$330,000
 - (B) Haymax - \$990,000
- (iii) May 1, 2016
 - (A) McPhedran Inc. - \$400,000
 - (B) Haymax - \$1,200,000

Pursuant to the Consulting Agreements MRBD agreed to pay consulting fees to Haymax and McPhedran as follows:

1. April 14, 2014
 - (a) McPhedran Inc. - \$176,155
 - (b) Haymax - \$528,458
2. April 14, 2015
 - (a) McPhedran Inc. - \$116,958
 - (b) Haymax - \$350,877.00
3. April 14, 2016 - \$134,336
 - (a) McPhedran Inc. - \$44,779
 - (b) Haymax - \$134,336

The Consulting Agreements did not establish a security interest in favour of the Creditors or any one of them.

On or about May 1, 2014, MRBD made the May 1, 2014 payment under the USA to the Creditors. On or about April 14, 2014, MRBD made the April 14, 2014 payment under each of the Consulting Agreements to the Creditors. Since that date, the Creditors have not received any other payments from MRBD, Mustang, Royden Wideman, Mike Kallal or their agents or affiliates.

In March 2015, MRBD advised the Creditors that the April 14, 2015 payment under the Consulting Agreement and the May 1, 2015 payment under the USA were not going to be made. As a result of the fact that these payments were not going to be made, Mr. Wideman and Mr. Kallal agreed to: (i) provide the Creditors with security in the form of Rig 8 (which is the same as the Equipment); and (ii) change the payment schedule under the USA and the

Consulting Agreement from an annual payment structure to a monthly payment structure. To evidence this arrangement, the Creditors, Mr. Wideman and Mr. Kallal entered into the Amendment Proposal of MRBD Preferred Share Redemption dated March 30, 2015 (the "**Amending Agreement**"). The Amending Agreement is the only agreement that purports to create a security interest in favour of the Creditors in relation to the Equipment and is the basis for the Registration. MRBD is not a party to the Amending Agreement.

Can you please confirm that the above noted facts are correct from your perspective? If anything we have stated is not correct, please advise us of the particular fact that is incorrect.

In addition, can you please provide answers to the following questions:

1. Why did Big Guns assign \$4,000,000 of the Total Consideration to the Creditors?
2. Was it your understanding that Mr. Wideman and Mr. Kallal signed the Amending Agreement in their personal capacities or on behalf of Mustang Well Services and Mustang Well Services Ltd., respectively?
3. Is it your understanding that Mustang Well Services and Mustang Well Services Ltd. are two separate entities or was the omission of 'Ltd.' an error?
4. Can you confirm whether the payment plan under the Amending Agreement includes amounts owing under both the USA and the Consulting Agreement? Alternatively, does it only include amounts owing under one of the USA or Consulting Agreement?
5. Under the Amending Agreement, who was supposed to be making the monthly payments to the Creditors? Mr. Wideman and Mr. Kallal in their personal capacities, Mustang Well Services, Mustang Well Services Ltd., MRBD or some other entity?
6. Were the amounts owing to the Creditors under the USA the result of the redemption of preferred shares in MRBD owned by the Creditors?

Please provide confirmation of the facts set out above as well as answers to the above noted questions by no later than 5:00 pm (Calgary time) on Wednesday, July 25, 2018.

Sale of Equipment at Auction

We have scheduled a court application returnable August 15, 2018 at 2:00 pm (the "**Application**"). You will be served with notice of the Application and our materials in due course. In the interim, we are writing to advise you that at the Application, the Receiver will be seeking (among other things) the approval of an auction agreement, under which certain assets of the Debtors will be sold. We would like to include the Equipment at auction as part of this process. If the Equipment was sold as part of this process, any proceeds received from the sale of the Equipment would be held in trust by the Receiver pending the resolution of who holds a first priority valid and enforceable security interest in the Equipment. As such, your position in relation to the proceeds of sale would not be prejudice by the sale of the Equipment and it would remain open to you to argue that you are entitled to those proceeds of sale. If you object to the Equipment being sold at auction, please advise us immediately.



Yours truly,

Cassels Brock & Blackwell LLP

A handwritten signature in black ink, appearing to be 'JO' followed by a flourish.

For: Jeffrey Oliver

JO/rc

cc: Client and counsel to ATB Financial (Tom Cumming, Caireen Hanert and Anthony Mersich)

Appendix 4

Trevor BattyT 403-260-8537
F 403-264-7084
tbatty@fieldlaw.comAssistant: Lisa Roy
T 403-260-8562
lroy@fieldlaw.com

Our File: NEW

August 1, 2018

VIA EMAIL (joliver@casselsbrock.com)Jeffrey Oliver
Cassels Brock
3810, 888 - 3rd Street SW
Calgary, AB T2P 5C5**Re: Receivership of Mustang Well Services Ltd., KKSER Enterprises Ltd., Complete Oilfield Manufacturing Inc., Reaction Oilfield Supply (2012) Ltd. and MRBD Ltd. (collectively “the Debtors”)
Court of Queen’s Bench File No. 1801-06866**

Further to your letter dated July 20, 2018, addressed to Haymax Energy Inc. (“**Haymax**”) and McPhedran Consulting Inc. (“**MCI**”), we confirm that Haymax and MCI have recently retained us with respect to this matter.

Confirmation of Facts

The “facts” set out in your July 20 letter are in reality a mixture of facts and legal positions/conclusions. As we were just retained by our clients late last week, we have not yet had an opportunity to perform a fulsome review of the relevant documents and are not currently in a position to confirm or deny the truth of the stated facts or our clients’ position with respect to your legal assertions. We will provide a complete response once we have had an opportunity to fully review.

Sale of Equipment at Auction

Haymax and MCI will not object to the inclusion of the Equipment (as defined in the July 20 letter) in the court-approved sale process/auction, provided that:

- a) Haymax and MCI are provided with the details of the proposed method of sale, including the time and location of any auction;
- b) All net proceeds from the sale of the Equipment are held in trust pending a determination as to entitlement; and
- c) To the extent the Equipment is sold as part of a larger en bloc sale, or otherwise in conjunction with other assets, a portion of the purchase price shall be expressly allocated to the Equipment and that allocation shall be supported by an independent appraisal of the Equipment and the other assets that are part of the transaction.



Please contact me should you have any concerns.

Yours truly,

FIELD LLP



Trevor Batty
Lawyer

TB/lr



Appendix 5

Marechal, Danielle

From: Marechal, Danielle [dmarechal@casselsbrock.com]
Sent: Friday, August 17, 2018 10:48 AM
To: Trevor Batty
Subject: RE: Receivership of Mustang [IWOV-LEGAL.FID2756645]

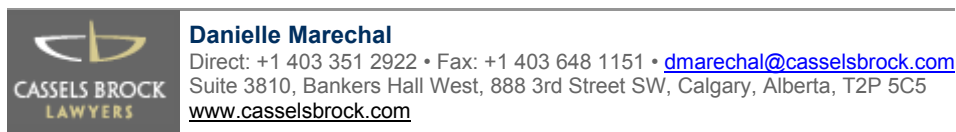
Hi Trevor.

Further to your email below, the Receiver would be comfortable receiving the further information in early September if the following modifications are made to your August 1, 2018 letter to Jeff Oliver:

1. Haymax and McPhedran are provided with the details of the proposed method of sale, including the time and location of any auction (if applicable).
2. All net proceeds from the sale of the Equipment are held in trust pending a determination as to entitlement whether by agreement of the interested parties or further Court order.
3. To the extent the Equipment is sold as part of a larger en bloc sale, or otherwise in conjunction with other assets, a portion of the purchase price shall be expressly allocated to the Equipment. That allocation shall be based on an appraisal performed by Century Services Corp. (the “**Century Appraisal**”), which the Receiver has already obtained. To the extent the actual sale price of the assets sold at auction as part of a larger en bloc sale, or otherwise in conjunction with other assets, differs from the appraised value, the Century Appraisal shall be used by the Receiver to determine the relative value of the Equipment to the other sold assets. The sale proceeds allocated to the Equipment will be on a pro rata basis as determined by the Receiver using the Century Appraisal.
4. The Receiver will provide you with a copy of the Century Appraisal on a confidentiality undertaking.

Please let us know whether the above is acceptable to your clients.

Kind regards,



From: Trevor Batty [<mailto:TBatty@fieldlaw.com>]
Sent: Thursday, August 09, 2018 11:39 AM
To: Marechal, Danielle
Subject: Receivership of Mustang

Hi Danielle,

Further to our discussion yesterday, would the Receiver be comfortable with receiving the further information regarding my clients’ secured claim in early September if I make the below highlighted modifications to the conditions set out in my August 1, 2018 letter to Jeff Oliver?

- a) Haymax and MCI are provided with the details of the proposed method of sale, including the time and location of any auction (if applicable);
- b) All net proceeds from the sale of the Equipment are held in trust pending a determination as to entitlement; and

- c) To the extent the Equipment is sold as part of a larger en bloc sale, or otherwise in conjunction with other assets, a portion of the purchase price shall be expressly allocated to the Equipment and that allocation shall be supported by an independent appraisal of the Equipment and the other assets that are part of the transaction, or such other evidence sufficient to establish the relative value of the Equipment to the other sold assets.

In my view these are reasonable conditions that protect my clients' position while still allowing the Receiver to proceed with the sale of the assets over which my clients claim to have security.

Please either confirm or propose alternative wording that I can take to my clients.

Thanks, Trevor

Trevor Batty

[Bio](#) | [Address](#) | [vCard](#)

Lawyer

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Appendix 6

Trevor Batty
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tbatty@fieldlaw.com
Assistant: Lisa Roy
T 403-260-8562
lroy@fieldlaw.com
Our File: 66536-1

September 7, 2018

VIA EMAIL (JOLIVER@CASSELSBROCK.COM)

Jeffrey Oliver
Cassels Brock
3810, 888 - 3rd Street SW
Calgary, AB T2P 5C5

Re: Secured Claim of Haymax Energy Inc. (“Haymax”) and McPhedran Consulting Inc. (“McPhedran Inc.”) against Mustang Well Services Ltd. (“Mustang”)

Further to your letter to Haymax and McPhedran, dated July 20, 2018 (the “**July 20 Letter**”), and my subsequent correspondence, dated August 1, 2018, please find below my clients’ comments with respect to the July 20 Letter.

Capitalized terms not otherwise defined herein will bear the meaning set out in the July 20 Letter.

Confirmation of Facts

The Creditors have the following corrections and clarifications of the statements set out in the July 20 Letter:

Page 2:

- Paragraph 3 - it states “The Purchase Agreement did not establish a security interest in favour of the Creditors or anyone of them”. This is not a fact but a legal position. The Creditors do not admit this statement and reserve their rights regarding this issue.
- Paragraph 4 (a) and (b) – it states that the preferred non-voting shares were issued to the Creditors “pursuant to the USA”. This is incorrect as the preferred non-voting shares were issued to the Creditors pursuant to the terms of the Purchase Agreement.
- Paragraph 4(c) – again, this is not a fact but a legal position or conclusion. The Creditors do not admit this statement and reserve their rights regarding this issue.
- Paragraph 4(d) – the share redemption amounts and the obligation of MRBD to pay those amounts on the specified dates are correct. The Creditors further advise that under the USA, MRBD’s redemption payment obligations to the Creditors are backstopped and guaranteed by the principals of MRBD and Mustang, Mike Kallal and Royden Wideman (together, the “**Principals**”). This guarantee obligation is set out in Article 8.08.04 of the USA and the Principals each signed Guarantees Acknowledgement Act Certificates with respect to their guarantee



obligations, the form of which are attached to the USA. The Principals' guarantee obligations to the Creditors were secured against MRBD's property by virtue of the General Security Agreement granted by MRBD in favour of the Principals pursuant to Article 8.06 of the USA (the "GSA").

Page 3:

- Paragraph 2 – again, this is not a fact but a legal position or conclusion. The Creditors do not admit this statement and reserve their rights regarding this issue. Note that the consulting fees payable under the Consulting Agreements are also guaranteed by the Principals pursuant to Article 4.02 of each of the Consulting Agreements (and also supported by Guarantees Acknowledgement Act Certificates). Accordingly, the consulting fees are also at least indirectly secured against MRBD by virtue of the GSA.
- Paragraph 3 – MRBD made the initial USA and consulting fee payments referenced in this paragraph on July 7, 2014. Attached is a letter from MRBD's counsel confirming those payments. Further payments were made by Mustang to the Creditors after March 30, 2015 pursuant to the terms of the Amending Agreement. A schedule of those payments is also attached.
- Paragraph 4 – There are a number of misstatements in this paragraph with respect to the Amending Agreement. The Principals did not enter into the formal written Amending Agreement in their personal capacities, it is between Mustang and the Creditors. MRBD and the Principals were, by necessary implication, deemed parties, but were left out of the formal agreement in error as the document was prepared without the benefit of legal counsel acting for any party. The agreement was made:
 - i. to change the payment schedules under the USA and Consulting Agreements;
 - ii. to make Mustang directly and jointly responsible for these payments along with MRBD (and the Principals pursuant to their guarantee obligations); and,
 - iii. to secure Mustang's payment obligations to the Creditors under the Amending Agreement by way of Mustang granting the Creditors a security interest in the Equipment. This was done as consideration for the Creditors agreeing to the amended payment schedule.

Creditors' Responses to Specific Questions

The Creditors have the following responses to the specific questions listed on page 4 of the July 20 Letter:

1. Irrelevant.
2. The Creditors understood that the Principals signed on behalf of Mustang Well Services Ltd.
3. This was an error. To the Creditors' knowledge there is no such entity as "Mustang Well Services".
4. It includes amounts owing under the USA and both Consulting Agreements.
5. Mustang Well Services Ltd. is responsible for making the payments under the Amending Agreement. MRBD and the Principals were already jointly responsible for making the payments under the USA and the Consulting Agreements. The Principals were the sole directors, officers and shareholders of both MRBD and Mustang and regularly co-mingled their business activities.



MRBD and Mustang were both parties to the Purchase Agreement and both received benefits and incurred obligations thereunder. The Amending Agreement was in essence an amendment to the terms of the payment of the Purchase Price under the Purchase Agreement and imposes a direct obligation on Mustang to pay the amounts set out to the Creditors. As a result, all of these parties, being Mustang, MRBD and the Principals, are jointly responsible for making the payments set out in the Amending Agreement.

6. Yes.

I trust this letter adequately addresses the Receiver's questions regarding the Creditors' security over the Equipment.

Sale of the Equipment

As mentioned at the Receiver's Application on September 5, 2018, the Creditors may want to credit bid a minimum amount for the Equipment rather than having them sold at the auction for a lessor return.

Please confirm as soon as possible whether the Receiver is prepared to recognize the Creditors' secured claim against the Equipment so that the Creditors can advise as to how they wish the Receiver to proceed with respect to the sale of the Equipment.

I look forward to hearing from you.

Yours truly,

FIELD LLP



Trevor Batty
Lawyer

TB/lr



Appendix 7

GENERAL SECURITY AGREEMENT
Non-Consumer

TO: Alberta Treasury Branches
("ATB")

BRANCH: Camrose Branch, 700, 7300 48 Avenue, Camrose, AB T4V 4W2

FROM: Mustang Well Services Ltd. (the "Debtor")

1. DEFINITIONS

All capitalized terms used in this Agreement and in any schedules attached hereto shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (the "PPSA") of the province or territory referred to in the "Governing Law" section of this Agreement (the "Province") and any regulations issued thereunder.

2. SECURITY INTEREST AND CHARGE

- (a) As general and continuing collateral security for the payment and performance of all debts, liabilities and obligations of the Debtor to ATB howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether the Debtor be bound alone or jointly or severally with others (the "Indebtedness"), the Debtor hereby assigns and grants a mortgage, pledge, charge and security interest (which, in the case of any real property and any other Collateral (as hereinafter defined) not subject to the PPSA, shall be a mortgage as and by way of a floating charge) to and in favour of ATB in all property, assets and undertaking of the Debtor referred to in Schedule "A" (including all such property, assets and undertaking owned or leased by or licensed to the Debtor and in which the Debtor at any time has an interest or to which the Debtor is or at any time may become entitled) and in all Proceeds and renewals thereof, Accessions thereto and substitutions therefor (herein collectively called the "Collateral").
- (b) The assignments, mortgages, pledges, charges, security interests and floating charges (if applicable) granted hereunder are hereinafter collectively called the "Security Interests". The Debtor warrants and acknowledges to and in favour of ATB that:
- (i) the Debtor has rights in all existing Collateral and the parties intend the Security Interest hereby created in any of the Debtor's existing property which is subject to the PPSA to attach upon execution and delivery hereof;
 - (ii) the parties intend the Security Interest created in any of the Debtor's after-acquired property which is subject to the PPSA to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) For greater certainty, where the Collateral includes all of the Debtor's present and after-acquired Personal Property, and any of such Collateral is or becomes located on lands or premises leased or subleased by the Debtor, the Collateral includes the Debtor's interest as tenant or lessee under any and all of such leases and subleases of the lands or premises.
- (d) The last day of any term reserved by any lease or agreement to lease is excepted out of the Security Interest and does not form part of the Collateral, but the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

- (e) If the grant of the Security Interest in respect of any contract, lease, agreement to lease, license, permit, approval or intellectual property right would result in the termination or breach of such contract, lease, agreement to lease, license, permit, approval or intellectual property right, then the applicable contract, lease, agreement to lease, license, permit, approval or intellectual property right will not be subject to the Security Interest but will be held in trust by the Debtor for the benefit of ATB and, on exercise by ATB of any of its rights under this Agreement following Default, assigned by the Debtor as directed by ATB.

3. CONTINUOUS INTEREST

The Security Interest hereby created is a continuing charge, and shall secure all Indebtedness notwithstanding that the Indebtedness may be fluctuating and even may from time to time and at any time be reduced to a nil balance, and notwithstanding that monies advanced may be repaid and future advances may be made to or to the order of the Debtor or in respect of which the Debtor is liable. The Security Interest maintains priority for all Indebtedness secured hereby whether incurred or arising before or after the creation or registration of any Encumbrance (as hereinafter defined) and notwithstanding that at any time there may not be any Indebtedness then outstanding.

4. AUTHORIZED DEALING WITH COLLATERAL

Until Default (as hereinafter defined), or until ATB provides written notice to the contrary to the Debtor, the Debtor may deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions of this Agreement, provided that the Debtor shall not, without the prior written consent of ATB:

- (a) sell, exchange, lease, transfer or otherwise dispose of any of the Collateral other than inventory being sold, leased or disposed of for fair market value in the ordinary course of the Debtor's business as it is presently conducted and for the purpose of carrying on that business, or
- (b) create, incur or permit to exist any security interest, mortgage, lien, claim, charge or other encumbrance (herein collectively called the "Encumbrances" and individually, an "Encumbrance") upon any of the Collateral whether it would rank or purport to rank in priority to, equally with or behind the Security Interest granted under this Agreement, except operating leases incurred in the ordinary course of the Debtor's business.

Nothing in this Agreement or otherwise creates a postponement or subordination of any priority of ATB in any of the Collateral in favour of any present or future holder of an Encumbrance (including without limitation, a holder of a lease) in any of the Collateral.

If the Collateral comprises any Investment Property, Chattel Paper, Instrument, Money or Document of Title, the Debtor will, forthwith upon request, deliver the same to ATB and will allow ATB to retain possession of the same. If the Collateral comprises any Investment Property that is a Certificated Security, the Debtor will, upon request, deliver to ATB all Security Certificates relating to such Certificated Security endorsed in blank. If the Collateral comprises any Investment Property that is an Uncertificated Security or a Security Entitlement, the Debtor, on request by ATB, will, or will cause the issuer of such Investment Property to, or will cause the Securities Intermediary that holds such Investment Property to, take all steps as are necessary to give exclusive control (as that term is used in the PPSA) over such Investment Property to ATB on terms and conditions satisfactory to ATB.

5. REPRESENTATIONS AND WARRANTIES OF THE DEBTOR

The Debtor hereby represents and warrants to ATB that:

- (a) the Collateral is owned by the Debtor free of all Encumbrances, save for those Encumbrances agreed to in writing between ATB and the Debtor and those shown on Schedule "B" hereto;
- (b) each Account, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor") and the amount represented by the Debtor to ATB from time to time as owing by each Account Debtor will be the correct amount actually and unconditionally owing from such Account Debtor, except for normal cash discounts where applicable;

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- (c) as at the date hereof, the description of the Collateral in Schedule "A" hereto is complete and accurate, and, if so requested by ATB, all serial numbers and vehicle identification numbers affixed to or ascribed to any of the Collateral have been provided to ATB;
- (d) the Debtor has full power and authority to conduct its business and own its properties in all jurisdictions in which the Debtor carries on business, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or impair its ability to perform its obligations hereunder, and has full power and authority to grant to ATB the Security Interest created under this Agreement and to execute, deliver and perform all of its obligations under this Agreement;
- (e) this Agreement has been duly executed and delivered by the Debtor and constitutes a legal, valid and binding obligation of the Debtor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other similar laws of general application affecting creditors' rights generally and by rules of equity limiting enforceability by specific performance;
- (f) there is no provision in any agreement to which the Debtor is a party, nor is there any statute, rule or regulation, or to the knowledge of the Debtor any judgment, decree or order of any court, binding on the Debtor which would be contravened by the execution and delivery of this Agreement;
- (g) there is no litigation, proceeding or dispute pending, or to the knowledge of the Debtor threatened, against or affecting the Debtor or the Collateral, the adverse determination of which might materially and adversely affect the Debtor's business, financial condition or operations or impair the Debtor's ability to perform its obligations hereunder or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (h) the name of the Debtor is accurately and fully set out below, and the Debtor is not nor has it been known by any other name other than as set out below;
- (i) as at the date hereof, the Collateral is located in the Province and such other jurisdictions indicated on Schedule "A" hereto. With respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "A" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all buildings, fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations. For certainty, the Security Interests attach to all Collateral, wherever located, whether or not in jurisdictions indicated on Schedule "A" hereto;
- (j) the Collateral does not consist of Consumer Goods;
- (k) the Collateral, except as previously communicated to ATB in writing, does not consist of Goods that are of a kind that are normally used in more than one jurisdiction; and
- (l) the Debtor's place of business, or if more than one place of business, the Debtor's chief executive office, is located in the Province (unless otherwise advised to ATB in writing).

6. COVENANTS OF THE DEBTOR

The Debtor hereby covenants with ATB that:

- (a) the Debtor owns and will maintain the Collateral free of Encumbrances, except those agreed to in writing between ATB and the Debtor and those described in Schedule "B" hereto, or hereafter approved in writing by ATB prior to their creation or assumption, and will defend its title to the Collateral for the benefit of ATB against the claims and demands of all persons;
- (b) the Debtor will maintain the Collateral in good condition and repair and will not allow the value of the Collateral to be materially impaired and will permit ATB or such person as ATB may from time to time appoint to enter into any premises during business hours and on reasonable prior notice (or at such other time as may be reasonably requested by ATB or such person) where the Collateral may be kept to view its condition;
- (c) the Debtor will conduct its business in a proper and business-like manner and will keep proper books of account and records of its business, and upon request will furnish access to its books and records at all reasonable times, and will give to ATB any information which it may reasonably require relating to the Debtor's business;

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- (d) the Debtor will punctually pay all rents, taxes, rates and assessments lawfully assessed or imposed upon any property or income of the Debtor and will punctually pay all debts and obligations to labourers, workers, employees, contractors, subcontractors, suppliers of materials and other creditors which, when unpaid, might under applicable federal, provincial, state or other laws have priority over the Security Interest granted by this Agreement;
- (e) the Debtor will punctually make all payments and perform all of its obligations under any contracts under which any material Collateral is held or to which it is subject;
- (f) the Debtor will immediately give notice to ATB of:
 - (i) any change in the location of the Collateral from that specified in Section 5(j) hereof;
 - (ii) the details of any material acquisition or disposition of Collateral (whether authorized by ATB or not), including any additions to or deletions from the listing of serial numbers and vehicle identification numbers specified in Schedule "A" hereto;
 - (iii) any material loss of or damage to Collateral;
 - (iv) the details of any claims or litigation that could adversely affect the Debtor or the Collateral in any material way;
 - (v) any change of its name or of any trade or business name used by it;
 - (vi) any change of its place of business, or if it has more than one place of business, of its chief executive office; and
 - (vii) any merger or amalgamation of the Debtor with any person;

and the Debtor agrees not to effect or permit any of the changes referred to in clauses (i), (ii), (v), (vi) or (vii) above unless all filings have been made and all other actions have been taken that are required or desirable (as determined by ATB) in order for ATB to continue to have a valid and perfected Security Interest in respect of the Collateral at all times following such change;

- (g) the Debtor will insure and keep insured the Collateral (or, in the case of any real property, the buildings located on and constituting part of the Collateral) against loss or damage by fire, lightning, explosion, smoke, impact by aircraft or land vehicle, riot, windstorm, hail and other insurable hazards to the extent of its full insurable value, and will maintain all such other insurance as ATB may reasonably require. The loss under the policies of insurance will be made payable to ATB as its interest may appear and will be written by an insurance company approved by ATB on terms reasonably satisfactory to ATB; and the Debtor will provide ATB with copies of the same. The Debtor will pay all premiums and other sums of money necessary for such purposes as they become due and will deliver to ATB proof of said payment, and will not allow anything to be done by which the policies may become vitiated. Upon the happening of any loss or damage the Debtor will furnish at its expense all necessary proofs and will do all necessary acts to enable ATB to obtain payment of the insurance monies;
- (h) the Debtor will observe the requirements of any regulatory or governmental authority with respect to the Collateral, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or affect the priority of the Security Interest created hereunder or affect the rights and remedies of ATB hereunder;
- (i) the Debtor will not remove any of the Collateral from any location specified in Section 5(i) hereof without the prior written consent of ATB;
- (j) ATB may pay or satisfy any Encumbrance created in respect of any Collateral, or any sum necessary to be paid to clear title to such Collateral, and the Debtor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness;

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- (k) ATB and the Debtor may from time to time agree in writing as to affirmative and negative covenants and restrictions to be performed and observed by the Debtor in respect of provision of financial information, payment of dividends, capital expenditures, incurring of additional obligations, reduction of capital, distribution of assets, amalgamation, repayment of loans, lending of money, sale and other disposition of assets and/or such other matters as ATB and the Debtor may think fit, and the Debtor agrees to perform and observe such affirmative and negative covenants and restrictions to the same extent and effect as if the same were fully set forth in this Agreement; and
- (l) the Debtor will not permit the Collateral constituting personal property to become affixed to real or other personal property (unless the Debtor owns such real or other personal property, and ATB has a Security Interest therein having the same priority as in respect of the Collateral becoming so affixed) without the prior consent of ATB in writing, and will obtain and deliver to ATB such waivers regarding the Collateral as ATB may reasonably request from any owner, landlord or mortgagee of the premises where the Collateral is or may be located.

7. DEFAULT

The happening of any of the following shall constitute default (a "Default") under this Agreement:

- (a) the Debtor fails to pay, when due, the Indebtedness or any part thereof;
- (b) the Debtor fails, when due, to perform any obligation (other than payment of the Indebtedness or any part thereof) to ATB, and such failure, if capable of being cured, is not cured within 5 days of the date the Debtor first knew or should have known of such failure;
- (c) the Debtor fails when due to perform any obligation to any other person, and such failure, if capable of being cured, is not cured within 7 days of the date the Debtor first knew or should have known of such failure;
- (d) any representation or warranty made in this Agreement or any other document or report furnished to ATB in respect of the Debtor or the Collateral is false or misleading in any material respect;
- (e) the Debtor ceases or demonstrates an intention to cease to carry on business or disposes or purports to dispose of all or a substantial part of its assets;
- (f) any of the licenses, permits or approvals granted by any government or any government authority and material to the business of the Debtor is withdrawn, cancelled or significantly altered;
- (g) an order is made or a resolution is passed for winding up the Debtor, or a petition is filed for the winding up, dissolution, liquidation or amalgamation of the Debtor or any arrangement or composition of its debts;
- (h) the Debtor becomes insolvent or makes an assignment or proposal or files a notice of intention to make a proposal for the benefit of its creditors, or a bankruptcy petition or receiving order is filed or made against the Debtor, or a Receiver (as hereinafter defined), trustee, custodian or other similar official of the Debtor or any part of its property is appointed, or the Debtor commits or demonstrates an intention to commit any act of bankruptcy, or the Debtor otherwise becomes subject to the provisions of the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangements Act* (Canada) or any other act for the benefit of its creditors;
- (i) any execution, sequestration, extent or distress or any other like process is levied or enforced against any property of the Debtor, or a secured party takes possession of any of the Debtor's property;
- (j) any material adverse change occurs in the financial position of the Debtor; or
- (k) ATB considers that it is insecure, or that the prospect of payment or performance by the Debtor of the Indebtedness is or is about to be impaired, or that the Collateral is or is about to be placed in jeopardy.

8. REMEDIES

On Default:

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- (a) ATB may seize or otherwise take possession of the Collateral or any part thereof and sell the same by public or private sale at such price and upon such terms as ATB in its sole discretion may determine, and the proceeds of such sale less all costs and expenses of ATB (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) ATB may apply to a court of competent jurisdiction for the sale or foreclosure of any or all of the Collateral;
- (c) ATB may enforce this Agreement by any method provided for in this Agreement, under the PPSA or under any other applicable statute or otherwise as permitted by law, and may dispose of the Collateral by any method permitted by law, including disposal by lease or deferred payment;
- (d) ATB may apply to a court for the appointment of a Receiver (as hereinafter defined), or may appoint by instrument any person or persons, to be a Receiver of any Collateral, and may remove any person so appointed and appoint another in his stead. The term "Receiver" as used in this Agreement includes a receiver, a manager and a receiver-manager;
- (e) any Receiver will have the power:
 - (i) to take possession of any or all of the Collateral and for that purpose to take any proceedings, in the name of the Debtor or otherwise;
 - (ii) to carry on or concur in carrying on the business of the Debtor and enter on, occupy and use (without charge by the Debtor) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Debtor;
 - (iii) to sell or lease any Collateral;
 - (iv) to make any arrangement or compromise which he may think expedient in the interest of ATB;
 - (v) to pay all liabilities and expenses connected with the Collateral, including the cost of insurance and payment of taxes or other charges incurred in obtaining, maintaining possession of and preserving the Collateral, and the same shall be added to the Indebtedness and secured by the Collateral;
 - (vi) to hold as additional security any increase or profits resulting from the Collateral;
 - (vii) to exercise all rights that ATB has under this Agreement or otherwise at law;
 - (viii) with the consent of ATB in writing, to borrow money for the purpose of carrying on the business of the Debtor or for the maintenance of the Collateral or any part thereof or for other purposes approved by ATB, and any amount so borrowed together with interest thereon shall form a charge upon the Collateral in priority to the Security Interest created by this Agreement;
 - (ix) to enter into and to occupy any premises in which the Debtor has any interest; and
 - (x) to exercise any of the powers and rights of an Entitlement Holder in respect of any Security Entitlement of the Debtor;
- (f) the Debtor hereby appoints each Receiver appointed by ATB to be its attorney to effect the sale or lease of any Collateral and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Debtor;
- (g) any Receiver will be deemed (for purposes relating to responsibility for the Receiver's acts or omissions) to be the agent of the Debtor and not of ATB, and the Debtor will be solely responsible for his acts or defaults and for his remuneration and expenses, and ATB will not be in any way responsible for any misconduct or negligence on the part of any Receiver;
- (h) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities will be required to take any steps to preserve any rights against other parties pursuant to any Collateral, including without

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limitation, any Investment Property, Chattel Paper or Instrument constituting the Collateral or any part of it. Furthermore, ATB shall have no obligation to take any steps to preserve prior encumbrances on any Collateral whether or not in ATB's possession and shall not be liable or accountable for failure to do so;

- (i) neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities is required to keep Collateral identifiable; and
- (j) ATB may use the Collateral in any manner as it in its sole discretion deems advisable.

ATB may exercise any or all of the foregoing rights and remedies (or any other rights and remedies available to ATB) without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except as required by applicable law) to or on the Debtor or any other person, and the Debtor by this Agreement waives each such demand, presentment, protest, advertisement and notice to the extent permitted by applicable law. None of the rights and remedies contained herein or otherwise available to ATB will be exclusive of or dependent on or merge in any other right or remedy, and one or more of such rights and remedies may be exercised independently or in combination from time to time.

9. COLLECTION OF DEBTS

Before or after Default, ATB may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on any Collateral to ATB. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from Account Debtors after Default under this Agreement and whether before or after notification of this Security Interest to Account Debtors shall be received and held by the Debtor in trust for ATB and shall be turned over to ATB on request. The Debtor shall furnish ATB with all information which may assist in the collection of all Accounts and any other monies or debts due to the Debtor.

10. INVESTMENT PROPERTY

If the Collateral at any time includes Investment Property, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent to transfer the same or any part thereof into its own name or that of its nominee(s) so that ATB or its nominee(s) may appear on record as the sole owner thereof; provided that, until Default, ATB shall deliver promptly to the Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to the Debtor or its order a proxy to vote and take all action with respect to such Investment Property. After Default, the Debtor waives all rights to receive any notices or communications received by ATB or its nominee(s) as such registered owner and agrees that no proxy issued by ATB to the Debtor or to its order as aforesaid shall thereafter be effective. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.

11. COLLATERAL IN POSSESSION OF ATB

The Debtor agrees with ATB that, with respect to any Collateral held in the possession of ATB pursuant to this Agreement ("Retained Collateral"):

- (a) ATB's responsibility with regard to the Retained Collateral shall be limited to exercising the same degree of care which it gives to similar property held by ATB at the branch where the Retained Collateral is held. ATB shall not in any event be obligated to protect the Retained Collateral from depreciating or becoming worthless, or to present, protest, collect, enforce or realize on any of the Retained Collateral;
- (b) ATB shall not be obliged to collect or see to the payment of revenue, income, interest or dividends upon any of the Retained Collateral, but all such revenue, income, interest or dividends, if any, when received by the Debtor, shall immediately be paid to ATB. ATB, in its sole discretion, may hold such monies as Collateral or appropriate it to any portion of the Indebtedness;
- (c) the Debtor irrevocably appoints ATB as its attorney and agent, with full powers of substitution, to sell, transfer, surrender, redeem, endorse or otherwise deal with any of the Retained Collateral as ATB, in its sole discretion, may see fit. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released; and
- (d) ATB shall have all rights and powers, but shall not be required to exercise any right or benefit which the holder or owner of the Retained Collateral may at any time have in connection with the Retained Collateral.

12. ACCELERATION

In the event of Default, ATB, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable. The provisions of this section are not intended in any way to affect any rights of ATB with respect to any Indebtedness which may now or hereafter be payable on demand.

13. NOTICE

Any notice or demand required or permitted to be made or given by ATB to the Debtor may be validly served by delivering the same or by mailing the same prepaid registered mail, addressed to the Debtor at the last known address of the Debtor or of any officer or director thereof, as shown on the records of ATB, and in the case of mailing, such notice or demand shall be deemed to have been received by the Debtor on the third business day following the date of mailing.

14. COSTS AND EXPENSES

The Debtor agrees to pay all reasonable costs, charges and expenses incurred by ATB or any Receiver appointed by it (including without restricting the generality of the foregoing, legal costs as between a solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expenses of ATB or any agent, solicitor, or servant of ATB for any purpose herein provided at such rates as ATB may establish in its sole discretion from time to time) in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of the Collateral and in enforcing or collecting the Indebtedness, and all such costs, charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.

15. REAL PROPERTY (ONLY APPLICABLE IF OPTION (b) IN SCHEDULE A HAS BEEN SELECTED OR DEEMED TO HAVE BEEN SELECTED)

(a) For all purposes, including for the purposes of any application to register a crystallized floating charge under the *Land Title Act* (British Columbia) against any real property, the floating charge created by this Agreement shall be crystallized and become a fixed charge against all of the property which is then subject to the floating charge upon the earliest of:

- (i) any one of the events described in Section 7 hereof occurring;
- (ii) a declaration by ATB pursuant to Section 12 or a demand for payment otherwise being made by ATB;
- (iii) ATB taking any action to appoint a Receiver or to enforce its Security Interest or to realize upon all or any part of the Collateral; or
- (iv) ATB taking any action to register the floating charge granted hereunder or any caveat, security notice or other instrument in respect thereof against all or any part of the property which was subject to the floating charge at any real property registry or other similar office.

(b) In accordance with the *Property Law Act* (British Columbia), the doctrine of consolidation applies to this Agreement.

16. REGISTRATION

The Debtor will ensure that this Agreement and all such supplementary and corrective instruments and any additional mortgage and security documents, and all documents, caveats, cautions, security notices and financing statements in respect thereof, are promptly filed and refiled, registered and re-registered and deposited and re-deposited, in such manner, in such offices and places; and at such times and as often as may be required by applicable law or as may be necessary or desirable to perfect and preserve the Security Interests as a first priority mortgage, charge and security interest and the rights conferred or intended to be conferred upon ATB by the Security Interests and will cause to be furnished promptly to ATB evidence satisfactory to ATB of such filing, registering and depositing.

17. MISCELLANEOUS

- (a) Without limiting any other right of ATB, whenever the debts and liabilities of the Debtor to ATB are immediately due and payable, or ATB has the right to declare the debts and liabilities to be immediately due and payable, whether or not it has so declared, ATB may, in its sole discretion, set-off against the debts and liabilities any and all monies then owed to the Debtor by ATB in any capacity, whether due or not due, and ATB shall be deemed to have exercised such right of set-off immediately at the time of making its decision to do so even though any charge therefor is made or entered on ATB's records subsequent thereto.
- (b) ATB may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, sureties and others and with Collateral and other security as ATB may see fit without prejudice to the liability of the Debtor or to ATB's right to hold and realize the Security Interest. ATB may demand, collect and sue on the Collateral in either the Debtor's or ATB's name, at ATB's option, and may endorse the Debtor's name on any and all cheques, commercial paper and any other instruments pertaining to or constituting Collateral and for this purpose, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent, with full power of substitution. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.
- (c) Upon the Debtor's failure to perform any of its obligations under this Agreement, ATB may, but shall not be required to, perform any such obligations, and the Debtor will pay to ATB, upon demand, an amount equal to the expense incurred by ATB in so doing with interest thereon from the date such expense is incurred at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. The Debtor may not assign this Agreement, or any of its rights or obligations under this Agreement, without the prior written consent of ATB. In any action brought by an assignee of this Agreement or the Security Interest created hereunder or any part thereof, the Debtor shall not assert against the assignee any claim or defense which the Debtor now has or hereafter may have against ATB.
- (e) If more than one person executes this Agreement as the Debtor:
- (i) the obligations of such persons hereunder shall be joint and several;
 - (ii) the Security Interests shall secure the Indebtedness of each Debtor, whether or not any other Debtor or any other person is also liable therefor; and
 - (iii) the Collateral shall include the interest of any Debtor in the property, assets and undertaking constituting Collateral owned or otherwise held by such Debtor, whether or not any other Debtor also has an interest therein.
- (f) The Debtor acknowledges and agrees that in the event it amalgamates with any other corporation or corporations it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the Security Interests granted hereby:
- (i) shall extend and attach to "Collateral" (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated corporation; and
 - (ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to ATB at the time of amalgamation and any "Indebtedness" of the amalgamated corporation to ATB thereafter arising.
- (g) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by ATB and all such other securities shall remain in full force and effect. ATB will not be obliged to exhaust its recourse against the Debtor or any other person or against any other security it may hold in respect of the Indebtedness before realizing upon or otherwise dealing with the Collateral in such manner as ATB may consider desirable.

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- (h) The Debtor further agrees to execute and deliver to ATB such further assurances and conveyances and supplemental deeds and instruments as may be necessary to properly carry out the intention of this Agreement, as determined by ATB, or as may be required by ATB from time to time, in each case acting reasonably.
- (i) After Default, ATB may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any monies received by it from the Debtor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness. The Debtor will remain liable for any Indebtedness that is outstanding following realization of all or any part of the Collateral and the application of the proceeds thereof.
- (j) In the event that the Debtor is a body corporate, it is hereby agreed that *The Limitation of Civil Rights Act* (Saskatchewan), or any provision thereof, shall have no application to this Agreement or any agreement or instrument renewing or extending or collateral to this Agreement. In the event that the Debtor is an agricultural corporation within the meaning of *The Saskatchewan Farm Security Act* (Saskatchewan), the Debtor agrees with ATB that all of Part IV (other than Section 46) of that Act shall not apply to the Debtor.
- (k) In the event that the Debtor is a body corporate, the Debtor further agrees that *The Land Contracts (Actions) Act* (Saskatchewan) shall have no application to an action, as defined in that Act, with respect to this Agreement.
- (l) For the purpose of assisting ATB in assessing the creditworthiness of the Debtor or the ownership or description of any of the Collateral, and for the purpose of collecting all or any portion of the Indebtedness owing by the Debtor to ATB, the Debtor consents to the disclosure and release to ATB of personal information, including without limitation, motor vehicle information from Alberta Registries (or any other provincial government department having jurisdiction in that area). This consent is effective from the effective date of this Agreement and shall remain in effect until all Indebtedness is fully satisfied.

18. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.
- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate.

19. GOVERNING LAW

This Agreement will be interpreted in accordance with the laws of the Province of Alberta, and the Debtor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of such Province or in any court of competent jurisdiction, as ATB may elect, and the Debtor agrees to attorn to the same.

20. COPY OF AGREEMENT

The Debtor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

IN WITNESS WHEREOF the Debtor has executed this Agreement this 18 day of March, 2013.

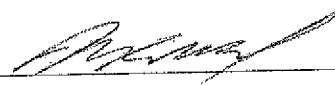
Witness:

MUSTANG WELL SERVICES LTD.



Witness:

Per: Royden Widenman.



Witness:

And per: Michael Kellard

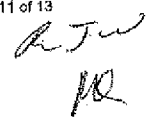
Full Address of Debtor:

P.O. Box 1467

Camrose, AB

T4V 1X4

Full List of all prior names by which Debtor has been known (whether by way of name change, amalgamation or otherwise):



SCHEDULE A

Description of Collateral:

Select appropriate box or boxes. If no box is selected, the Debtor shall be deemed to have selected box (b).

- (a) All of the Debtor's present and after-acquired Personal Property.
- (b) All of the Debtor's present and after-acquired property, assets and undertaking, including without limitation all present and after-acquired Personal Property, and all present and after-acquired real, immovable and leasehold property.
- (c) All of the Debtor's present and after-acquired Personal Property except :
- (d) All of the Debtor's equipment of whatever kind and wherever situated including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatever nature.
- (e) All Accounts, Instruments, debts and Chattel Paper which are now due, owing or accruing due, or which may hereafter become due, owing or accruing due, to the Debtor, together with all records (whether in writing or not) and other documents of any kind which in any way evidence or relate to any or all of the Accounts, Instruments, debts or Chattel Paper.
- (f) All of the Debtor's present and after-acquired Inventory, wherever located.
- (g) The following described Personal Property of the Debtor:
- (h) All harvested and unharvested crops whether growing or matured, and whether grain, roots, seeds, leaves or otherwise howsoever, and any interest of the Debtor therein, wherever located.
- (i) All of the Debtor's , male or female, born or unborn, branded or unbranded, of whatever age or stage of growth, wherever located.

Listing of Serial Numbers:

The registration mark (for aircraft only) and the serial numbers or vehicle identification numbers of any motor vehicles, trailers, mobile homes, manufactured homes, boats, outboard motors for boats, or aircraft (other than those held as Inventory for sale or lease by the Debtor) constituting Collateral are as follows:

<u>Make</u>	<u>Model</u>	<u>Year of Manufacture</u>	<u>Serial Number (and Registration Mark for aircraft only)</u>

Locations of Collateral:

The Collateral is located at the following location(s): *At address in Camrose, AB or on site in Alberta, Saskatchewan or British Columbia.*

**SCHEDULE B
PERMITTED ENCUMBRANCES**

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Appendix 8



GENERAL SECURITY AGREEMENT

THIS AGREEMENT dated Aug. 11, 2016.

FROM:

MUSTANG WELL SERVICES LTD.

(the "Borrower")

TO:

BDC CAPITAL INC., a wholly owned subsidiary of Business Development Bank of Canada, a crown corporation incorporated under the Business Development Bank of Canada Act, and having its head office in Montreal, Quebec, with an office at 110, 444 – 7th Avenue SW, Calgary, Alberta, T2P 0X8

("BDC")

1. SECURITY INTEREST

(You, as the Borrower, will grant to BDC a charge, referred to as a security interest, over all personal property now held or in the future held or acquired by you. You will also grant a charge, referred to as a floating charge, over your complete undertaking and real property interests. These charges are the security BDC will hold in consideration of lending you funds or providing the credit facility to you.)

1.1 For consideration the Borrower:

- (a) mortgages and charges as a fixed and specific charge, and assigns and transfers to BDC, and grants to BDC a general and continuing security interest in all of the Borrower's present and after acquired personal property including, without limitation:
 - (i) all office, trade, manufacturing and all other equipment and all goods, including, without limitation, machinery, tools, fixtures, computers, furniture, furnishings, chattels, motor vehicles and other tangible personal property that is not Inventory, and all parts, components, attachments, accessories, accessions, replacements, substitutions, additions and improvements to any of the above (all of which is collectively called the "Equipment");
 - (ii) all inventory, including, without limitation, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in process, finished goods, returned goods, repossessed goods, all livestock and their young after conception, all crops and timber, and all packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing (all of which is collectively called the "Inventory");
 - (iii) all debts, accounts, claims, demands, monies and choses in action which now are, or which may at any time be, due or owing to or owned by the Borrower and all books, records, documents, papers and electronically recorded data recording, evidencing or relating to the debts, accounts, claims, demands, monies and choses in action (all of which is collectively called the "Accounts");
 - (iv) all documents of title, chattel paper, instruments, securities and money, and all other personal property, of the Borrower that is not Equipment, Inventory or Accounts;

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- (v) all patents, trade-marks, copyrights, industrial designs, plant breeder's rights, integrated circuit topographies, trade-names, goodwill, confidential information, trade secrets and know-how, including without limitation, environmental technology and bio-technology, software and any registrations and applications for registration of the foregoing and all other intellectual and industrial property of the Borrower (all of which is hereinafter collectively called the "Intellectual Property");
 - (vi) all the Borrower's contractual rights, licenses and all other choses in action of every kind which now are, or which may at any time be due or owing to or owned by the Borrower, and all other intangible property of the Borrower, that is not Accounts, chattel paper, instruments, documents of title, Intellectual Property, securities or money;
 - (vii) the personal property described in Schedule A attached to this Security Agreement;
 - (viii) all proceeds of every nature and kind arising from the personal property referred to in this Security Agreement;
- (b) grants to BDC a general and continuing security interest and charges by way of a floating charge:
- (i) all of the Borrower's right, title and interest in all its present and after acquired real, immovable and leasehold property, and all easements, rights-of-way, privileges, benefits, licences, improvements and rights whether connected with or appurtenant to this property or separately owned or held, including all structures, plant and other fixtures and including all mineral claims, mineral rights and leases, all oil, gas and hydrocarbon rights and interests (all of which is collectively called the "Real Property") and excluding the personal property described in Clause 1.1(a); and
 - (ii) all of the undertaking and assets of the Borrower, of every nature or kind and wherever situate, whether presently owned or hereafter acquired, and all their proceeds, other than its assets and undertakings that are otherwise validly and effectively subject to the charges and security interests in favour of BDC created pursuant to this Clause 1.1.

1.2 The security interests, mortgages, transfers, assignments, charges, grants and conveyances created pursuant to Clause 1.1 shall be collectively called the "Security Interests", and the property subject to the Security Interests and all property, assets and undertaking charged, assigned or transferred or secured by any instruments supplemental to or in implementation of this Security Agreement are collectively called the "Collateral".

1.3 The schedules, including definitions, form part of this Security Agreement.

2. EXCEPTIONS

(With few exceptions, all of your personal property and real property interests are subject to the security interests and charges described in Clause 1.1. Only the last day of any lease term and possibly your consumer goods are excepted. Corporations do not hold consumer goods.)

2.1 The last day of the term created by any lease or agreement is excepted out of any charge or the Security Interests but the Borrower shall stand possessed of the reversion and shall remain upon trust to assign and dispose of it to any third party as BDC shall direct.

2.2 All the Borrower's consumer goods are excepted out of the Security Interests; provided that for the purposes of Collateral in the Yukon the Security Interests shall include Special Consumer Goods as that term is defined in the *Personal Property Security Act* (Yukon); provided further that for the purposes of Collateral in Saskatchewan the Security Interests shall include consumer goods of the Borrower.

3. ATTACHMENT

(Value or consideration has flowed between you and BDC and the Security Interests in your personal property are complete once you sign this Security Agreement.)

The Borrower agrees that the Security Interests attach upon the signing of this Security Agreement (or in the case of after acquired property, upon the date of acquisition), that value has been given, and that the Borrower has (or in the case of after acquired property, will have upon the date of acquisition) rights in the Collateral and the Borrower confirms that there has been no agreement between the Borrower and BDC to postpone the time for attachment of the Security Interests and that it is the Borrower's understanding that BDC intends the Security Interests to attach at the same time.

4. PURCHASE MONEY SECURITY INTEREST

(To the extent that BDC helps you acquire an interest in any personal property, you grant a special security interest to BDC over that personal property. The special security interest is known as a "Purchase Money Security Interest".)

The Borrower acknowledges and agrees that the Security Interests constitute and are intended to create Purchase Money Security Interests in Collateral to the extent that monies advanced by BDC, including all future advances and re-advances, are used or are to be used, in whole or in part, to purchase or otherwise to acquire rights in Collateral.

5. OBLIGATIONS SECURED

(The Security Interests and charges you have granted to BDC secure all indebtedness and all obligations to BDC.)

This Security Agreement is in addition to and not in substitution for any other security interest or charge now or in the future held by BDC from the Borrower or from any other person and shall be general and continuing security for the payment and performance of all indebtedness, liabilities and obligations of the Borrower to BDC (including interest thereon), whether incurred prior to, at the time of or after the signing of this Security Agreement including extensions and renewals, and all other liabilities of the Borrower to BDC, present and future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wherever and however incurred, including all advances on current or running account, future advances and re-advances of any loans or credit by BDC and the Borrower's obligation and liability under any contract or guarantee now or in the future in existence whereby the Borrower guarantees payment of the debts, liabilities and/or obligations of a third party to BDC, and for the performance of all obligations of the Borrower to BDC, whether or not contained in this Security Agreement (all of which indebtedness, liabilities and obligations are collectively called the "Obligations").

6. REPRESENTATIONS AND WARRANTIES

(You state that you are able to legally grant this Security Agreement to BDC, it will be binding and the Collateral is not subject to any encumbrances that have not been approved by BDC. You own the Collateral and nothing prevents you from granting the Security Interests and charges in favour of BDC. BDC will rely on all of the following representations and warranties.)

6.1 The Borrower represents and warrants to BDC that:

- (a) if a corporation, it is a corporation incorporated and organized and validly existing and in good standing under the laws of the jurisdiction of its incorporation; it has the corporate power to own or lease its property and to carry on the business conducted by it; it is qualified as a corporation to carry on the business conducted by it and to own or lease its property and is in good standing under the laws of each jurisdiction in which the nature of its business or the property owned or leased by it makes such qualification necessary; and the execution, delivery and performance of this Security Agreement are within its corporate powers, have been authorized and do not contravene, violate or conflict with any law or the terms and provisions of its constating documents or its by-laws or any shareholders agreement or any other agreement, indenture or undertaking to which the Borrower is a party or by which it is bound;
- (b) if it is a corporation, its name as set forth on page 1 of this Security Agreement is its full, true and correct name as stated in its constating documents and if such name is in English, it does not have or use a French language form of its name or a combined English language and French language form of its name and vice versa, and the Borrower has provided a written memorandum to BDC accurately setting forth all prior names under which the Borrower has operated;
- (c) if it is a partnership, its name as set forth on page 1 is its full, true and correct, and where required or voluntarily registered its registered, name; it is a partnership validly created and organized and validly existing under the laws of the jurisdiction of its creation; it has the power to carry on the business

conducted by it; it is qualified as a partnership to carry on the business conducted by it and is in good standing under the laws of each jurisdiction in which the nature of its business makes such qualification necessary; and the execution, delivery and performance of this Security Agreement are within its powers, have been authorized, and do not contravene, violate or conflict with any law or the terms of its partnership agreement or any other agreement, indenture or undertaking to which the Borrower is a party or by which it is bound, and a complete list of the names, addresses and (if individuals) the dates of birth of the partners of the partnership are set forth on a Schedule attached to this Security Agreement;

- (d) if the Borrower is an individual, that individual's full name and address as set forth on page 1 of this Security Agreement are the individual's full and correct name and address and the individual's date of birth as described on the individual's birth certificate a true copy of which has been provided to BDC or, if no birth certificate issued from any jurisdiction in Canada exists, as described on the documents provided to BDC is the individual's correct birth date;
- (e) there is no litigation or governmental proceedings commenced or pending against or affecting the Collateral or the Borrower, in which a decision adverse to the Borrower would constitute or result in a material adverse change in the business, operations, properties or assets or in the condition, financial or otherwise, of the Borrower; and the Borrower agrees to promptly notify BDC of any such future litigation or governmental proceeding;
- (f) it does not have any information or knowledge of any facts relating to its business, operations, property or assets or to its condition, financial or otherwise, which it has not disclosed to BDC in writing and which, if known to BDC, might reasonably be expected to deter BDC from extending credit or advancing funds to the Borrower;
- (g) it has good title and lawfully owns and possesses all presently held Collateral, free from all security interests, charges, encumbrances, liens and claims, save only the Security Interests and the charges or security interests consented to in writing by BDC, and it has not granted any licenses in or of its Intellectual Property other than as disclosed and consented to by BDC;
- (h) to the extent that any of the Collateral includes serial numbered goods and motor vehicles which require serial number registration by virtue of the Act and its regulations including motor vehicles, trailers, manufactured homes, mobile homes, boats, outboard motors for boats or aircraft, the Borrower has given the full and correct serial numbers and any Ministry of Transport designation marks or other relevant licensing authority marks of all such Collateral to BDC;
- (i) the Collateral is and/or will be located at the place(s) described in Schedule A and will not be removed from such location(s) without the prior written consent of BDC;
- (j) this Security Agreement is granted in accordance with resolutions of the directors (and of the shareholders as applicable) of the Borrower, if the Borrower is a corporation, or, if the Borrower is a partnership, of the partners of the Borrower, and all other requirements have been fulfilled to authorize and make the execution and delivery of this Security Agreement, and the performance of the Borrower's obligations valid and there is no restriction contained in the constating documents of the Borrower or in any shareholders agreement or partnership agreement which restricts the powers of the authorized signatories of the Borrower to borrow money or give security; and
- (k) the Borrower's place(s) of business and chief executive office are correctly described in Schedule A.

7. COVENANTS OF THE BORROWER

(The Security Interests and the Collateral must be protected while the Security Agreement remains in effect. These covenants are your promises to BDC describing how BDC's Security Interests will be attended to. You will also covenant to maintain accurate books and records and allow BDC's inspection. Your promises are found in the Security Agreement and Schedules.)

7.1 The Borrower covenants with BDC that while this Security Agreement remains in effect the Borrower will:

- (a) promptly pay and satisfy the Obligations as they become due or are demanded;

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- (b) defend the title to the Collateral for BDC's benefit, against the claims and demands of all persons;
- (c) fully and effectually maintain and ensure that the Security Interests are and continue to be valid and effective;
- (d) maintain the Collateral in good condition and repair and provide adequate storage facilities to protect the Collateral and not permit the value of the Collateral to be impaired;
- (e) observe and conform to all valid requirements of any governmental authority relative to any of the Collateral and all covenants, terms and conditions upon or under which the Collateral is held;
- (f) promptly pay and satisfy:
 - (i) all taxes, assessments, rates, duties, levies, government fees, claims and dues lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Borrower shall in good faith contest its obligations so to pay and shall furnish to BDC such security as BDC may require;
 - (ii) all security interests, charges, encumbrances, liens and claims which rank or could rank in priority to, or on an equal basis with, any of the Security Interests; and
 - (iii) all fees from time to time chargeable by BDC arising out of any term of the commitment letter or the Loan Agreement between BDC and the Borrower including, without limitation, inspection, administration and returned cheque handling fees;
- (g) promptly pay and satisfy all costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) which may be incurred by BDC in connection with granting loans or credit to the Borrower, including for:
 - (i) inspecting the Collateral;
 - (ii) negotiating, preparing, perfecting, registering or renewing the registration of this Security Agreement and the Security Interests, any Financing or Financing Change Statement, any modification or amending agreement and other documents relating to the Borrower's obligations, whether or not relating to this Security Agreement;
 - (iii) complying with any disclosure requirements under the Act;
 - (iv) investigating title to the Collateral;
 - (v) taking, recovering, keeping possession and disposing of the Collateral;
 - (vi) maintaining the Collateral in good repair, storing the Collateral and preparing the Collateral for disposition;
 - (vii) any inspection, appraisal, investigation or environmental audit of the Collateral and the cost of any environmental rehabilitation, treatment, removal or repair necessary to protect, preserve or remedy the Collateral including any fine or penalty BDC becomes obligated to pay by reason of any statute, order or direction of competent authority;
 - (viii) any sums BDC pays as fines, clean up costs because of contamination of or from your assets. Further you will indemnify BDC and its employees and agents from any liability or costs incurred including legal defence costs. Your obligation under this paragraph continues even after the Obligations are repaid and this Security Agreement is terminated;
 - (ix) all other actions and proceedings taken to preserve the Collateral, enforce this Security Agreement and of any other security interest held by BDC as security for the Obligations, protect BDC from liability in connection with the Security Interests or assist BDC in its loan and credit

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granting or realization of the Security Interest, including any actions under the *Bankruptcy and Insolvency Act (Canada)* and all remuneration of any Receiver (as defined in Article 15 hereof) or appointed pursuant to the *Bankruptcy and Insolvency Act (Canada)*;

- (h) at BDC's request, execute and deliver further documents and instruments and do all acts as BDC in its absolute discretion requires to confirm, register and perfect, and maintain the registration and perfection of, the Security Interests;
- (i) notify BDC promptly of:
 - (i) any change in the information contained in this Security Agreement relating to the Borrower, its business or the Collateral, including, without limitation, any change of name or address (including any change of trade name, proprietor or partner) and any change in the present location of any Collateral;
 - (ii) the details of any material acquisition of Collateral, including the acquisition of any motor vehicles, trailers, manufactured homes, boats or aircraft;
 - (iii) any material loss or damage to the Collateral;
 - (iv) any material default by any account debtor in the payment or other performance of its obligations to the Borrower respecting any Accounts;
 - (v) any claims against the Borrower including claims in respect of the Intellectual Property or of any actions taken by the Borrower to defend the registration of or the validity of or any infringement of the Intellectual Property;
 - (vi) the return to or repossession by the Borrower of Collateral that was disposed of by the Borrower; and
 - (vii) all additional places of business and any changes in its place(s) of business or chief executive office;
- (j) prevent the Collateral, other than Inventory sold, leased, or otherwise disposed of as permitted by this Security Agreement, from being or becoming an accession to property not covered by this Security Agreement;
- (k) carry on and conduct its business and undertaking in a proper and businesslike manner so as to preserve and protect the Collateral and the earnings, income, rents, issues and profits of the Collateral, including maintenance of proper and accurate books of account and records;
- (l) permit BDC and its representatives, at all reasonable times, access to the Collateral including all of the Borrower's property, assets and undertakings and to all its books of account and records, whether at your premises or at your financial advisors, for the purpose of inspection and the taking of extracts, and the Borrower will render all assistance necessary;
- (m) permit and does consent to BDC contacting and making enquiries of the Borrower's lessors as well as assessors, municipal authorities and any taxing body;
- (n) observe and perform all its obligations under:
 - (i) leases, licences, undertakings, and any other agreements to which it is a party;
 - (ii) any statute or regulation, federal, provincial, territorial, or municipal, to which it is subject;
- (o) deliver to BDC from time to time promptly upon request:
 - (i) any documents of title, instruments, securities and chattel paper constituting, representing or



relating to the Collateral;

- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral to allow BDC to inspect, audit or copy them;
- (iii) all financial statements prepared by or for the Borrower regarding the Borrower's business;
- (iv) such information concerning the Collateral, the Borrower and the Borrower's business and affairs as BDC may reasonably require;
- (p) with respect to the Intellectual Property, take all necessary steps and initiate all necessary proceedings, to maintain the registration or recording of the Intellectual Property, to defend the Intellectual Property from infringement and to prevent any licensed or permitted user from doing anything that may invalidate or otherwise impair the Intellectual Property;
- (q) with respect to copyright forming part of the Intellectual Property, provide to BDC waivers of the moral rights thereto executed by all contributors or authors of the copyrighted work;
- (r) receive and hold in trust on behalf of and for the benefit of BDC all proceeds from the sale or other disposition of any Collateral; and
- (s) observe and perform the additional covenants and agreements set out in any schedules to this Security Agreement, including Schedule B, if any.

7.2 Any amounts required to be paid to BDC by the Borrower under this Clause 7 shall be immediately payable with interest at the highest rate borne by any of the Obligations until all amounts have been paid.

7.3 This Security Agreement shall remain in effect until it has been terminated by BDC by notice of termination to the Borrower and all registrations relating to the Security Agreement have been discharged.

8. INSURANCE

(It is your obligation to thoroughly insure the Collateral in order to protect your interests and those of BDC. You will follow the specific requirements of the insurance coverage described in this Clause.)

8.1 The Borrower covenants that while this Security Agreement is in effect the Borrower shall:

- (a) maintain or cause to be maintained insurance on the Collateral with a reputable insurer, of kinds, for amounts and payable to such person or persons, all as BDC may require, and in particular maintain insurance on the Collateral to its full insurable value against loss or damage by fire and all other risks of damage, including an extended coverage endorsement and in the case of motor vehicles, insurance against theft;
- (b) cause the insurance policy or policies required by this Security Agreement to be assigned to BDC, including a standard mortgage clause or a mortgage endorsement, as BDC may require;
- (c) pay all premiums respecting such insurance, and deliver all policies to BDC, if required.

8.2 If proceeds of any required insurance becomes payable, BDC may, in its absolute discretion, apply these proceeds to the Obligations as BDC sees fit or release any insurance proceeds to the Borrower to repair, replace or rebuild, but any release of insurance proceeds to the Borrower shall not operate as a payment on account of the Obligations or in any way affect this Security Agreement or the Security Interests.

8.3 The Borrower will promptly, on the happening of loss or damage to the Collateral, notify BDC and furnish to BDC at the Borrower's expense any necessary proof and do any necessary act to enable BDC to obtain payment of the insurance proceeds, but nothing shall limit BDC's right to submit to the insurer a proof of loss on its own behalf.

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- 8.4 The Borrower authorizes and directs the insurer under any required policy of insurance to include the name of BDC as loss payee on any policy of insurance and on any cheque or draft which may be issued respecting a claim settlement under and by virtue of such insurance, and the production by BDC to any insurer of a notarial or certified copy of this Security Agreement (notarized or certified by a notary public or solicitor) shall be the insurer's complete authority for so doing.
- 8.5 If the Borrower fails to maintain insurance as required, BDC may, but shall not be obliged to, maintain or effect such insurance coverage, or so much insurance coverage as BDC may wish to maintain.

9. OTHER PROHIBITIONS

(You agree to not encumber your property so as to interfere with the security interests or charges granted to BDC and you will not dispose of any of the Collateral except inventory disposed of in the ordinary course of your business.)

Without the prior written consent of BDC the Borrower will not:

- (a) create or permit to exist any security interest in, charge, encumbrance or lien over, or claim against any of its property, assets, undertakings including without limitation the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests created by this Security Agreement;
- (b) grant, sell, or otherwise assign any of its chattel paper or any of the Collateral except only Inventory that is disposed of in accordance with Clause 10.2;
- (c) where the Borrower is a corporation:
 - (i) issue, purchase or redeem its shares;
 - (ii) change its voting control;
 - (iii) permit any of its shareholders to sell, transfer or dispose of its shares;
 - (iv) declare or pay any dividends on any of its shares; or
 - (v) repay or reduce any shareholders loans or other debts due to its shareholders;
- (d) change its name, merge with or amalgamate with any other entity.

10. RESTRICTIONS ON SALE OR DISPOSAL OF COLLATERAL

(You will preserve and protect all of the Collateral and not dispose of it without the consent of BDC. Any sales or other disposition will result in you holding the proceeds in trust for BDC. Your responsibilities towards the Collateral and any trust proceeds are important to BDC.)

- 10.1 Except as provided by this Security Agreement, without BDC's prior written consent the Borrower will not:
- (a) sell, lease, license or otherwise dispose of the Collateral;
 - (b) release, surrender or abandon possession of the Collateral; or
 - (c) move or transfer the Collateral from the jurisdictions in which the Security Interests have been perfected.
- 10.2 So long as the Borrower is not in default under this Security Agreement the Borrower may lease, sell, license, consign or otherwise deal with items of Inventory only in the ordinary course of its business and for the purposes of carrying on its business.
- 10.3 Any disposition of any Collateral, excepting sales of Inventory in the ordinary course, shall result in the Borrower holding the proceeds in trust for and on behalf of BDC and subject to BDC's exclusive direction and control. Nothing restricts BDC's rights to attach, seize or otherwise enforce its Security Interests in any Collateral sold or disposed, unless it is sold or disposed with BDC's prior written consent.

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11. PERFORMANCE OF OBLIGATIONS

(If you do not strictly do all those things that you have agreed to do in this Security Agreement, BDC may perform those obligations but you will be required to pay for them.)

If the Borrower fails to perform its covenants and agreements under this Security Agreement, BDC may, but shall not be obliged to, perform any or all of such covenants and agreements without prejudice to any other rights and remedies of BDC, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) incurred by BDC shall be immediately payable by the Borrower to BDC with interest at the highest rate borne by any of the Obligations and shall be secured by the Security Interests, until all such amounts have been paid.

12. ACCOUNTS

(Any dealing with the Collateral that results in an account being created, or proceeds arising, is of particular importance to BDC. The account, or proceeds, acts in substitution for the Collateral that has been sold, usually inventory. You will protect the account or proceeds in favour of BDC.)

Notwithstanding any other provision of this Security Agreement, BDC may collect, realize, sell or otherwise deal with all or a portion of the Accounts in such manner, upon such terms and conditions and at any time, whether before or after default, as may seem to it advisable, and without notice to the Borrower, except in the case of disposition after default and then subject to the applicable provisions of the Act, if any. All forms of payment received by the Borrower in payment of any Account, or as proceeds, shall be subject to the Security Interests and shall be received and held in trust for BDC.

13. APPROPRIATION OF PAYMENTS

(BDC has the right to determine how funds it receives will be applied in relation to your loan facility.)

Any and all payments made respecting the Obligations and monies realized from any Security Interests (including monies collected in accordance with or realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as BDC sees fit, and BDC may at any time change any appropriation as BDC sees fit.

14. DEFAULT

(You must comply with the payment and other obligations that you have made in favour of BDC. You must also strictly satisfy the covenants and agreements that you have made in this Security Agreement. Failure to do so will be considered a default and BDC will consider its legal remedies and possibly pursue them. This Clause defines the defaults and outlines your obligations.)

14.1 Unless waived by BDC, the Borrower shall be in default under this Security Agreement and shall be deemed to be in default under all other agreements between the Borrower and BDC in any of the following events:

- (a) the Borrower defaults, or threatens to default, in payments when due of any of the Obligations; or
- (b) the Borrower is in breach of, or threatens to breach, any term, condition, obligation or covenant made by it to or with BDC, or any representation or warranty of the Borrower to BDC is untrue or ceases to be accurate, whether or not contained in this Security Agreement; or
- (c) the Borrower or a guarantor of the Borrower declares itself to be insolvent or admits in writing its inability to pay its debts generally as they become due, or makes an assignment for the benefit of its creditors, is declared Bankrupt, makes a proposal or otherwise takes advantage of any provisions for relief under the *Bankruptcy and Insolvency Act (Canada)*, the *Companies Creditors' Arrangement Act (Canada)* or similar legislation in any jurisdiction, or makes an authorized assignment; or
- (d) a receiver, manager, receiver and manager or receiver-manager of all or a part of the Collateral is appointed; or
- (e) an order is made or a resolution is passed for the winding up of the Borrower or a guarantor of the Borrower; or
- (f) the Borrower or a guarantor of the Borrower ceases or threatens to cease to carry on all or a

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substantial part of its business or makes or threatens to make a sale of all or substantially all of its assets; or

- (g) distress or execution is levied or issued against all or a part of the Collateral; or
- (h) if the Borrower is a corporation and any member or shareholder:
 - (i) commences an action against the Borrower; or
 - (ii) gives a notice of dissent to the Borrower in accordance with the provisions of any governing legislation; or
- (i) if the Borrower is a corporation and its voting control changes without BDC's prior written consent; or
- (j) the Borrower uses any monies advanced to it by BDC for any purpose other than as agreed upon by BDC; or
- (k) without BDC's prior written consent, the Borrower creates or permits to exist any security interest, charge, encumbrance, lien or claim against any of the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests; or
- (l) the holder of any other security interest, charge, encumbrance, lien or claim against any of the Collateral does anything to enforce or realize on such security interest, charge, encumbrance, lien or claim; or
- (m) the Borrower enters into an amalgamation, a merger or other similar arrangement with any other person without BDC's prior written consent or, if the Borrower is a corporation, it is continued or registered in a different jurisdiction without BDC's prior written consent; or
- (n) BDC in good faith and on commercially reasonable grounds believes that the prospect of payment or performance of any of the Obligations is impaired or that any of the Collateral is or is about to be placed in jeopardy or removed from the jurisdiction in which this Security Agreement has been registered; or
- (o) the lessor under any lease to the Borrower of any real or personal property takes any steps to or threatens to terminate such lease or otherwise exercise any of its remedies under such lease as a result of any default by the Borrower; or
- (p) the Borrower causes or allows hazardous materials to be brought upon any lands or premises occupied by the Borrower or to be incorporated into any of its assets, or the Borrower causes, permits, or fails to remedy any environmental contamination upon, in or under any of its lands or assets, or fails to comply with any abatement or remediation order given by a responsible authority; or
- (q) any permit, license, certification, quota or order granted to or held by the Borrower is cancelled, revoked or reduced, as the case may be, or any order against the Borrower is enforced, preventing the business of the Borrower from being carried on for more than 5 days or materially adversely changing the condition (financial or otherwise) of the Borrower's business; or
- (r) if an individual, the Borrower dies or is declared incompetent by a court of competent jurisdiction.

14.2 The floating charge created by this Security Agreement over Real Property shall become a fixed charge upon the earliest of:

- (a) the occurrence of an event described in Clause 14.1(a), (b), (c), (d), (e) or (f), or
- (b) BDC taking any action pursuant to Clause 15 to enforce and realize on the Security Interests;

and for the better securing to BDC repayment of the Obligations the Borrower mortgages to BDC all of the

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Borrower's estate and interest in the Real Property.

15. ENFORCEMENT

(If a default occurs, BDC has numerous remedies and legal rights, including enforcement of the Security Agreement according to this Clause. You also have rights, provided by the *Personal Property Security Act* and the common law in your jurisdiction.)

- 15.1 If the Borrower is in default under this Security Agreement BDC may declare any or all of the Obligations whether or not payable on demand to become immediately due and payable and the Security Interests will immediately become enforceable. To enforce and realize on the Security Interests BDC may take any action permitted by law or in equity as it may deem expedient and in particular, without limitation, BDC may do any of the following:
- (a) appoint by instrument a receiver, manager, receiver and manager or receiver-manager (the "Receiver") of all or any part of the Collateral, with or without bond as BDC may determine, and in its absolute discretion remove such Receiver and appoint another in its stead;
 - (b) enter upon any of the Borrower's premises at any time and take possession of the Collateral with power to exclude the Borrower, its agents and its servants, without becoming liable as a mortgagee in possession;
 - (c) preserve, protect and maintain the Collateral and make such replacements and repairs and additions to the Collateral as BDC deems advisable;
 - (d) dispose of all or part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to BDC may seem reasonable, provided that if any sale, lease or other disposition is on credit the Borrower will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received;
 - (e) register assignments of the Intellectual Property, and use, sell, assign, license or sub-license any of the Intellectual Property; and
 - (f) exercise all of the rights and remedies of a secured party under the Act and any other applicable laws.
- 15.2 A Receiver appointed pursuant to this Security Agreement insofar as responsibility for its actions is concerned shall be the agent of the Borrower and not of BDC and, to the extent permitted by law or to such lesser extent permitted by its appointment, shall have all the powers of BDC under this Security Agreement, and in addition shall have power to:
- (a) carry on the Borrower's business and to borrow money either secured or unsecured, and if secured by granting a security interest on the Collateral, such security interest may rank before or on an equal basis with or behind any of the Security Interests and if it does not so specify such security interest shall rank in priority to the Security Interests; and
 - (b) make an assignment for the benefit of the Borrower's creditors or a proposal on behalf of the Borrower under the *Bankruptcy and Insolvency Act* (Canada); and
 - (c) commence, continue or defend proceedings in the name of the Receiver or in the name of the Borrower for the purpose of protecting, seizing, collecting, realizing or obtaining possession of or payment for the Collateral; and
 - (d) make any arrangement or compromise that the Receiver deems expedient.
- 15.3 Subject to the claims, if any, of the creditors of the Borrower ranking in priority to this Security Agreement, all amounts realized from the disposition of the Collateral pursuant to this Security Agreement will be applied as BDC, in its absolute discretion and to the full extent permitted by law, may direct as follows:

- (a) in payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and its own client basis) incurred by BDC respecting or incidental to:
 - (i) the exercise by BDC of the rights and powers granted to it by this Security Agreement; and
 - (ii) the appointment of the Receiver and the exercise by the Receiver of the powers granted to it by this Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver;
- (b) in or toward payment to BDC of all principal and other monies (except interest) due in respect of the Obligations;
- (c) in or toward payment to BDC of all interest remaining unpaid respecting the Obligations; and
- (d) in payment to those parties entitled thereto under the Act.

16. GENERAL PROVISIONS PROTECTING BDC

(You have granted this Security Agreement to BDC in consideration by BDC advancing funds or providing credit or a credit facility to you. BDC will not be responsible for debts or liabilities that may arise except to the extent that it agrees to be responsible or liable in this Security Agreement. If enforcement becomes necessary, BDC will act in good faith and in a commercially reasonable manner.)

- 16.1 To the full extent permitted by law, BDC shall not be liable for any debts contracted by it during enforcement of this Security Agreement, for damages to persons or property or for salaries or non-fulfilment of contracts during any period when BDC shall manage the Collateral upon entry or seizure, nor shall BDC be liable to account as a mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. BDC shall not be bound to do, observe or perform or to see to the observance or performance by the Borrower of any obligations or covenants imposed upon the Borrower nor shall BDC, in the case of securities, instruments or chattel paper, be obliged to preserve rights against other persons, nor shall BDC be obliged to keep any of the Collateral identifiable. To the full extent permitted by law, the Borrower waives any provision of law permitted to be waived by it which imposes greater obligations upon BDC than described above.
- 16.2 Neither BDC nor any Receiver appointed by it shall be liable or accountable for any failure to seize, collect, realize, sell or obtain payments for the Collateral nor shall they be bound to institute proceedings for the purposes of seizing, collecting, realizing or obtaining payment or possession of the Collateral or the preserving of any right of BDC, the Borrower or any other party respecting the Collateral. BDC shall also not be liable for any misconduct, negligence, misfeasance by BDC, the Receiver or any employee or agent of BDC or the Receiver, or for the exercise of the rights and remedies conferred upon BDC or the Receiver by this Security Agreement.
- 16.3 BDC or any Receiver appointed by it may grant extensions of time and other indulgences, take and give securities, accept compromises, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the debtors of the Borrower, co-obligants, guarantors and others and with the Collateral and other securities as BDC may see fit without liability to the Borrower and without prejudice to BDC's rights respecting the Obligations or BDC's right to hold and realize the Collateral. The Borrower shall not be released nor shall its liability be in any way reduced because BDC has done or concurred in the doing of anything whereby a guarantor would be released in whole or in part.
- 16.4 Notwithstanding anything to the contrary in any security held by BDC for the Obligations, each part is given as additional, concurrent and collateral security to the remainder of the security. BDC in its sole discretion may realize upon or abstain from realizing on any security for the Obligations in any order or concurrently with the realization under this Security Agreement whether such security is held by it at the date of this Security Agreement or is provided at any time in the future. No realization or exercise or abstaining from exercising of any power or right under this Security Agreement or under any other security shall prejudice any further realization or exercise until all Obligations have been fully paid and satisfied.
- 16.5 Any right of BDC and any obligation of the Borrower arising under any other agreements between BDC and the Borrower shall survive the signing, registration and advancement of any money under this Security

Agreement, and no merger respecting any such right or obligation shall occur by reason of this Security Agreement. The obligation, if any, of the Borrower to pay legal fees, a commitment fee, a standby fee or administration fees, under the terms of BDC's commitment letter or Loan Agreement with the Borrower shall survive the signing and registration of this Security Agreement and BDC's advancement of any money to the Borrower and any legal fees, commitment fees, standby fees or administration fees owing by the Borrower shall be secured by the Collateral.

- 16.6 In the event that BDC registers a notice of assignment of Intellectual Property the Borrower shall be responsible for and shall indemnify BDC against all maintenance and renewal costs in respect thereof, and any costs of initiating or defending litigation, together with all costs, liabilities and damages related thereto.
- 16.7 Notwithstanding any taking of possession of the Collateral, or any other action which BDC or the Receiver may take, the Borrower now covenants and agrees with BDC that if the money realized upon any disposition of the Collateral is insufficient to pay and satisfy the whole of the Obligations due to BDC at the time of such disposition, the Borrower shall immediately pay to BDC an amount equal to the deficiency between the amount of the Obligations and the sum of money realized upon the disposition of the Collateral, and the Borrower agrees that BDC may bring action against the Borrower for payment of the deficiency, notwithstanding any defects or irregularities of BDC or the Receiver in enforcing its rights under this Security Agreement.

17. APPOINTMENT OF ATTORNEY

(You appoint BDC your attorney for specific matters.)

The Borrower irrevocably appoints BDC or the Receiver, as the case may be, with full power of substitution, as the attorney of the Borrower for and in the name of the Borrower to do, make, sign, endorse or execute under seal or otherwise all deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Borrower is obliged to sign, endorse or execute and generally to use the name of the Borrower and to do everything necessary or incidental to the exercise of all or any of the powers conferred on BDC, or the Receiver, as the case may be, pursuant to this Security Agreement. This grant and authority shall survive any mental infirmity of the Borrower subsequent to the execution hereof.

18. CONSOLIDATION

(Should you wish to redeem the Security Interest, BDC may require you to also pay other obligations to it before discharging its Security Interests.)

For the purposes of the laws of all jurisdictions in Canada, the doctrine of consolidation applies to this Security Agreement.

19. NO OBLIGATION TO ADVANCE

(BDC determines, in the end, whether any advances or further advances under the loan facility will be made.)

Neither the preparation and execution of this Security Agreement nor the perfection of the Security Interests or the advance of any monies by BDC shall bind BDC to make any advance or loan or further advance or loan, or extend any time for payment of any indebtedness or liability of the Borrower to BDC.

20. WAIVER

(Indulgences granted by BDC should not be taken for granted.)

BDC may permit the Borrower to remedy any default without waiving the default so remedied. BDC may at any time partially or completely waive any right, benefit or default under this Security Agreement but such waiver shall not be a bar to or a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default under this Security Agreement. No waiver shall be effective unless it is in writing and signed by BDC. No delay or omission on the part of BDC in exercising any right shall operate as a waiver of such right or any other right.

21. NOTICE

(This Clause describes how the various notices referred to in this Security Agreement may be given.)

Notice may be given to either party by prepaid mail or delivered to the party for whom it is intended, at the

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principal address of such party provided in this Security Agreement or at such other address as may be given in writing by one party to the other, and any notice if posted shall be deemed to have been given at the expiration of three business days after posting and if delivered, on delivery.

22. EXTENSIONS

(Your duties and responsibilities to BDC remain in place regardless of any concerns you may have about the loan facility or BDC's actions.)

BDC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of security interests, and otherwise deal with the Borrower, the Borrower's account debtors, sureties and others and with the Collateral and other security interests as BDC may see fit without prejudice to the Borrower's liability or BDC's right to hold and realize on the Security Interests.

23. NO MERGER

(Except as agreed upon in the Security Agreement or another contract specifically discussing this point, this Security Agreement is an independent obligation on your part.)

This Security Agreement shall not create any merger or discharge of any of the Obligations, or any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security interest of any form held or which may be held by BDC now or in the future from the Borrower or from any other person. The taking of a judgment respecting any of the Obligations will not operate as a merger of any of the covenants contained in this Security Agreement.

24. RIGHTS CUMULATIVE

(This Security Agreement describes some rights and remedies of BDC. BDC also is entitled to rely on all other rights and remedies available to it in law and in any other agreements it has entered into with you.)

BDC's rights and remedies set out in this Security Agreement, and in any other security agreement held by BDC from the Borrower or any other person to secure payment and performance of the Obligations, are cumulative and no right or remedy contained in this Security Agreement or any other security agreements is intended to be exclusive but each will be in addition to every other right or remedy now or hereafter existing at law, in equity or by statute, or pursuant to any other agreement between the Borrower and BDC that may be in effect from time to time.

25. ASSIGNMENT

(Should BDC assign or transfer or otherwise deal with this Security Agreement on its own behalf, you agree that the Security Agreement shall remain binding and effective upon you.)

BDC may, without notice to the Borrower, at any time assign or transfer, or grant a security interest in, all or any of the Obligations, this Security Agreement and the Security Interests. The Borrower agrees that the assignee, transferee or secured party, as the case may be, shall have all of BDC's rights and remedies under this Security Agreement and the Borrower will not assert as a defense, counterclaim, right of set-off or otherwise any claim which it now has or may acquire in the future against BDC in respect of any claim made or any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the assigned Obligations to the assignee, transferee or secured party, as the case may be, as the said Obligations become due.

26. SATISFACTION AND DISCHARGE

(Until this Security Agreement is terminated and any registrations relating to it are discharged, the Security Agreement will remain effective even though the indebtedness to BDC may have been paid.)

Any partial payment or satisfaction of the Obligations, or any ceasing by the Borrower to be indebted to BDC shall not be a redemption or discharge of this Security Agreement. The Borrower shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations, and upon written request by the Borrower and, subject to applicable law, payment to BDC of an administrative fee to be fixed by BDC and payment of all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred by BDC in connection with the Obligations and such release and discharge. The Borrower shall, subject to applicable law, pay an administrative fee, to be fixed by BDC, for the preparation or execution of any full or partial release or discharge by BDC of any security it holds, of the

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Borrower, or of any guarantor or covenantor with respect to any Obligations.

27. ENVIRONMENT

The Borrower represents and agrees that:

- (a) it operates and will continue to operate in conformity with all applicable environmental laws, regulations, standards, codes, ordinances and other requirements of any jurisdiction in which it carries on business and will ensure its staff is trained as required for that purpose;
- (b) it has an environmental emergency response plan and all officers and employees are familiar with that plan and their duties under it;
- (c) it possesses and will maintain all environmental licences, permits and other governmental approvals as may be necessary to conduct its business and maintain the Collateral;
- (d) the Collateral and Real Property are and will remain free of environmental damage or contamination;
- (e) there has been no complaint, prosecution, investigation or proceeding, environmental or otherwise, respecting the Borrower's business or assets including without limitation the Collateral;
- (f) it will advise BDC immediately upon becoming aware of any environmental problems relating to its business or the Collateral;
- (g) it will provide BDC with copies of all communications with environmental officials and all environmental studies or assessments prepared for the Borrower and it consents to BDC contacting and making enquiries of environmental officials or assessors;
- (h) it will not install on or under any land mortgaged to BDC storage tanks for petroleum products or any hazardous substance without BDC's prior written consent and only upon full compliance with BDC's requirements and local ordinances or regulations;
- (i) it will from time to time when requested by BDC provide to BDC evidence of its full compliance with the Borrower's obligations in this Clause 27.

28. ENUREMENT

This Security Agreement shall enure to the benefit of BDC and its successors and assigns, and shall be binding upon the Borrowers and its heirs, executors, administrators, successors and any assigns permitted by BDC, as the case may be.

29. INTERPRETATION

29.1 In this Security Agreement:

- (a) "Collateral" has the meaning set out in Clause 1 and any reference to the Collateral shall, unless the context otherwise requires, be deemed to be a reference to the Collateral in whole or in part;
- (b) "the Act" means the *Personal Property Security Act* of the jurisdiction in which the business centre of BDC is located, as described on page 1 of this Security Agreement, and all regulations under the Act, as amended from time to time.

29.2 Words and expressions used in this Security Agreement that have been defined in the Act shall be interpreted in accordance with their respective meanings given in the Act unless otherwise defined in this Security Agreement or unless the context otherwise requires.

29.3 The invalidity or unenforceability of the whole or any part of any clause of this Security Agreement shall not affect the validity or enforceability of any other clause or the remainder of such clause of this Security

Agreement.

- 29.4 The headings used in this Security Agreement have been inserted for convenience of reference only and shall not define, limit, alter or enlarge the meaning of any provision of this Security Agreement.
- 29.5 This Security Agreement shall be governed by the laws of the jurisdiction referred to in Subclause 29.1(b). For enforcement purposes, the Borrower hereby attorns to the jurisdiction of the courts and laws of any province, state, territory or country in which BDC enforces its rights and remedies hereunder.

30. COPY OF AGREEMENT AND FINANCING STATEMENT

The Borrower:

- (a) acknowledges receiving a copy of this Security Agreement; and
- (b) if the Act so permits, waives all rights to receive from BDC a copy of any financing statement or financing change statement filed, or any verification statement or other document received at any time respecting this Security Agreement.

31. TIME

Time shall in all respects be of the essence.

32. INDEPENDENT ADVICE

The Borrower acknowledges having received, or having had the opportunity to receive, independent legal and accounting advice respecting this Security Agreement and its effect.

33. SASKATCHEWAN LAW

If the Borrower is a corporation, the Borrower agrees as follows:

- (a) that the *Land Contracts (Actions) Act* of Saskatchewan shall have no application to any action, as defined in the *Land Contracts (Actions) Act* of Saskatchewan, respecting this Security Agreement, any mortgage, charge or other security for the payment of money made, given or created by this Security Agreement, any agreement or instrument which renews or extends or is collateral to this Security Agreement, or the rights, powers or remedies of BDC under this Security Agreement or any mortgage or charge created by this Security Agreement as BDC is specifically exempted from the operation of that Act;
- (b) that the *Limitation of Civil Rights Act* of Saskatchewan shall have no application to this Security Agreement, any mortgage, charge or other security for the payment of money made, given or created by this Security Agreement, any agreement or instrument which renews or extends or is collateral to this Security Agreement, or the rights, powers or remedies of BDC under this Security Agreement or any mortgage or charge created by this Security Agreement; and
- (c) that if it is an agricultural corporation, as defined in the *Saskatchewan Farm Security Act*, it has received independent legal advice prior to the execution of this Security Agreement, and agrees that the provisions of Part IV of the *Saskatchewan Farm Security Act*, other than Section 46, shall not apply to the Borrower.

34. PARENTHETICAL COMMENTS


The Borrower acknowledges and agrees that the comments in parentheses are intended to provide a brief but not thorough indication of the intent of the legal provisions that follow in each subsequent clause, and do not form part of this Security Agreement.

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35. THE LOAN AGREEMENT

If the Borrower has entered into a commitment letter or a written loan agreement (the "Loan Agreement") with BDC dealing with, or relating to, the loan facilities secured by this Security Agreement, the Borrower acknowledges and agrees that in the event of any discrepancy between any term of this Security Agreement and any term of the Loan Agreement, the terms of the Loan Agreement shall apply and take precedence over the terms of this Security Agreement.

IN WITNESS WHEREOF the Borrower has executed this Security Agreement.

) MUSTANG WELL SERVICES LTD.
) by its authorized signatory(ies)
)
)
) per: 
)
)
) per: 
)



AFFIDAVIT OF OFFICER OF CORPORATION

CANADA)
PROVINCE OF)
TO WIT:)

I, Mike Hallal
of the City of Calgary
in the Province of Alberta

MAKE OATH AND SAY:

1. That I am the Director of the Borrower.
2. That I subscribed my name to the annexed agreement in my capacity as Director / CEO an officer of the Borrower as aforesaid.
3. That I am one of the persons duly authorized to subscribe my name as aforesaid.

SWORN before me at the Edmonton of Edmonton in the Province of Alberta this 11 day of April, 2016.

)
)
)


A Commissioner for Oaths/Notary Public in and for the Province of Alberta. My commission expires: N/A

WESLEY M. PEDRUSKI
BARRISTER & SOLICITOR
Commissioner for Oaths in and for the Province of Alberta

AFFIDAVIT OF EXECUTION

CANADA)
PROVINCE OF)
TO WIT:)

I, _____
of the City of _____
in the Province of _____

MAKE OATH AND SAY:

1. That I was personally present and did see the within instrument executed by _____ of the parties thereto.
2. That the said instrument was executed at the _____ of _____ aforesaid.
3. That I know the said party(ies) and am satisfied that she/he is (they are each) of the full age of eighteen/nineteen years.
4. That I am a subscribing witness to the said instrument and duplicate.

SWORN before me at the _____ of _____ in the Province of _____ this _____ day of _____, 2016.

)
)
)

A Commissioner for Oaths/Notary Public in and for the Province of _____ My commission expires: _____

Handwritten initials: BW M

SCHEDULE A

Subclause 1.1 (a) (vii):

the following specific items, even though they may be included within the descriptions of Collateral (insert description by item or kind):

the following serial numbered goods: See attached Schedule A-1

Type	Serial No. (re: motor vehicles & trailers) Dept. of Transport No. (re: aircraft)	Year	Make and Model

Subclause 6.1 (c):

Date of Birth of Borrower (if an individual):

 Month Day Year

Subclause 6.1 (i):

Location(s) of the Collateral:

See below

Subclause 6.1 (k):

The Borrower's place(s) of business ("POB") and chief executive office ("CEO")

Chief Executive Office:	<i>Mike Kallal</i>
Place of Business:	<i>46272 Hwy 56 Camrose AB T4B 1X4</i>
And:	

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SCHEDULE A-1

Mustang Well Services Ltd. - Serialized Goods			
101	2006	Exact Cab & Chassis	2E9R5Z5Z36R073004
102 - PT	2000	Kenworth	1NKDLBEX9YS959499
103 - AT	2000	Western Star Conventional	2WLPCD2G5YK960249
104 -DH	2009	MWS Doghouse Trailer	MWS200902
201	2006	Exact Cab & Chassis	2E9RSZ5Z96R073007
202 - PT	2003	Western Star Conventional	5KKPALAV83PL79816
203 - AT	2000	Western Star Conventional	2WKPDDJH4YK962165
204 - DH	2010	MWS Doghouse Trailer	MWS201002
301	2007	Crane Carrier Company	1CYEGW6837T047676
302 - PT	2000	Western Star 4986FX	2WLPSDCJ3YK962739
303 - AT	1995	Freightliner FLD112	1FVX3EDB3SP599554
304 - DH	2012	MWS Doghouse Trailer	2M91DV3B7CC185001
501	2008	Irontech Rig	2R9R4CF128E690061
502 - PT	2005	Western Star	5KJRALCK45PN91874
Replacement - AT	1999	Western Star	2WKPDDCJ8WK950999
504 - DH	2012	MWS Doghouse Trailer	2M91DV3B7CC185004
601	2009	Crane Carrier	1CYEGW6879T049305
602 - PT	2000	Freightliner FLD120	1FVUF7WB1YPG53125
603 - AT	2003	Freightliner	1FVPA6AV43PL05431
604 - DH	2009	Southland Doghouse	2S9NL666491022197
701	1978	Cardwell Service Rig	78244
702 - PT	2006	Western Star 4900	5KJRALCV86PV36016
703 - AT	2004	Kenworth W900	1XKWDB0XX4J972653
704 - DH	2011	Homebuilt Dog House	2ATB0214914500392
801	2010	Rykar Freestanding Service Rig	2RCR545S2A16F8386
802 - PT	2005	Western Star	5KJRALCK55PN28007
803 - AT	2000	Western Star Conventional ***	2WLPCD2G4YK960579
804 - DH	2012	MWS Doghouse Trailer	2M91DV3B7CC185002
901	1980	Franks 1058 Rig	196087
902 - PT	2003	Freightliner Tridrive FLD	1FVPALAV83PL04474
903 - AT	2011	International 59001 T/A Aux. Truck	1HTXRAET11J086477
904 - DH	2013	Doghouse MWS Trailer	2M91DV3B7CC185008
1001	2012	Rykar Standalone Rig	2RCR545D4C16F8393
1002 - PT	2005	Western Star Pump	5KJRALCH85PV36860
1003 - AT	2000	Western Star 4964FX	2WLPCDCJ3YK964147
1004 - DH	2012	MWS Doghouse Trailer	2M91DV3B7CC185003
1201	2012	Crane Carrier	1CYEGM580CT050177
1202 - PT	2007	Western Star	5KJRALAVX7PX67617
1203 - AT	2001	Kenworth	1XKDDBOX41J963207
1204 - DH	2013	Doghouse	2M91DV3B7CC185009
CU01	2007	International 440SBA4X2	1HTMKAAR56H311306
	2000	Kenworth Construct	1NKDLBOX1YR959866
	2006	International	1HTMKAAR87H407626
	2002	Fabtec Mobile Dog House	4220491208
	2007	P.J. Trailer Deckover	4P5F8202171103180
	2008	Charmac Snow Sport Trailer	4RYS282028T110314
	2008	Norte Trailer Car Hauler Series	3B2HP18298C005200
	1987	Trailmobile HEB-F2W T/A Lead	2H8B03126HR010301
	1987	Trailmobile 2 Axle - Pup	2H8B01929HR010401
	1998	Manac T/A Hiboy	2M5121467W1049257
	2012	Polar Tank Pneumatic Bulker	1PMB14739C2039719

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	2012	Renn Tri-Chassis	2S9NE3698C1026845	
	2011	Continental Cargo Value Hauler	5NHUVH211BT614318	
	1998	Doghouse Trailer	MWS004	
	1979	Freuhauf TA Pneumatic Trailer	OM5671622	
	1997	Aspen FG45-3 Trailer	2A9LB4530VN125235	
	2008	GMC Sierra 2500	1GTHK23698F182119	
	2010	GMC Yukon XL	1GKUKMEF6AR153676	
	2011	Dodge Ram 3500 Diesel 4wd	3D73Y3CL5BG511480	
	2011	Dodge Ram 3500 Crew Cab Diesel 4wd	3D73Y3CL0BG517221	
	2011	Dodge Ram 3500 Laramie	3D73Y3HL3BG607343	
	2012	GMC Sierra 2500	1GT125E89CF127745	
	2012	Dodge Ram 3500	3C7WDTCL6CG232210	
	2012	Dodge Ram 3500	3C7WDTCL8CG232211	
	2012	Dodge Ram 3500 Laramie Long Horn	3C63D3FL3CG243717	
	2011	Dodge Ram 3500	3D73Y3CL9BG611954	
	2011	Dodge Ram 2500	3D7UT2CL3BG586904	

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Appendix 9

Search ID#: Z10635701

Transmitting Party

WEST-END REGISTRATIONS LICENSING & SEARCHES LTD.
(P158)

10011 170 STREET
EDMONTON, AB T5P 4R5

Party Code: 50076967
Phone #: 780 483 8211
Reference #: 02168076-EDD3 5 3232

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Both Exact and Inexact Result(s) Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.

Be sure to read the reports carefully.



Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 09070828965

Registration Type: SECURITY AGREEMENT

Registration Date: 2009-Jul-08

Registration Status: Current

Expiry Date: 2023-Jul-08 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

09072031941

Amendment

2009-Jul-20

12090620497

Renewal

2012-Sep-06

18070330282

Renewal

2018-Jul-03

Debtor(s)

Block

Status

1 MUSTANG WELL SERVICES LTD.
P.O. BOX 1467
CAMROSE, AB T4V 1X4

Current

Secured Party / Parties

Block

Status

1 BRIGHTSAND HOLDINGS LTD.
123 DOUGLASBANK PLACE SE
CALGARY, AB T2Z 2J4

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	5KJRALAV47PX67614	2007	Western Star 4900SA	MV - Motor Vehicle	Current
2	1FUYFXYPB8XPB55778	2000	FREIGHTLINER FLD	MV - Motor Vehicle	Current
3	1CYEGR6809T049308	2009	CRANE CARRIER RIG	TR - Trailer	Current By 09072031941

Search ID#: Z10635701

4	MWS200901	1111	Doghouse 32 foot	TR - Trailer	Current By 09072031941
5	LT012008001	1111	Empire E-300 Pump Truck	MV - Motor Vehicle	Current By 09072031941

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	<p>(a) One only 2009 Crane Carrier Company single-double stiff mast single Oilfield Service Rig Tri-Drive Serial No. 1CYEGR6809T049308 C/W38/ 10 drawworks w/40' Kobelt disc brake, 38/8 sandline; painted 2 colours</p> <p>(b) Empire E-300 5x6 pump truck Serial No. LT01-2008-01 and deckage c/w 5 valve manifold 5000#</p> <p>(c) One only line pipe and Alberta spec 26m3 rig tank, painted 2 colours</p> <p>(d) One single service rig handling equipment package and light plant with accessory equipment</p> <p>(e) One only 32 foot doghouse complete with tandem dual 22,500# axles and 12 foot I beam Serial no. MWS200901</p> <p>(f) One only auxiliary truck w/ enclosed deck Serial No. 2009406m with tool boxes in front of deck, 1 light, dual entrance with stairs, 3000# BOP stump, working stumps with anchors, work bench, pipe racks and tarp enclosure</p> <p>(g) One only 30kw IZUZU light plant, 10000' 1/2" sandline, 750' of 7/8" drill line</p>	Current
2	and all attachments, accessories and parts thereof, accessions thereto, replacements, substitutions, additions and improvements and all proceeds in any form derived directly or indirectly thereof including rights of insurance payments or any other payments as indemnity or compensation for loss or damage to the collateral or proceeds of collateral.	Current
3	One 2007 Western Star Tri-Drive Truck Model 4900SA w/ 20,000# front axle, 69,000# rear axle Serial No.5KJRALAV47PX67614	Current By 09072031941

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 12071732626

Registration Type: SECURITY AGREEMENT

Registration Date: 2012-Jul-17

Registration Status: Current

Expiry Date: 2023-Jul-17 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

13011530091

Amendment

2013-Jan-15

18070330458

Renewal

2018-Jul-03

Debtor(s)

Block

Status

1 MUSTANG WELL SERVICES LTD.
BOX 1467
CAMROSE, AB T4V 1X4

Current

Secured Party / Parties

Block

Status

1 BRIGHTSAND HOLDINGS LTD.
123 DOUGLASBANK PLACE SE
CALGARY, AB T2Z 2J4

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1CYEKM584CT050178	2012	Crane Carrier Rig-DR20106	TR - Trailer	Current
2	5KKPALCK75PU76639	2005	Western Star Tri-Drive	MV - Motor Vehicle	Current
3	2M91DV3B7CC185007	1111	Dog House	TR - Trailer	Current
4	413M	1111	24' Auxilliary Encl. Deck	TR - Trailer	Current
5	1FURALCK55DU84940	2005	Freightliner-FLD120SD	MV - Motor Vehicle	Current

Search ID#: Z10635701

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	<p>(a) One only 2012 Crane Carrier Company DR20106 double/triple telescopic mast Oilfield Service Rig 18 I-beam c/w 15M engine and 4500 Alison Transmission, Tridem Steer, Tri-Drive Rear Serial No. 1CYEKM584CT050178</p> <p>(b) One only Dog House Serial No. 2M91DV3B7CC185007 with 66 gal class III system</p> <p>(c) One only 2005 Western Star Tri-Drive truck Serial No. 5KKPALCK75PU76639</p> <p>(d) One only 2005 Freightliner FLD120SD Serial No. 1FURALCK55DU84940</p> <p>(e) One only 24' auxiliary enclosed deck Serial No. 413 M with tool boxes in front of deck, dual entrance with stairs, 5000# BOP stump, working stumps and anchors, lights and mud flaps, work bench, pipe racks and tarp enclosure</p> <p>(f) One only 35 MPa mobile pump truck and deckage c/w 5 valve manifold, Alberta spec 30m 3 rig tank line pipe</p> <p>(g) One only 5000 double service handling rig equipment package c/w Class III BOP and 55 kw Isuzu light plant, turnkey</p>	Current
2	and all attachments, accessories and parts thereof, accessions thereto, replacements, substitutions, additions and improvements and all proceeds in any form derived directly or indirectly thereof including rights of insurance payments or any other payments as indemnity or compensation for loss or damage to the collateral or proceeds of collateral.	Current
3	<p>All of the Debtor s present and after acquired undertaking and personal property (all as defined in the Personal Property Security Act of Alberta) including without in any way restricting the generality of the foregoing:</p> <p>All accounts, intangibles, debts, demands and choses in action, both present and future, of whatsoever nature or kind including without limitation, all accounts, intangibles, debts, demands and choses in action evidenced by chattel paper, an instrument or a security, and all contracts, securities , bills, notes, lien notes, judgments, chattel mortgages, mortgages and all other rights and benefits which now are or may hereafter be vested in the Debtor in respect of or as security for any of the said accounts, intangibles, debts, demands and choses in action, and all books, accounts, invoices, letters, papers and documents in any way evidencing or relating to any of the collateral.</p>	Deleted By 13011530091

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 12111521832

Registration Type: SECURITY AGREEMENT

Registration Date: 2012-Nov-15

Registration Status: Current

Expiry Date: 2027-Nov-15 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

14011630662

Amendment

2014-Jan-16

17091922055

Renewal

2017-Sep-19

Debtor(s)

Block

Status

1 MUSTANG WELL SERVICES LTD.
1 LEGACY JUNCTION HIGHWAY 13/56
CAMROSE, AB T4V 1X4

Current

Secured Party / Parties

Block

Status

1 TRANSPORTACTION LEASE SYSTEMS INC
51 CONSTELLATION COURT
TORONTO, ON M9W 1K4

Deleted by
14011630662

Block

Status

2 ELEMENT FLEET MANAGEMENT INC.
900 - 4 ROBERT SPECK PARKWAY
MISSISSAUGA, ON L4Z 1S1

Current by
14011630662

Collateral: General

Block

Description

Status

1 All present and after-acquired motor vehicles and other goods

Current

Search ID#: Z10635701

2	provided to the debtor by the secured party pursuant to one or	Current
3	more lease agreements and all accessions thereto and proceeds	Current
4	thereof, including money, chattel paper, intangibles, goods,	Current
5	accounts, documents of title, instruments, investment property,	Current
6	substitutions, trade ins, licences, insurance proceeds and any	Current
7	other form of proceeds. Added Inventory.	Current

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 12112717521

Registration Type: SECURITY AGREEMENT

Registration Date: 2012-Nov-27

Registration Status: Current

Expiry Date: 2018-Nov-27 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

12112800437	Amendment	2012-Nov-28
15121623054	Amendment	2015-Dec-16
18071309195	Amendment	2018-Jul-13

Debtor(s)

Block

1 MUSTANG WELL SERVICES LTD.
12-3610 47TH AVE
CAMROSE, AB T4V0M7

Status

Current

Block

2 BARDOVUE RENTALS LIMITED
12-3610 47TH AVE
CAMROSE, AB T4V0M7

Status

Current by
12112800437

Block

3 REACTION OILFIELD SUPPLY LTD.
12-3610 47TH AVE
CAMROSE, AB T4V1X4

Status

Current by
12112800437

Block

4 INTEGRA LABORATORY SERVICES LTD.
12-3610 47TH AVE
CAMROSE, AB T4V1X4

Status

Current by
12112800437

Search ID#: Z10635701

Secured Party / Parties

Block

1 NATIONAL LEASING GROUP INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9

Phone #: 204 954 9000 Fax #: 204 954 9099

Status

Deleted by
18071309195

Block

2 CWB NATIONAL LEASING INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9

Phone #: 204 954 9000 Fax #: 204 954 9099

Status

Current by
18071309195

Collateral: General

Block

Description

1 ALL INDUSTRIAL & MANUFACTURING EQUIPMENT, LAB TESTING EQUIPMENT,
CEMENT TEST EQUIPMENT, LAB EQUIPMENT, MANDEL SCIENTIFIC SALE
LEASEBACK OF EVERY NATURE OR KIND DESCRIBED IN LEASE NUMBER 2603777
BETWEEN THE SECURED PARTY, AS LESSOR AND THE DEBTOR AS LESSEE, AS
AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS,
ACCESSORIES AND SUBSTITUTIONS.

Status

Current

2 LEASE NUMBER CHANGED FROM 2603777 TO 2743485.

Current By
15121623054

Particulars

Block

Additional Information

1 PURCHASE MONEY SECURITY INTEREST

Status

Current

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 12112810470

Registration Type: SECURITY AGREEMENT

Registration Date: 2012-Nov-28

Registration Status: Current

Expiry Date: 2018-Nov-28 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

15121623243

Amendment

2015-Dec-16

18070503296

Amendment

2018-Jul-05

Debtor(s)

Block

Status

1 MUSTANG WELL SERVICES LTD.
P.O. BOX 1467
CAMROSE, AB T4V1X4

Current

Block

Status

2 BARDOVUE RENTALS LIMITED
P.O. BOX 1467
CAMROSE, AB T4V1X4

Current

Block

Status

3 REACTION OILFIELD SUPPLY LTD.
P.O. BOX 1467
CAMROSE, AB T4V1X4

Current

Block

Status

4 INTEGRA LABORATORY SERVICES LTD.
P.O. BOX 1467
CAMROSE, AB T4V1X4

Current

Secured Party / Parties

Search ID#: Z10635701

Block

1 NATIONAL LEASING GROUP INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9

Phone #: 204 954 9000 Fax #: 204 954 9099

Status

Deleted by
18070503296

Block

2 CWB NATIONAL LEASING INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9

Phone #: 204 954 9000 Fax #: 204 954 9099

Status

Current by
18070503296

Collateral: General

Block

Description

1 ALL COMPUTER SYSTEMS, SOFTWARE, MONITORS, PRINTERS, SHELVING, POSTS, CONNECTORS, AIR HEADERS, DUST COLLECTORS, TANKS OF EVERY NATURE OR KIND DESCRIBED IN LEASE NUMBER 2605704 BETWEEN THE SECURED PARTY, AS LESSOR AND THE DEBTOR AS LESSEE, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES AND SUBSTITUTIONS.

Status

Current

2 LEASE NUMBER CHANGED FROM 2605704 TO 2743482.

Current By
15121623243

Particulars

Block

Additional Information

1 Purchase Money Security Interest.

Status

Current

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 13032203643

Registration Type: SECURITY AGREEMENT

Registration Date: 2013-Mar-22

Registration Status: Current

Expiry Date: 2028-Mar-22 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

15082706049

Renewal

2015-Aug-27

Debtor(s)

Block

Status

1 MUSTANG WELL SERVICES LTD.
P.O. BOX 1467
CAMROSE, AB T4V 1X4

Current

Secured Party / Parties

Block

Status

1 ALBERTA TREASURY BRANCHES
#700, 7300 - 48 AVENUE
CAMROSE, AB T4V 4W2

Current

Collateral: General

Block

Description

Status

1 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.

Current

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 13091915465

Registration Type: SECURITY AGREEMENT

Registration Date: 2013-Sep-19

Registration Status: Current

Expiry Date: 2018-Sep-19 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

15121620406

Amendment

2015-Dec-16

18062550090

Amendment

2018-Jun-25

Debtor(s)

Block

Status

1 MUSTANG WELL SERVICES LTD.
PO BOX 1467
CAMROSE, AB T4V1X1

Current

Secured Party / Parties

Block

Status

1 NATIONAL LEASING GROUP INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9

Deleted by
18062550090

Phone #: 204 954 9000 Fax #: 204 954 9099

Block

Status

2 CWB NATIONAL LEASING INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9

Current by
18062550090

Phone #: 204 954 9000 Fax #: 204 954 9099

Collateral: General

Block

Description

Status

Search ID#: Z10635701

- | | | |
|---|---|---------------------------|
| 1 | ALL OFFICE FURNITURE AND ACCESSORIES OF EVERY NATURE OR KIND DESCRIBED IN LEASE NUMBER 2640153 BETWEEN THE SECURED PARTY, AS LESSOR AND THE DEBTOR AS LESSEE, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES AND SUBSTITUTIONS. | Current |
| 2 | LEASE NUMBER CHANGED FROM 2640153 TO 2743491. | Current By
15121620406 |

Particulars

- | <u>Block</u> | <u>Additional Information</u> | <u>Status</u> |
|---------------------|--------------------------------------|---------------------------|
| 1 | Purchase Money Security Interest. | Current By
15121620406 |

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 13092505684

Registration Type: SECURITY AGREEMENT

Registration Date: 2013-Sep-25

Registration Status: Current

Expiry Date: 2021-Sep-25 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

13101833685	Amendment	2013-Oct-18
15080719340	Renewal	2015-Aug-07
15100218316	Amendment	2015-Oct-02
18032122695	Amendment	2018-Mar-21
18042539881	Amendment	2018-Apr-25
18062127027	Amendment	2018-Jun-21

Debtor(s)

Block

Status

1	MUSTANG WELL SERVICES LTD. BOX 1467, #11 LEGACY JUNCTION HWY 13/56 CAMROSE, AB T4V1X4	Current
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Secured Party / Parties

Block

Status

1	ELEMENT FINANCIAL CORPORATION 161 BAY STREET, SUITE 4600, PO BOX 621 TORONTO, ON M5J2S1	Deleted by 18032122695
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Block

Status

2	STONEBRIDGE LEASE FINANCING CORPORATION 1400 CORNWALL ROAD, SUITE 9 OAKVILLE, ON L6J 7W5	Deleted by 18042539881
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Search ID#: Z10635701

Block

3 CWB NL FINANCIAL INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T1L9

Status

Deleted by
18062127027

Block

4 CWB NL FINANCIAL INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T1L9

Status

Current by
18062127027

Phone #: 204 954 9000

Fax #: 866 814 4752

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	2M91DV3B7CC185004	2012	MWS DOG HOUSE	TR - Trailer	Current
2	2ATB021491U500392	2011	MWS DOG HOUSE	TR - Trailer	Current
3	1XKWDB0XX4J972653	2004	KENWORTH W900	MV - Motor Vehicle	Current
4	5KJRALAVX7PX67617	2007	WESTRN STR 4900SA	MV - Motor Vehicle	Current
5	1XKDPB0X43R971142	2003	KENWORTH T800B	MV - Motor Vehicle	Deleted By 15100218316
6	1CYEGM580CT050177	2012	CRANE CARRIER DR20106	MV - Motor Vehicle	Current

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
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Search ID#: Z10635701

- 1 ONE USED 2012 MWS DOG HOUSE WELLSITE TRAILER S/N: 2M91DV3B7CC185004
ONE USED 2011 MWS DOG HOUSE WELLSITE TRAILER S/N: 2ATB021491U500392
ONE USED 2004 KENWORTH W900 AUXILIARY TRUCK S/N: 1XKWDB0XX4J972653
ONE USED 2007 WESTERN STAR 4900SA PUMP TRUCK S/N: 5KJRALAVX7PX67617
ONE USED 2003 KENWORTH T800B PUMP TRUCK S/N: 1XKDPB0X43R971142
ONE USED 2012 CRANE CARRIER DR20106 TANDEM STEER MOBILE SERVICE RIG
CHASSIS S/N: 1CYEGM580CT050177

Deleted By
15100218316

TOGETHER WITH ANY AND ALL PRESENT AND FUTURE ACQUIRED PARTS,
ATTACHMENTS, ACCESSORIES, ACCESSIONS, ADDITIONS, SUBSTITUTIONS,
IMPROVEMENTS, REPAIR AND REPLACEMENT PARTS AND OTHER EQUIPMENT
PLACED ON OR FORMING PART OF THE GOODS DESCRIBED HEREIN AND ANY
PROCEEDS THEREOF AND THEREFROM INCLUDING, WITHOUT LIMITATION, ANY
AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM
ANY SALE AND OR DEALINGS WITH THE COLLATERAL OR PROCEEDS THEREOF
AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT TAKING
INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS
ARISING FROM THE LEASE OF THE COLLATERAL, INCLUDING ALL GOODS,
SECURITIES, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES
(AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT), RIGHTS OF
INSURANCE PAYMENTS OR ANY OTHER PAYMENT AS INDEMNITY OR
COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF
THE COLLATERAL CCB9310A-001 SG

Search ID#: Z10635701

- 2 ONE USED 2012 MWS DOG HOUSE WELLSITE TRAILER S/N: 2M91DV3B7CC185004
ONE USED 2011 MWS DOG HOUSE WELLSITE TRAILER S/N: 2ATB021491U500392
ONE USED 2004 KENWORTH W900 AUXILIARY TRUCK S/N: 1XKWDB0XX4J972653
ONE USED 2007 WESTERN STAR 4900SA PUMP TRUCK S/N: 5KJRALAVX7PX67617
ONE USED 2012 CRANE CARRIER DR20106 TANDEM STEER MOBILE SERVICE RIG
CHASSIS S/N: 1CYEGM580CT050177

Current By
15100218316

TOGETHER WITH ANY AND ALL PRESENT AND FUTURE ACQUIRED PARTS,
ATTACHMENTS, ACCESSORIES, ACCESSIONS, ADDITIONS, SUBSTITUTIONS,
IMPROVEMENTS, REPAIR AND REPLACEMENT PARTS AND OTHER EQUIPMENT
PLACED
ON OR FORMING PART OF THE GOODS DESCRIBED HEREIN AND ANY PROCEEDS
THEREOF AND THEREFROM INCLUDING, WITHOUT LIMITATION, ANY AND ALL
PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND
OR DEALINGS WITH THE COLLATERAL OR PROCEEDS THEREOF AND WITHOUT
LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT TAKING INSTITUTIONS,
GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM
THE
LEASE OF THE COLLATERAL, INCLUDING ALL GOODS, SECURITIES, INSTRUMENTS,
DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES (AS DEFINED IN THE
PERSONAL PROPERTY SECURITY ACT), RIGHTS OF INSURANCE PAYMENTS OR ANY
OTHER PAYMENT AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO
THE
COLLATERAL OR PROCEEDS OF THE COLLATERAL CCB9310A-001 SG

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 13092508839

Registration Type: SECURITY AGREEMENT

Registration Date: 2013-Sep-25

Registration Status: Current

Expiry Date: 2021-Sep-25 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

13101833842

Amendment

2013-Oct-18

15080719433

Renewal

2015-Aug-07

18012505422

Amendment

2018-Jan-25

Debtor(s)

Block

Status

1 MUSTANG WELL SERVICES LTD.
BOX 1467,#11 LEGACY JUNCTION HWY 13/56
CAMROSE, AB T4V1X4

Current

Secured Party / Parties

Block

Status

1 ELEMENT FINANCIAL CORPORATION
161 BAY STREET, SUITE 4600, PO BOX 621
TORONTO, ON M5J2S1

Current

Block

Status

2 STONEBRIDGE LEASE FINANCING CORPORATION
1400 CORNWALL ROAD, SUITE 9
OAKVILLE, ON L6J 7W5

Deleted by
18012505422

Collateral: General

Block

Description

Status

1 GENERAL SECURITY AGREEMENT

Current

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 13111425474

Registration Type: SECURITY AGREEMENT

Registration Date: 2013-Nov-14

Registration Status: Current

Expiry Date: 2018-Nov-14 23:59:59

Exact Match on: Debtor

No: 2

Amendments to Registration

13111912546

Amendment

2013-Nov-19

15121620187

Amendment

2015-Dec-16

18070352399

Amendment

2018-Jul-03

Debtor(s)

Block

1 MUSTANG WELL SERVICES LTD.
PO BOX 1467
CAMROSE, AB T4V1X1

Status

Deleted by
13111912546

Block

2 MUSTANG WELL SERVICES LTD.
46272 HWY 56
CAMROSE, AB T4V1X4

Status

Current by
13111912546

Secured Party / Parties

Block

1 NATIONAL LEASING GROUP INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9

Status

Deleted by
18070352399

Phone #: 204 954 9000

Fax #: 204 954 9099

Block

2

Status

Current by
18070352399

Search ID#: Z10635701

CWB NATIONAL LEASING INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9

Phone #: 204 954 9000 Fax #: 204 954 9099

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ALL COMPUTER EQUIPMENT, SOFTWARE, TELEPHONE SYSTEM & OFFICE FURNITURE OF EVERY NATURE OR KIND DESCRIBED IN LEASE NUMBER 2642634 BETWEEN THE SECURED PARTY, AS LESSOR AND THE DEBTOR AS LESSEE, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES AND SUBSTITUTIONS.	Current
2	LEASE NUMBER CHANGED FROM 2642634 TO 2743492.	Current By 15121620187

Particulars

<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
1	PURCHASE MONEY SECURITY INTEREST	Current

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 13123019255

Registration Type: SECURITY AGREEMENT

Registration Date: 2013-Dec-30

Registration Status: Current

Expiry Date: 2021-Dec-30 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

13123026598	Amendment	2013-Dec-30
13123028110	Amendment	2013-Dec-30
15081011148	Renewal	2015-Aug-10
18062126940	Amendment	2018-Jun-21

Debtor(s)

Block

Status

1	MUSTANG WELL SERVICES LTD. #1 LEGACY JUNC HWY 13/56,BOX 1467 CAMROSE, AB T4V1X4	Current
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Secured Party / Parties

Block

Status

1	ELEMENT FINANCIAL CORPORATION 161 BAY STREET, SUITE 4600, PO BOX 621 TORONTO, ON M5J2S1	Deleted by 18062126940
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Block

Status

2	CWB NL FINANCIAL INC. 1525 BUFFALO PLACE WINNIPEG, MB R3T1L9	Current by 18062126940
---	--	---------------------------

Phone #: 204 954 9000

Fax #: 866 814 4752

Collateral: Serial Number Goods

Search ID#: Z10635701

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	MWS735	2013	PEMCO 96-150-C	TR - Trailer	Current
2	CDN2234	2013	KREMCO K500	TR - Trailer	Current
3	422192A	2013	COTTA TR2205	TR - Trailer	Current
4	2M91DV3B7CC185009	2013	MWS DOG HOUSE	TR - Trailer	Current
5	1XKDDDB0X41J963207	2001	KENWORTH T800	MV - Motor Vehicle	Current By 13123026598
6	MWS414	2013	MWS	TR - Trailer	Current By 13123026598

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	<p>ONE NEW 2013 PEMCO 96-150-C TELESCOPING MAST INSTALLED ON ELEMENT VIN# 1CYEGM580CT050177 AND ALL OTHER EQUIPMENT, COMPONENTS AND ATTACHMENTS S/N: MWS-735</p> <p>ONE NEW 2013 KREMCO K500 DOUBLE-DRUM DRAW WORKS S/N: CDN-2234 INSTALLED ON ELEMENT VIN # 1CYEGM580CT050177</p> <p>ONE NEW 2013 COTTA TR2205 DROP BOX S/N: 42219-2 INSTALLED ON ELEMENT VIN # 1CYEGM580CT050177</p> <p>ONE NEW 2013 MWS DOG HOUSE MOBILE WELLSITE TRAILER S/N: 2M91DV3B7CC185009</p> <p>TOGETHER WITH ANY AND ALL PRESENT AND FUTURE ACQUIRED PARTS, ATTACHMENTS, ACCESSORIES, ACCESSIONS, ADDITIONS, SUBSTITUTIONS, IMPROVEMENTS, REPAIR AND REPLACEMENT PARTS AND OTHER EQUIPMENT PLACED ON OR FORMING PART OF THE GOODS DESCRIBED HEREIN AND ANY PROCEEDS THEREOF AND THEREFROM INCLUDING, WITHOUT LIMITATION, ANY AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL OR PROCEEDS THEREOF AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, INCLUDING ALL GOODS, SECURITIES, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES (AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT), RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENT AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL. CCB9310A-002 SG</p>	Current

Search ID#: Z10635701

- 2 ONE USED 2001 KENWORTH T800 WINCH TRAILER S/N: 1XKDDB0X41J963207
TOGETHER WITH ANY AND ALL PRESENT AND FUTURE ACQUIRED PARTS,
ATTACHMENTS, ACCESSORIES, ACCESSIONS, ADDITIONS, SUBSTITUTIONS,
IMPROVEMENTS, REPAIR AND REPLACEMENT PARTS AND OTHER EQUIPMENT
PLACED
ON OR FORMING PART OF THE GOODS DESCRIBED HEREIN AND ANY PROCEEDS
THEREOF AND THEREFROM INCLUDING, WITHOUT LIMITATION, ANY AND ALL
PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND
OR DEALINGS WITH THE COLLATERAL OR PROCEEDS THEREOF AND WITHOUT
LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT TAKING INSTITUTIONS,
GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM
THE
LEASE OF THE COLLATERAL, INCLUDING ALL GOODS, SECURITIES, INSTRUMENTS,
DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES (AS DEFINED IN THE
PERSONAL PROPERTY SECURITY ACT), RIGHTS OF INSURANCE PAYMENTS OR ANY
OTHER PAYMENT AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO
THE
COLLATERAL OR PROCEEDS OF THE COLLATERAL. CCB9310A-002 SG
- Current By
13123026598
- 3 ONE USED FOSTER 58-93R TONGS S/N: E1035JJ & 500# WP BOSS 7 BOP S/N:
K11-118
- Current By
13123028110

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 14063016154

Registration Type: SECURITY AGREEMENT

Registration Date: 2014-Jun-30

Registration Status: Current

Expiry Date: 2024-Jun-30 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

14070313968	Amendment	2014-Jul-03
14102024427	Amendment	2014-Oct-20
17050823604	Amendment	2017-May-08
17060224410	Amendment	2017-Jun-02
17061537953	Amendment	2017-Jun-15
18051412349	Amendment	2018-May-14
18053037067	Amendment	2018-May-30

Debtor(s)

Block

Status

1	MUSTANG WELL SERVICES LTD. 46272 HIGHWAY 56 CAMROSE, AB T4V 1X4	Current
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Block

Status

2	MRBD LTD. 46272 HIGHWAY 56 CAMROSE, AB T4V 1X4	Current
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Secured Party / Parties

Block

Status

1		Current
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Search ID#: Z10635701

ALBERTA TREASURY BRANCHES
600, 444 - 7 AVENUE S.W.
CALGARY, AB T2P 0X8

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	2E9RSZ5Z36R073004	2006	Rig Carrier low rider	MV - Motor Vehicle	Current
2	1FVUF7WB1YPG53125	2000	Freightliner Conventional	MV - Motor Vehicle	Current
3	MWS200902	2009	Mobile doghouse trailer	TR - Trailer	Current
4	2WLPCD2G5YK960249	2000	Western Star FL941	MV - Motor Vehicle	Current
5	239RSZ5Z96R073007	2006	Rig Carrier low rider	MV - Motor Vehicle	Deleted By 14070313968
6	5KKPALAV83PL79816	2003	Western Star 4900SA	MV - Motor Vehicle	Current
7	MWS201002	2010	Mobile doghouse trailer	TR - Trailer	Current
8	2WKPDDJH4YK962165	2000	Western Star 5964SX	MV - Motor Vehicle	Current
9	1CYEGW6847T047676	2007	Crane DR0106 5 axel	MV - Motor Vehicle	Deleted By 14070313968
10	2WLPSDCJ3YK962739	2000	Western Star 4986FX	MV - Motor Vehicle	Current
11	2M91DV3B7CC185001	2012	Shop-built mobile	TR - Trailer	Current
12	1FUX3EDB3SP599554	1000	Highway Tandem-axel truck	MV - Motor Vehicle	Deleted By 17061537953
13	2R9R4CF128E690061	2008	Iron tech SR242 5-axel	MV - Motor Vehicle	Current
14	5KJRALCK45PN91874	2005	Western Star 4964SA	MV - Motor Vehicle	Current
15	MWS004	1998	Shop-built mobile	TR - Trailer	Current
16	2WKPDDCJ8WK950999	1988	Western Star 4964FX	TR - Trailer	Current
17	1CYEGW6879T049305	2009	Crane DR20106 5-axel	MV - Motor Vehicle	Current
18	1FUUF7WB1YPG53125	2000	Freightliner T800 Truck	MV - Motor Vehicle	Current
19	2S9NL666491022197	2009	Southland CHT225009535-84	TR - Trailer	Current
20	1FVPA6AV43PL05431	2003	Freightliner Columbia	MV - Motor Vehicle	Current
21	78244	1978	Cardwell B140 4 axel	MV - Motor Vehicle	Current
22	5KJRALCV86PV36016	2006	Western Star Tri-drive	MV - Motor Vehicle	Current
23	2C9HB46D812044028	2001	Doghouse trailer	TR - Trailer	Current
24	196087	1980	Franks Type 300 free	MV - Motor Vehicle	Current
25	1FVPALAV83PL04474	2003	Freightliner FLD120 truck	MV - Motor Vehicle	Current
26	1HTXRAET11J086477	2001	International 5900i 6x4	MV - Motor Vehicle	Current
27	2M91DV3B7CC185008	2012	MWS mobile doghouse	TR - Trailer	Current

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28	20856	2013	DynaWinch CD3-323	TR - Trailer	Current
29	1HTXVSJT8DJ146041	2013	International Paystar 591	MV - Motor Vehicle	Current
30	21270	2005	DynaWinch CDC-323	TR - Trailer	Current
31	1HTXTAPT26J225893	2005	International Paystar 59	MV - Motor Vehicle	Current
32	21681	2007	DynaWinch recorder body	TR - Trailer	Current
33	1HTXSAPT67J407021	2007	International 5618 7x6	MV - Motor Vehicle	Current
34	33844	2012	DynaWinch recorder body	TR - Trailer	Current
35	1HTXVAPT2BJ196710	2011	International Paystar	MV - Motor Vehicle	Current
36	1HTNWSMT3DJ603273	2013	International Paystar 591	MV - Motor Vehicle	Current
37	2WLNCCFF0TK941183	1996	Western Star tri drive	MV - Motor Vehicle	Current
38	1HTXSAPT35J055979	2005	International 5600 6.4	MV - Motor Vehicle	Current
39	5KKPALCK45PU76629	2005	Western Star tri-drive	MV - Motor Vehicle	Current
40	1HTWNAZT5DJ304393	2013	International 7500SBA 6x4	MV - Motor Vehicle	Current
41	1HTWNAZT1CJ603037	2012	International 7500SBA 6x4	MV - Motor Vehicle	Current
42	1HTWNAZTLCJ603037	2002	International 7500SBA 6x4	MV - Motor Vehicle	Deleted By 14070313968
43	1HTWNAZT0CJ660216	2012	International 7500SBA 6x4	MV - Motor Vehicle	Current
44	1HTWNAZT9CJ078969	2012	International 7500SBA 6x4	MV - Motor Vehicle	Current
45	1HTMKAAR87H407626	2006	Western Star Tri Drive	MV - Motor Vehicle	Current
46	2E9RSZ5Z96R073007	2006	Rig Carrier low rider	MV - Motor Vehicle	Current By 14070313968
47	1CYEGW6837T047676	2007	Crane DR0106 5 axel	MV - Motor Vehicle	Current By 14070313968
48	1HTWNAZTLCJ603037	2012	International 7500SBA 6x4	MV - Motor Vehicle	Current By 14070313968
49	1HTWNAZT5DH304393	2013	International 7000 series	MV - Motor Vehicle	Current By 17050823604
50	2WLNCCFF0TK941183	1996	Western Star Conventional	MV - Motor Vehicle	Current By 17050823604
51	2HSFMLR2SC011776	1995	International 9200	MV - Motor Vehicle	Current By 17050823604
52	4220491008	2002	Fabtec Doghouse	TR - Trailer	Deleted By 18053037067
53	1HTXSAPT353055979	2005	International 5600	MV - Motor Vehicle	Current By 17050823604
54	1HTWNAZT0CJ660216	2012	International 7000 series	MV - Motor Vehicle	Current By 17050823604
55	4220491108	2002	Fabtec Doghouse	TR - Trailer	Current By 17050823604

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56	1HTMKAAR56H311306	2006	International 4000 series	MV - Motor Vehicle	Current By 17050823604
57	E9R5SZ5Z296R073007	2006	Rig Carrier low rider	MV - Motor Vehicle	Current By 17060224410
58	1XKDDBOX41J963207	2001	Kenworth	MV - Motor Vehicle	Current By 17060224410
59	2M91DV3B7CC185003	2012	MWS mobile doghouse	TR - Trailer	Current By 17060224410
60	2WLHALAS63KL05584	2003	Western Star 5900I6X4	MV - Motor Vehicle	Current By 17060224410
61	2RCR54D4C16F8393	2012	Rig Carrier Rykar SR500	MV - Motor Vehicle	Current By 17060224410
62	2HSFMLR2SC011776	1995	International 9200	MV - Motor Vehicle	Current By 17060224410
63	5KKPALCK4SPU76629	2005	Western Star Tri-Drive	MV - Motor Vehicle	Current By 17060224410
64	2C9HB46D12044028	2001	ITB mobile doghouse	TR - Trailer	Current By 17060224410
65	1XKWDB0XX4J972653	2004	Kenworth W900	MV - Motor Vehicle	Current By 18051412349
66	2ATB021491U500392	2011	MWS Doghouse	TR - Trailer	Current By 18051412349
67	2E9R5Z5Z96R073007	2006	Exact Lowrider	MV - Motor Vehicle	Current By 18051412349
68	MWS201002	2010	Mobile Doghouse	TR - Trailer	Current By 18051412349
69	1XKDDBOX41J963207	2001	Kenworth T800	MV - Motor Vehicle	Current By 18051412349
70	2M91DV3B7CC185001	2012	MWS Doghouse	TR - Trailer	Current By 18051412349
71	1CYEGR6809T049308	2009	Crane Carrier DP20106	TR - Trailer	Current By 18051412349
72	5KJRALAV47PX67614	2007	Western Star 4900SA	MV - Motor Vehicle	Current By 18051412349
73	2M91DV3B7CC185004	2012	MWS Doghouse	TR - Trailer	Current By 18051412349
74	1NKDLBEX9YS959499	2000	Kenworth	MV - Motor Vehicle	Current By 18051412349
75	MWS03	1989	MWS Doghouse	TR - Trailer	Current By 18051412349
76	2RCR545S2A16F8386	2010	Rykar Mobile Rig Carrier	TR - Trailer	Current By 18051412349

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77	5KJRALAVX7PX67617	2007	Western Star 4900SA	MV - Motor Vehicle	Current By 18051412349
78	1HTGSSJT1CJ603067	2012	International 700 Series	MV - Motor Vehicle	Current By 18051412349
79	2M91DV3B7CC185009	2013	MWS Doghouse	TR - Trailer	Current By 18051412349
80	MWS200901	2009	MWS Doghouse	TR - Trailer	Current By 18051412349
81	2RCR545D4C16F8393	2012	Rykar Standalone Rig	MV - Motor Vehicle	Current By 18051412349
82	1CYEKM584CT050178	2012	Crane Carrier Rig-DR20106	TR - Trailer	Current By 18051412349
83	1FURALCK55DU84940	2005	Freightliner-FLD120SD	MV - Motor Vehicle	Current By 18051412349
84	2M91DV3B7CC185007	2012	MWS Doghouse	TR - Trailer	Current By 18051412349
85	1CYEGM580CT050177	2012	Crane Carrier DR20106	MV - Motor Vehicle	Current By 18051412349
86	5KJRALCK55PN28007	2005	Western Star T800	MV - Motor Vehicle	Current By 18051412349
87	2WLPCD2G4YK960579	2000	Western Star T800	MV - Motor Vehicle	Current By 18051412349
88	2M91DV3B7CC185002	2012	MWS Doghouse	TR - Trailer	Current By 18051412349
89	2M5121467W1049257	1998	Manac T/A Hiboy	MV - Motor Vehicle	Current By 18051412349
90	5KKPALDRXDPFA1798	2013	Western Star WB123086S	MV - Motor Vehicle	Current By 18051412349
91	5KKPALDR1DPHF6518	2013	Western Star WB123086S	MV - Motor Vehicle	Current By 18051412349
92	5KJJAEAV69PAH6241	2009	Western Star Conventional	MV - Motor Vehicle	Current By 18051412349
93	2H8B03126HR010301	1987	Trailmobile HEB-F2W	TR - Trailer	Current By 18051412349
94	0MS671622	1979	Fruehauf Pneumatic Bulker	TR - Trailer	Current By 18051412349
95	2S9NE3698C1026845	2012	Renn Tri Chassis	MV - Motor Vehicle	Current By 18051412349
96	1FUYPYB8XPB55778	1999	Freightliner Conventional	MV - Motor Vehicle	Current By 18051412349
97	2ATB02149IU500392	2011	MWS Doghouse	TR - Trailer	Current By 18051412349

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98	2ATB0405XBU107654	2011	Doghouse MWS2011R5	TR - Trailer	Current By 18051412349
99	2H8B01929HR010401	1987	Trailmobile 2 Axle Pup	TR - Trailer	Current By 18051412349

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	(1) Used 2006 Rig Carrier, low-rider, 5-axel self-propelled back-in carrier s/n 2E9RSZ5Z36R073004. Tandem-steer front axels rated at 20,000-lb each, equipped w/ polished aluminum wheels mounted on 445/65/22.5 tires w/ approximately 18-mm of tread remaining & ABS braking system. Meritor 12x6 tri-drive rear axels rated at 23,000-lb each, mounted on polished aluminum wheels equipped w/ 12R22.5 tires w/ approximately 22-mm of tread remaining & ABS braking system. Single-man insulated cab w/ controls, built-in tool boxes, fuel tanks, wing walk and adjustable working platform. Mast; 2006 Cheyenne 21.9-m (72-ft) square-tubing stiff mast, Mdl. 72-150, 66,720-daN hook-load capacity w/ 4-lines, primary & secondary fall arrest systems, 2-in standpipe & six sheave crown assembly. Attached with 1 Used 2006, SJ Petro, XJ250S Double-drum drawworks s/n 06R0886197 w/ LEBUS grooving. Main drum; 254-mm (10-in) x 965-mm (38-in). Sandline drum; 38-in dia x 8-in wide, c/w crown-saver, SJ Petro bankd 36-in, Model 122 hydromantic brake clutch, mechanical drum brake & Crown-OMatic crown saver. Engine; Detroit Series 60 14.0-L turbocharged diesel drive engine rated @425-hp @ 32000 rpm. Transmission; Allison Model HT750-DRDDB torque-tube-drive automatic 5-speed transmission w/ power tak-off. Namco Model right angle drive box. Drill & Sandline; 1-inch (25.4-mm) drillline & 1/2in (12.7-mm) sandline. Hydraulic System; Rig-mounted hydraulic system with approximately 200-gal tank, hydraulic pump, manifold, filters & hoses, System operates one 3-stage mast raising cylinder, (2) rear leveling jacks & two midship jacks, power tong, (2) Pullmaster Model PL5 deck winches, etc. Class II carrier-mounted 22-gal accumulator system.	Current
2	(1) Used 2000 Freightliner, Conventional truck equipped w/ Rock Well Model 941 s/n 1FVUF7WB1YPG53125 spring-ride front axel rate at 16,000-lb mounted on 385/65R22.5 tires w/ polished aluminum wheels, air-operated brakes & ABS braking system. Tri-drive rear axels rated at 19,000-lbs each, equipped w/ airride suspension mounted on 11R24.5 tires w/ polished aluminum wheels, air -operated brakes & ABS braking system. Truck is c/w fuel tanks & locking storage compartments. Engine; Cummins Model Signature 600 15-L diesel engine rated at 600-hp @ 2000- rpm s/n 14004589 w/ PAS turbo Transmission; Eaton Model RTLO- 20918B, 18-speed manual transmission s/n 70333492-02. Hydraulic system; reservoir tank, power take-off & two-stage hydraulic pump. Tulsa Model 30BBX4L2F winch; 30,000-lb s/n 32700051. Eweco (Empire) Model E300 triplex mud pump, 330-hp, 35,000-kPa wp, 5-in x 5-in c/w forged fluid end, quick-change heads, 5-valve manifold pulsation dampener, Bowie charge pump w/ 2-in pressure gauge & relief valve. Mud Tank; Steel-fabricated 26-m (163.5-bbl) mud tank with settling-trough, two compartments, w/ valves, degasser, c/w flow line, chiksans & mud hoses s/n 16980. Traveling & Rig Floor Equipment; McKissick Fig 83AWT-20, 75-ton traveling block assembly w/ (3) 20-in sheaves grooved for -in line s/n 06-353-54. (1) Set Foster Model 93R hydraulic power tubing tongs.	Current

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- 3 (1) set x 1-3/4-in x 72-in weld less elevator links, 150-ton capacity s/n 05254-1, 2. Canglobal Model Clipper weight indicator, 0-90,000-daN, calibrated to 62,000-daN s/n C1237 Cavins depthometer for 14.28-mm. B.O.P. Equipment; IEI (Control Tech) Model CS double-gate ram preventer, 179-mm (7-1/16 in) x 35,000-kPa (5,000-psi) wp, Nace Trim s/n 06-197. Spool, 179-mm (7-1/16 in) x 21,000-kPa 5,000-psi wp w/ 51-mm outlet valve. BOP hoses, valves, hoses, studs, nuts, (2) Hi-Kalibre safety valves, 2 -in (73) s/n 114043 & 114044. (1) Lot of saver subs, 2 -in (73-mm) & 3 -in (89-mm). Tubing & Rod Handling Equipment; (1) Cavins Model C-HD 82.5-ton tubing spider w/ 3 1/2-in (89-mm) slip body s/n 2646. (1) Set Mission shallow hand slips w/ 60 to 89-mm dies s/n 74742-3. (1) Set AOT Type TA-100, 100-ton, 2-3/8-in (60-mm) tubing elevators s/n 74200. (1) set BJ 100-ton 2-7/8-in, (73-mm) tubing elevators s/n M918743. Trico Model 554-578-600, 25-ton rod hook w/ clevis s/n H0406006. (2) Rod elevators, 5/8-in to 1-in. (4) Rod wrenches, 5/8-in to 1-in. 76-mm rod table w/ brass rod guide. (1) Regan 3-in 76-mm x 21,000-kPa rod BOP. (1) 10-ton BOP elevator w/ pick-up slings. (1) lot of rod chaser, tubing drifts, rod transfers, etc. (1) Lot of Pup joints, 60-mm & 73-mm. Servicing & Swabbing Equipment; Guiberson type HD tandem oil saver w/ high pressure pump & hose. Lubricator, (2) 76-mm x 4.57-m (3-in x 20-ft) w/ Fig 200 unions. 600/900 Series hydraulic tubing pack-off spool. Lift mandrels, rod jars, knuckle joints, rope sockets, sinker bars, tubulars rod jars, centrifuge, etc. Swab tree assembly w/ 76-mm x 21,000-kPa Demco valve, 76-mm FP rod BOP, flow tee & 51-mm ball valve. Current
- 4 (1) USED 2009 Shop-built mobile doghouse trailer s/n MWS200902; approximately 9-ft wide x 32-ft long mounted on dual-wheel 10,000-lb tandem axels equipped w/ air-operated brakes & 225/70R22.5 tires w/ approximately 13-mm of tread remaining. Dog house is fitted with; change shack / office, utility & light plant sections c/w folding wing walks, safety railing & access stairwell. Light Plant; Isuzu Model EE-4BG1T 4-cylinder diesel unitized with Stamford 30-kW generator c/w day tank, electric start & switchgear s/n X06B070573. Change shack/ doghouse; (8) lockers, fridge, desk, stove, electric heater, storage benches w/ filters, coveralls, & globed incandescent interior lighting. Utility room; utility bench, vise, buffer/grinder, locking storage compartments, wrench boards, lubricantsslings, chains, w/ electric heater, grinder, vice, work benches & Incinolet toilet. Current
- (1) USED 2000 Western Star. S/N 2WLPD2G5YK960249, FL941 spring-ride front axel rated at 16,600-lbs equipped with polished aluminum wheels mounted on 315/80R22.5 tires w/ approximately 10-mm of tread remaining, air-operated brakes & ABS braking system. Tandem air-ride rear axels rated at 40,000-lbs equipped w/ polished aluminum wheels mounted on 11R22.5 tires w/ approximately 12-mm of tread remaining, air-operated brakes & ABS braking system. Truck is equipped with; driver's air-ride seat, tire chains, chocks. c/w 1 Used Cat Model 3176 10.3-litre turbo-charged diesel engine rated @ 300-hp @ 2100 s/n 9TL21455. Transmission; Eaton 8-speed manual transmission. Service body; approximately 8-ft wide x 20-ft long. Body is equipped w/ roll-back access tarp, locking storage compartments, built-in tool boxes, BOP stand, tong rack, lubricator rack, etc.

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- 5 (1) USED Rig Carrier; 2006 Exact Model Low-Rider 5- axle self-propelled back-in carrier S/N 239RSZ5Z96R073007. Tandemsteer front axels rated at 20,000-lb each, equipped w/ polished aluminum wheels mounted on 445/65-22.5 tires w/ approximately 18-mm of tread remaining & ABS braking system. Meritor 12x6 tri-drive rear axels rated at 23,000-lb each, mounted on polished aluminum wheels equipped w/ 12R22.5 tires w/ approximately 22-mm of tread remaining & ABS braking system. Single-man insulated cab w/ controls, builtin tool boxes, fuel tanks, wing walk and adjustable working platform. Mast; 2006 Cheyenne 21.9-m (72-ft) square-tubing stiff mast s/n 08-06-041, Mdl. 72-150, 66,720-daN hook-load capacity w/ 4-lines, primary & secondary fall arrest systems, 2-in standpipe & six sheave crown assembly. Drawworks; Kin double-drum drawworks. w/ LEBUS grooving. Main drum; 254-mm (10-in) x 965-mm (38-in). Sandline drum; 38-in dia x 8-in wide c/w crown-saver, Kobelt band 36-in, Model 122 hydromantic brake clutch, mechanical drum brake & Crown-O-Matic crown saver. Engine; Detroit Series 60 14.0-L turbocharged diesel drive engine rated @ 665-hp @ 2300 rpm s/n SN-06R0911167. Transmission; Allison Model HT750- DRDDB torque-tube-drive automatic 5-speed transmission w/ power take-off. Namco Model right angle drive box. Drill & Sandline; 1-inch (25.4-mm) drilline & 1/2-in (12.7-mm) sandline. Hydraulic System; Rig-mounted hydraulic system with approximately 200-gal tank, hydraulic pump, manifold, filters & hoses, System operates one 3-stage mast raising cylinder, (2) rear levelling jacks & two midship jacks, power tong, (2) Pullmaster Model PL5 deck winches, etc. Current
- 6 (1) USED 2003 Western Star Model 4900SA Tri Drive Log Truck s/n 5KKPALAV83PL79816. Meritor Model FL941 spring-ride front axel rated at 14,600-lbs equipped with polished aluminum wheels mounted on 385/65R22.5 tires w/ air-operated brakes & ABS braking system. Tridrive air-ride rear axels rated at 46,000-lbs equipped w/ polished aluminum wheels mounted on 11R22.5 tires w/ air-operated brakes & ABS braking system. Truck is equipped with; driver's air-ride seat, tire chains, duel fuel tanks, revolving beacons, chucks etc. Engine; C-15 diesel engine rated at 500-hp s/n MBN05778. Transmission; Eaton Model RTLO-20918B, 18-speed manual transmission s/n S0079250. Hydraulic system; reservoir tank, power take-off & two-stage hydraulic pump. Tulsa Model 30BBX4L2F winch; 30,000-lb Eweco (Empire) Model E300 triplex mud pump, 330-hp, 35,000-kPa wp, 5-in x 5-in c/w forged fluid end, quick-change heads, 5-valve manifold pulsation dampener, Bowie charge pump w/ 2-in pressure gauge & relief valve. Mud Tank; Steel-fabricated 26-m (163.5-bbl) mud tank with settling-trough, two compartments, w/ valves, degasser, c/w flow line, chiksans & mud hoses. Traveling & Rig Floor Equipment; McKissick Fig 83-A 24, 100-ton traveling block assembly w/ (3) 20-in sheaves grooved for 1-in line s/n 059-1764. (1) Set Gill Model 500 - hydraulic power tubing tongs s/n 500-896. (1) set x 1-3/4-in x 72-in weld less elevator links, 150-ton capacity 06099-1, 2. Schwab's Model Clipper weight indicator, 0-90,000-daN, calibrated to 62,000-daN 1551. Cavins depthometer for 14.28-mm sandline. B.O.P. Equipment; IEI Model Double double-gate ram preventer, 179-mm (7-1/16 in) x 35,000-kPa (5,000-psi) wp, Nace Trim. Spool, 179-mm (7-1/16 in) x 35,000-kPa (5,000-psi) wp w/ 2-in (51-mm) outlet valve s/n 60986-01. BOP hoses, valves, hoses, studs, nuts, etc. Current

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- 7 (2) Hi-Kalibre safety valves, 2 -in (73-mm). (1) Lot of saver subs, 2 -in (73-mm) & 3 - in (89-mm). Tubing & Rod Handling Equipment; (1) Cavins Model C-HD 82.5-ton tubingspider w/ 3 1/2-in (89-mm) slip body. (1) Set Mission shallow hand slips w/ 60 to 89-mm dies. (1) Set AOT Type TA-100, 100-ton, 2-3/8-in (60-mm) tubing elevators. (1) set BJ 100-ton 2-7/8-in, (73-mm) tubing elevators. Trico Model 554-578-600, 25-ton rod hook w/ clevis s/n H0606136. (2) Rod elevators, 5/8-in to 1-in. (4) Rod wrenches, 5/8-in to 1-in. 76-mm rod table w/ brass rod guide. (1) Regan 3-in 76-mm x 21,000-kPa rod BOP. (1) 10-ton BOP elevator w/ pick-up slings. (1) lot of rod chaser, tubing drifts, rod transfers, etc. (1) Lot of Pup joints, 60-mm & 73-mm. Servicing & Swabbing Equipment; Guibberson type HD tandem oil saver w/ high pressure pump & hose. Lubricator, (2) 76-mm x 4.57-m (3-in x 20-ft) w/ Fig 200 unions. 600/900 Series hydraulic tubing pack-off spool. Lift mandrels, rod jars, knuckle joints, rope sockets, sinker bars, tubulars rod jars, centrifuge, etc. Swab tree assem. w/ 76-mm x 21,000-kPa Demco valve, 76-mm FP rod BOP, flow tee & 51-mm ball valve. Current
- 8 (1) USED 2010 Shop-built mobile doghouse trailer s/n MWS201002; approximately 9-ft wide x 32-ft long mounted on dual-wheel 10,000-lb tandem axels equipped w/ air-operated brakes & 225/70R22.5 tires w/ approximately 13-mm of tread remaining. Dog house is fitted with; change shack / office, utility & light plant sections c/w folding wing walks, safety railing & access stairwell. Change shack/ doghouse; (8) lockers, fridge, desk, stove, electric heater, storage benches w/ filters, coveralls, & globed incandescent interior lighting. Light Plant; Isuzu Model EE-4BG1T 4-cylinder diesel unitized with Stamford 30- kW generator c/w day tank, electric start & switchgear s/n M11C110969 Utility room; utility bench, vise, buffer/grinder, locking storage compartments, wrench boards, lubricants, slings, chains, w/ electric heater, grinder, vice, work benches & Incinolet toilet. Current
- (1) USED 2000 Western Star Model 4964SX tandem axel truck s/n 2WKPDDJH4YK962165. Meritor Model FL941 spring-ride front axel rated at 14,600-lbs equipped with polished aluminum wheels mounted on 445/65R22.5 tires w/ air-operated brakes & ABS braking system. Tandem air-ride rear axels rated at 46,000-lbs equipped w/ polished aluminum wheels mounted on 11R22.5 tires w/ air-operated brakes & ABS braking system. Truck is equipped with; driver's air-ride seat, tire chains, chalks etc. Cat Model C15 turbo-charged diesel engine rated @ 500-hp @ 177 rpm. Transmission; Eaton Model RTLO-16918B, 18-speed manual transmission. Transport body; approximately 8-ft wide x 20-ft long. Body is equipped w/ roll-back access tarp, locking storage compartments, built-in tool boxes, BOP sliding stand, tong rack, lubricator rack, etc.

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- 9 (1) USED Rig Carrier; 2007 Crane Model DR0106 5-axle self-propelled back-in carrier s/n 1CYEGW6847T047676. Tandem-steer front axels equipped w/ polished aluminum wheels mounted on 445/65-22.5 tires w/ approximately 14-mm of tread remaining & ABS braking system. Meritor 12x6 tri-drive rear axels mounted on polished aluminum wheels equipped w/ 12R22.5 tires w/ approximately 18-mm of tread remaining & ABS braking system. Single-man insulated cab w/ controls, builtin tool boxes, fuel tanks, wing walk and adjustable working platform. Mast; 2007 Rykar Model 72-140-S; 21.9-m (72-ft) square tubing stiff mast, 120,000-lb (62,000-daN) hook-load capacity w/ 4-lines, primary & secondary fall arrest systems, 2-in standpipe & six sheave crown assembly KE-5042. Drawworks; Cooper double-drum drawworks w/ LEBUS grooving. Main drum; 254-mm (10-in) x 965-mm (38-in). Sandline drum; 38-in dia x 8-in wide, c/w crownsaver, Kobelt band 36-in, Model 122 hydromantic brake clutch, mechanical drum brake & Crown-O-Matic crown saver s/n 1949. Engine; Detroit Series 60 14.0-L turbocharged diesel drive engine rated @ 425-hp @ 2300 rpm s/n 06R0949883. Transmission; Allison Model HT750- DRDDB torque-tube-drive automatic 5-speed transmission w/ power take-off s/n M5610A. Namco Model right angle drive box. Drill & Sandline; 7/8-inch (25.4-mm) drillline & 1/2-in (14.28-mm) sandline. Hydraulic System; Rig-mounted hydraulic system with approximately 200-gal tank, hydraulic pump, manifold, filters & hoses, System operates one 3-stage mast raising cylinder, (2) rear levelling jacks & two midship jacks, power tong, (2) Pullmaster Model PL5 deck winches, etc. Class II carrier-mounted 22-gal accumulator system.
- 10 (1) USED 2000 Western Star Model 4986FX tridrive pump truck s/n 2WLPSCDJ3YK962739. Western Model WS16 springride front axel rated at 16,000-lbs equipped with polished aluminum wheels mounted on 385/65R22.5 tires w/ approximately 12-mm of tread remaining, air-operated brakes & ABS braking system. Tri-drive rear axels rated at 18,333-lbs/eh equipped w/ air-ride axels rated at 46,000-lbs equipped w/ polished aluminum wheels mounted on 11R22.5 tires w/ approximately 18-mm of tread remaining, air-operated brakes & ABS braking system. Truck is equipped with; driver's air-ride seat, tire chains, duel fuel tanks, revolving beacons, chalks etc. Engine; Cat Model 3406E diesel engine rated at 550-hp; 14.6-litre s/n 2WS19060. Transmission; Eaton Model RTLO-20918B, 18 speed manual transmission. Hydraulic system; reservoir tank, power take-off & two-stage hydraulic pump. Tulsa Model 30BBX4L2F winch; 30,000-l s/n 32700063. Eweco (Empire) Model E300 triplex mud pump, 330-hp, 35,000-kPa wp, 5-in x 5-in c/w forged fluid end, quick-change heads, 5- valve manifold pulsation dampener, Bowie charge pump w/ 2-in pressure gauge & relief valve. Mud Tank; Steel-fabricated 28-m (163.5-bbl) mud tank with settling-trough, two compartments w/ valves, degasser, c/w flow line, chiksans & mud hoses. Traveling & Rig Floor Equipment; McKissick Fig 83AWT-24, 100-ton traveling block assembly w/ (3) 24-in sheaves grooved for 1-in line s/n 06-349-24.

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| 11 | <p>(1) Gill Model 500 hydraulic power tubing tongs s/n 500-1147. (1) set x 1-3/4-in x 72-in weld less elevator links, 150-ton capacity. Canglobal Model Clipper weight indicator, 0-90,000-daN, calibrated to 62,000-daN. Cavins depthometer for 14.28-mm sandline. B.O.P. Equipment; IEL double-gate ram Preventer, 179-mm (7-1/16 in) x 35,000-kPa (5,000-psi) wp, Nace Trim s/n 06-197. Spool, 179-mm (7-1/16 in) x 35,000-kPa (5,000-psi) wp w/ (2) 51-mm outlet valves s/n 48558-ACD-4. BOP hoses, valves, hoses, studs, nuts, etc. (2) Hi-Kalibre safety 2 -in (73-mm). (1) Lot of saver subs, 2 -in (73-mm) & 3 -in (89-mm). Tubing & Rod Handling Equipment; (1) Set Cavins 82.5-ton tubing spider w/ 3 1/2-in (89-mm) slip body. (1) Set Mission shallow hand slips w/ 60 to 89-mm dies s/n MSM04681. (1) set AOT Type TA65, 65-ton 60-mm (2-3/8 in) tubing elevators s/n 63068. (1) set AOT Type TA-100; 100-ton 73-mm (2-7/8 in) tubing elevators s/n 87752. Trico Model 554-578-600, 25-ton rod hook w/ clevis s/n H1017020. (2) Rod elevators, 5/8-in to 1-in. (4) Rod wrenches, 5/8-in to 1-in. 76-mm rod table w/ brass rod guide. (1) Regan 3-in 76-mm x 21,000-kPa rod BOP. (1) 10-ton BOP elevator w/ pick-up slings. (1) lot of rod chaser, tubing drifts, rod transfers, etc. (1) Lot of Pup joints, 60-mm & 73-mm. Servicing & Swabbing Equipment; Guiberson type HD tandem oil saver w/ high pressure pump & hose. Lubricator, (2) 76-mm x 4.57-m (3-in x 20-ft) w/ Fig 200 unions. 600 /900 Series hydraulic tubing pack-off spool. Lift mandrels, rod jars, knuckle joints, rope sockets, sinker bars, tubulars rod jars, centrifuge, etc. Swab tree assembly w/ 76-mm x 21,000-kPa Demco valve, 76-mm FP rod BOP, flow tee & 51-mm ball valve.</p> | Current |
| 12 | <p>(1) USED 2012 Shop-built mobile doghouse trailer s/n 2M91DV3B7CC185001; approximately 9-ft wide x 32-ft long mounted on dual-wheel 10,000-lb tandem axels equipped w/ air - operated brakes & 225/70R22.5 tires w/ approximately 16-mm of tread remaining. Change shack/ doghouse; (8) lockers, fridge, desk, stove, electric heater, storage benches w/ filters, coveralls, & globed incandescent interior lighting. Utility room; utility bench, vise, buffer/grinder, locking storage compartments, wrench boards, lubricants, slings, chains, w/ electric heater, grinder, vice, work benches & Incinolet toilet. Light Plant; Isuzu Model EE-4BG1T 4-cylinder diesel unitized with Stamford 30-kW generator c/w day tank, electric start & switchgear s/n 75ZXL03.1GTB. Incinolet Model WB electric toilet.</p> | Current |
| 13 | <p>(1) USED Highway tandem-axel truck equipped w/ Rock Well Model 941 s/n 1FUX3EDB3SP599554 springride front axel mounted on 385/65R22.5 tires w/ approximately 8-mm of tread remaining, polished aluminum wheels, air -operated brakes & ABS braking system. Tandem rear axels rated at 46,000-lbs equipped w/ air-ride suspension mounted on 11R22.5 tires w/ approximately 10-mm of tread remaining, polished aluminum wheels, air - operated brakes & ABS braking system. Cat Model 3176 10.3-litre turbo-charged diesel engine rated @ 350-hp @ 2100 rpm s/n 9CK15423. Transmission; Eaton Model RTLO-16913B, 13-speed manual transmission. Transport body; approximately 8-ft wide x 20-ft long. Body is equipped w/ roll-back access tarp, locking storage compartments, built-in tool boxes, BOP sliding stand, tong rack, lubricator rack, etc. Rig Support Equipment; (1) Lot of safety equipment including; fire extinguishers, two SCBA 30-minute air packs, safety glasses & shields, basket stretcher, first aid kits, safety signs, safety & climbing belts, eye wash stations, fire blanket, (2) SALA self-retracting lifelines, SALA rig-rider, high-angle rescue kit, etc. (1) Lot of general rig tools including hand wrenches, screwdrivers, hammers, pipe wrenches, jacks, wire brushes, crow bars, cable cutters, drills, file sets, sledge hammers, shovels, tiger torch, bench grinders, etc. (1) Lot spare parts & consumables including mud pump parts, table inserts, valves, hoses, filters, wire rope, slings, unions, fist grips, bull plugs, chains, hose clamps, nipples, etc.</p> | Deleted By
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- 14 (1) USED Rig Carrier; 2008 Iron tech Model SR242 5-axle self-propelled back-in carrier s/n 2R9R4CF128E690061 w/ tandem-steer front axels rated at 9,072-kg / axel equipped w/ polished aluminum wheels mounted on 445/65-22.5 tires w/ ABS braking system. Meritor single reduction tri-drive rear axels rated at 10,432-kg / axel mounted on polished aluminum wheels equipped w/ 12R22.5 tires w/ ABS braking system. Single-man insulated cab w/ controls, built-in tool boxes, fuel tanks, wing walk and adjustable working platform. Irontech Model 72-140S freestanding stiff mast 72-ft 21.9-m), 150,000-lbs (66,720- daN) hook-load capacity w/ 4 lines, square-tube construction, primary & secondary fall arrest systems, mounted ladder, 2-in standpipe & five-sheave crown assembly s/n MO-45-07.Rig Up 106-cm (42-in) x 25.4-cm (10-in) double-drum drawworks (splash-cooled & belt driven) c/w crown-saver & brakes s/n 9.KK.01.08. Engine; Detroit Series 60 14-litre turbocharged diesel drive engine rated at 665- hp @ 2300-rpm. Transmission; Allison Model 4700 OFS, torque-tube-drive automatic transmission w/ power take-off. Rig-up right angle gear box s/n GP.54.08. Hydraulic System; rig-mounted hydraulic system with approximately 200-gal tank, hydraulic pump, manifold, filters & hoses. System operates one 3-stage mast raising cylinder, (2) rear levelling jacks & two mid-ship jacks, power tong, (2) Pullmaster Model PL5 deck winches, etc. Irontech Class II carrier-mounted 22-gal accumulator system s/n AS08IT00043. Current
- 15 (1) USED 2005 Western Star Model 4964SA tri-drive truck s/n 5KJRALCK45PN91874. Meritor Model FL941 spring-ride front axel rated at 14,600-lbs equipped with polished aluminum wheels mounted on 385/65R/22.5 tires w/ aioperated brakes & ABS braking system. Tri-drive rear axels rated at 46,000-lbs w/ air-ride suspension mounted on polished aluminum wheels w/ 11R22.5 tires w/ aioperated brakes & ABS braking system. Truck is equipped with; driver's air-ride seat, tire chains, duel fuel tanks, revolving beacons, chalks etc. Detroit Series 60, 14-litre turbo diesel drive engine, rated @ 500-hp @ 1800 rpm s/n 05R0801867. Transmission; Allison Model 4700 OFS 5-speed automatic transmission w/ power take-off. Hydraulic system; reservoir tank, power take-off & two-stage hydraulic pump. Tulsa Model 30BBX4L2F winch; 30,000-Lb. Eweco (Empire) Model E300 triplex mud pump, 330-hp, 35,000-kPa wp, 5-in x 5-in c/w forged fluid end, quick-change heads, 5-valve manifold pulsation dampener, Bowie charge pump w/ 2-in pressure gauge & relief valve. Mud Tank; Steel-fabricated 28-m 176-bbl) mud tank with settling-trough, two compartments, two guns w/valves, mix hopper, degasser, 118-m of 50.8-mm line pipe w/ chiksans, 50.8-mm & 101-mm mud hoses. Traveling & Rig Floor Equipment; McKissick Fig 83AWT-20, 75-ton traveling block assembly w/ (3) 20-in sheaves grooved for -in line s/n 1759866. (1) Set Tillery & Parks Type 5890-hydraulic power tubing tongs. (1) set x 1-3/4-in x 72-in weldless elevator links, 150-ton capacity. Canglobal Model Clipper weight indicator, 0-90,000-daN, calibrated to 62,000-daN s/n C1240. Current

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- 16 Cavins depthometer for 14.28-mm sandline. B.O.P. Equipment; IEI (API) double-gate ram Preventer, 179-mm (7-1/16 in) x 35,000-kPa (5,000-psi) wp, Nace Trim s/n 05-059. Spool, 179-mm (7-1/16 in) x 35,000-kPa (5,000-psi) wp w/ 51-mm outlet valve. BOP hoses, valves, hoses, studs, nuts, (2) Hi-Kalibre safety valves, 73 & 73-mm. (1) Lot of saver subs, 73 & 89-mm. Tubing & Rod Handling Equipment; (1) Set Cavins 82.5-ton tubing spider w/ 3 1/2-in (89-mm) slip body (1) Set Mission shallow hand slips w/ 60 to 89-mm dies (1) set AOT 100-ton 60-mm (2-3/8 in) tubing elevators (1) set BJ 100-ton 73-mm (2-7/8 in) tubing elevators. (2) Rod elevators, 5/8-in to 1-in (4) Rod wrenches, 5/8-in to 1-in 76-mm rod table w/ brass rod guide. Trico Model 554-578-600, 25-ton rod hook w/ clevis (1) Regan 3-in 76-mm x 21,000-kPa rod BOP. (1) 10-ton BOP elevator w/ pick-up slings. (1) lot of rod chaser, tubing drifts, rod transfers, etc. (1) Lot of Pup joints, 60-mm & 73-mm. Servicing & Swabbing Equipment; Guibberson type HD tandem oil saver w/ high pressure pump & hose. Lubricator, (2) 76-mm x 4.57-m (3-in x 20-ft) w/ Fig 200 unions. 600/900 Series hydraulic tubing pack-off spool. Lift mandrels, rod jars, knuckle joints, rope sockets, sinker bars, tubulars rod jars, centrifuge, etc. Swab tree assembly w/ 76-mm x 21,000-kPa Demco valve, 76-mm FP rod BOP, flow tee & 51-mm ball valve. Current
- 17 (1) USED 1998 Shop-built mobile doghouse trailer s/n MWS004; approximately 8-ft wide x 26-ft long mounted on tandem 10,000-lbs axels c/w change shack & light plant section. Change shack/ doghouse; (8) lockers, fridge, desk, stove, electric heater, storage benches w/ filters, coveralls, & globed incandescent interior lighting. Utility room; utility bench, vise, buffer/grinder, locking storage compartments, wrench boards, lubricants, slings, chains, w/ electric heater, grinder, vice, work benches & Incinolet toilet. Light Plant; Isuzu Model EE-4BG1T 4- cylinder diesel unitized with Stamford 30-kW generator c/w day tank, electric start & switchgear. Incinolet Model WB electric toilet. Current
- 18 (1) USED 1988 Western Star s/n 2WKPDCCJ8WK950999 Model 4964FX tandem-axel truck w/ Freightliner Model FL941 spring-ride front axel rated at 20,000-lbs equipped with polished aluminum wheels mounted on 445/65R22.5 tires w/ air-operated brakes & ABS braking system. Freightliner Model RT 44 145P tandem drive air-ride rear axels rated at 22,000-lbs each equipped w/ polished aluminum wheels mounted on 11R24.5 tires w/ air-operated brakes & ABS braking system. Truck is equipped with; driver's air-ride seat, tire chains, duel fuel tanks, revolving beacons, chalks etc. Cat Model 3406 diesel engine rated @ 490-hp s/n 6TS16393. Transmission; Eaton Model RTLO- 18718B, 18-speed manual transmission. Transport body; approximately 8-ft wide x 20-ft long. Body is equipped w/ roll-back access tarp, locking storage compartments, built-in tool boxes, BOP sliding stand, tong rack, lubricator rack, etc. Rig Support Equipment; (1) Lot of safety equipment including; fire extinguishers, two SCBA 30-minute air packs, safety glasses & shields, basket stretcher, first aid kits, safety signs, safety & climbing belts, eye wash stations, fire blanket, (2) SALA selfretracting lifelines, SALA rig-rider, highangle rescue kit, etc. (1) Lot of general rig tools including hand wrenches, screwdrivers, hammers, pipe wrenches, jacks, wire brushes, crow bars, cable cutters, drills, file sets, sledge hammers, shovels, tiger torch, bench grinders, etc. (1) Lot spare parts & consumables including mud pump parts, table inserts, valves, hoses, filters, wire rope, slings, unions, fist grips, bull plugs, chains, hose clamps, nipples, etc. Current

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- 19 (1) USED Rig Carrier; 2009 Crane Model DR20106 5-axle self-propelled back-in carrier s/n 1CYEGW6879T049305. Tandemsteer front axels equipped w/ polished aluminum wheels mounted on 445/65-22.5 tires w/ approximately 20-mm of tread remaining & ABS braking system. Meritor 12x6 tri-drive rear axels mounted on polished aluminum wheels equipped w/ 12R22.5 tires w/ approximately 17-mm of tread remaining & ABS braking system. Single-man insulated cab w/ controls, builtin tool boxes, fuel tanks, wing walk and adjustable working platform. Mast; 2009 Cheyenne Model 104-220, 31.7-m (104-ft) square-tubing telescoping mast, 97,856-daN hook-load capacity w/ 6-lines, primary & secondary fall arrest systems, 2-in standpipe & six sheave crown assembly s/n 09.08.015. Drawworks; Kin Model M3810 double-drum drawworks. Main drum; 254-mm (10-in) x 965-mm (38-in). Sandline drum; 38-in dia x 8-in wide, c/w crown-saver, Kobelt band 40-in, Model 122 hydromantic brake clutch, mechanical drum brake & Crown-O-Matic crown saver. Engine; Detroit Series 60 14.0-L turbocharged diesel drive engine rated @ 665-hp @ 2300 rpm. s/n 06R1006764. Transmission; Allison Model HT750 DR torque-tube drive automatic transmission. Namco Model M94-RA45041 right angle drive box s/n N07-16002. Drill & Sandline; 1-inch (25.4-mm) drillline & 1/2-in (12.7-mm) sandline. Hydraulic System; rig-mounted hydraulic system with approximately 200-gal tank, hydraulic pump, manifold, filters & hoses, System operates one 3-stage mast raising cylinder, telescoping cylinder, (2) rear levelling jacks & two mid-ship jacks, power tong, (2) deck winches, etc. Current
- 20 (1) USED 2000 Freightliner s/n 1FUUF7WB1YPG53125 Model T800 truck equipped w/ Rock Well Model 941 springride front axel rated at 16,000-lbs mounted on polished aluminum wheels w/ 425/65R22.5 tires w/ approximately 12-mm of tread remaining, air-operated brakes & ABS braking system. Tri-drive rear axels rated at 46,000-lbs equipped w/ air-ride suspension mounted on polished aluminum wheels w/ 11R22.5 tires w/ air-operated brakes & ABS braking system. Truck is equipped with; driver's air-ride seat, tire chains, chocks etc. Engine; ISX 530 diesel engine rated at 500- hp @ 2000-rpm s/n 79089324. Transmission; Eaton Model RTLO-20918B, 18-speed manual transmission. Hydraulic system; approximately 60-gal tank, power take-off & two-stage hydraulic pump. Tulsa Model 30BBX4L2F winch; 30,000-lb. Eweco (Empire) Model E300 triplex mud pump, 330-hp, 35,000-kPa wp, 5-in x 5-in c/w forged fluid end, quick-change heads, 5- valve manifold pulsation dampener, Bowie charge pump w/ 2-in pressure gauge & relief valve. Mud Tank; Steel-fabricated 32-m 200-bbl mud tank with settling-trough, two compartments, w/ valves, degasser, c/w flow line, chocks & mud hoses. Traveling & Rig Floor Equipment; McKissick Fig 83AWT-24, 100-ton traveling block assembly w/ (3) 24-in sheaves grooved for 1-in line s/n 875792. (1) Set Gill Type 500 hydraulic power tubing tongs s/n 500-945. (1) set x 1-3/4-in x 72-in weld less elevator links, 150-ton capacity s/n 150T072/71. Canglobal Model Clipper weight indicator, 0- 90,000-daN, calibrated to 62,000-daN s/n 28528. B.O.P. Equipment; IEI (Control Tech) Model CS double-gate ram preventer, 179-mm (7-1/16 in) x 35,000-kPa (5,000-psi) wp, Nace Trim s/n K08-092. Spool, 179-mm (7-1/16 in) x 35,000-kPa (5,000-psi) wp w/ 51-mm outlet valve s/n 50209-ACD-4. BOP hoses, valves, hoses, studs, nuts, etc. (2) Hi-Kalibre safety valves, 73 & 73-mm. (1) Lot of saver subs, 73 & 89-mm. Tubing & Rod Handling Equipment; Current

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- 21 (1) Set Cavins 82.5-ton tubing spider w/ 3 1/2-in (89-mm) slip body. (1) Set Mission shallow hand slips w/ 60 to 89-mm dies. (1) set AOT 100-ton 60-mm (2-3/8 in) tubing elevators. (1) set BJ 100-ton 73-mm (2-7/8 in) tubing elevators. (2) Rod elevators, 5/8-in to 1-in. (4) Rod wrenches, 5/8-in to 1-in. 76-mm rod table w/ brass rod guide. Trico Model 554-578-600, 25-ton rod hook w/ clevis s/n H1208060. (1) Regan 3-in 76-mm x 21,000-kPa rod BOP. (1) 10-ton BOP elevator w/ pick-up slings. (1) lot of rod chaser, tubing drifts, rod transfers, etc. (1) Lot of Pup joints, 60-mm & 73-mm. Servicing & Swabbing Equipment; Guibberson type HD tandem oil saver w/ high pressure pump & hose. Lubricator, (2) 76-mm x 4.57-m (3-in x 20-ft) w/ Fig 200 unions. 600/900 Series hydraulic tubing pack-off spool. Lift mandrels, rod jars, knuckle joints, rope sockets, sinker bars, tubulars rod jars, centrifuge, etc. Swab tree assembly w/ 76-mm x 21,000- kPa Demco valve, 76-mm FP rod BOP, flow tee & 51-mm ball valve. Current
- 22 (1) USED 2009 Southland Model CHT22500-9535-84 mobile doghouse trailer s/n 2S9NL666491022197; approximately 8-ft wide x 36-ft long equipped with spring-ride tandem 10,000-lbs axels mounted on 225/70R22.5 tires. Trailer is c/w change shack & light plant / accumulator sections. Change shack/ doghouse section; (8) lockers, fridge, desk, stove, electric heater, storage benches w/ filters, coveralls, & globed incandescent interior lighting. Light plant / accumulator section; utility bench, vise, buffer/grinder, locking storage compartments, wrench boards, lubricants, slings, chains, w/ electric heater, grinder, vice, work benches & Incinolet toilet. Class III accumulator; 3-station electric over hydraulic operation, equipped with approximately 280-litre reservoir w/ pump powered by Weg 15-hp electric motor c/w hydraulically - operated BOP hose reels & carrier-mounted remote. Light Plant; Isuzu Model EE-4BG1T 4- cylinder diesel unitized with Stamford 55- kW generator c/w day tank, electric start & switchgear s/n 49606. Incinolet Model WB electric toilet. Current
- 23 (1) USED 2003 Freightliner Columbia tandem axel truck s/n 1FVPA6AV43PL05431. Rock Well Model 941 spring-ride front axel rated at 14,000-lb mounted on polished aluminum wheels equipped w/ 65R22.5 tires w/ air-operated brakes & ABS braking system. Tridem rear drive axels rated at 56,000-lbs equipped w/ air-ride suspension mounted on polished aluminum wheels equipped w/ 11R22.5 tires w/ air -operated brakes & ABS braking system. Truck is c/w dual fuel tanks, chains, tire chucks etc. Cat Model C15 turbo-charged diesel engine rated @ 450-hp @ 2100 rpm s/n 6NZ87182. Transmission; Eaton Model RTLO-16918B, 18-speed manual transmission. Service body; approximately 8-ft wide x 20-ft long. Body is equipped w/ roll-back access tarp, locking storage compartments, built-in tool boxes, BOP stand, tong rack, lubricator rack, etc. Rig Support Equipment; (1) Lot of safety equipment including; fire extinguishers, two SCBA 30-minute air packs, safety glasses & shields, basket stretcher, first aid kits, safety signs, safety & climbing belts, eye wash stations, fire blanket, (2) SALA self-retracting lifelines, SALA rig-rider, high-angle rescue kit, etc. (1) Lot of general rig tools including hand wrenches, screwdrivers, hammers, pipe wrenches, jacks, wire brushes, crow bars, cable cutters, drills, file sets, sledge hammers, shovels, tiger torch, bench grinders, etc. (1) Lot spare parts & consumables including mud pump parts, table inserts, valves, hoses, filters, wire rope, slings, unions, fist grips, bull plugs, chains, hose clamps, nipples, etc. Current

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- 24 (1) USED Rig Carrier; 1978 Cardwell Model B140 s/n 78244, 4- axle self-propelled back-in carrier. Rockwell tandem-steer spring-ride front axels equipped w/ steel wheels mounted on 445/65-22.5 tires w/ ABS braking system. Rockwell tandem-drive rear axels mounted on steel wheels equipped w/ 12R22.5 tires w/ ABS braking system. Single-man insulated cab w/ controls, builtin tool boxes, fuel tanks, wing walk and adjustable working platform. Mast; 1978 Cardwell Model 72-140, 21.9-m (72-ft) square-tubing stiff mast, 62,300-daN hook-load capacity w/ 4-lines, primary & secondary fall arrest systems, 2-in standpipe & six sheave crown assembly s/n CE-4544. Drawworks; Cardwell Model K150 doubledrum drawworks. Main drum; 203-mm (8-in) x 914-mm (36-in). Sandline drum; 203-mm (8-in) x 914-mm (36-in), c/w crownsaver, Kobelt band 36-in, Model 122 hydromantic brake clutch, mechanical drum brake & Crown-O-Matic crown. Engine; Detroit Series 60 14.0-L turbocharged diesel drive engine rated @ 665-hp @ 2300 rpm s/n 04RE102775. Transmission; Allison Model CLT750 torque-tube drive automatic transmission s/n 2510014086. Bevel right angle drive box. Drill & Sandline; 1-inch (25.4-mm) drilline & 1/2-in (12.7-mm) sandline. Hydraulic System; rig-mounted hydraulic system with approximately 200-gal tank, hydraulic pump, manifold, filters & hoses, System operates one 3-stage mast raising cylinder, (2) rear levelling jacks & two midship jacks, power tong, (2) deck winches, etc. Class II carrier-mounted 22-gal accumulator system. Current
- 25 (1) USED 2006 Western Star Tri Drive s/n 5KJRALCV86PV36016 w/ springride front axel mounted on polished aluminum wheels w/ 425/65R22.5 tires w/ air-operated brakes & ABS braking system. Tridem tri-drive rear axels w/ airride suspension mounted on polished aluminum wheels w/ 11R22.5 tires w/ airoperated brakes & ABS braking system. Truck is equipped with; driver's air-ride seat, tire chains, chocks etc. Engine; Cat Model 3406E diesel engine rated at 475-hp. Transmission; Eaton Model RTLO- 20918B, 18-speed manual transmission. Hydraulic system; approximately 60-gal tank, Chelsea power take-off & two-stage hydraulic pump. Tulsa Model 30BBX4L2F winch; 30,000-lb Gardner Denver triplex mud pump, 300-hp, 35,000-kPa wp, 4-in x 5-in c/w forged fluid end, quick-change heads, 5-valve manifold pulsation dampener, Bowie charge pump, w/ 2-in pressure gauge & Mud Tank; Steel-fabricated 32-m 200-bbl mud tank with settling-trough, two compartments, w/ valves, degasser, c/w flow line, chocks & mud hoses. Traveling & Rig Floor Equipment; McKissick Fig 83AWT-20, 75-ton traveling block assembly w/ (3) 20-in sheaves grooved for 1-in line. (1) Set Gill Type 500 hydraulic power tubing tongs. Current
- 26 (1) set x 1-3/4-in x 72-in weld less elevator links, 150-ton capacity. Canglobal Model Clipper weight indicator, 0-90,000-daN, calibrated to 62,000-daN. Cavins depthometer for 14.28-mm sandline. B.O.P. Equipment; IEI (Control Tech) Model CS double-gate ram preventer, 179-mm (7-1/16 in) x 35,000-kPa (5,000-psi) wp, Nace Trim. Spool, 179-mm (7-1/16 in) x 35,000-kPa (5,000-psi) wp w/ 51-mm outlet valve. BOP hoses, valves, hoses, studs, nuts, etc. (2) Hi-Kalibre safety valves, 73 & 73-mm. (1) Lot of saver subs, 73 & 89-mm. Tubing & Rod Handling Equipment; (1) Set Cavins 82.5-ton tubing spider w/ 3 1/2-in (89-mm) slip body. (1) Set Mission shallow hand slips w/ 60 to 89-mm dies. (1) set AOT 100-ton 60-mm (2-3/8 in) tubing elevators. (1) set BJ 100-ton 73-mm (2-7/8 in) tubing elevators. (2) Rod elevators, 5/8-in to 1-in. (4) Rod wrenches, 5/8-in to 1-in. 76-mm rod table w/ brass rod guide. Trico Model 554-578-600, 25-ton rod hook w/ clevis. (1) Regan 3-in 76-mm x 21,000-kPa rod BOP. (1) 10-ton BOP elevator w/ pick-up slings. (1) lot of rod chaser, tubing drifts, rod transfers, etc. (1) Lot of Pup joints, 60-mm & 73-mm. Servicing & Swabbing Equipment; Guiberson type HD tandem oil saver w/ high pressure pump & hose. Lubricator, (2) 76-mm x 4.57-m (3-in x 20-ft) w/ Fig 200 unions. 600/900 Series hydraulic tubing pack-off spool. Lift mandrels, rod jars, knuckle joints, rope sockets, sinker bars, tubulars rod jars, centrifuge, etc. Swab tree assembly w/ 76-mm x 21,000-kPa Demco valve, 76-mm FP rod BOP, flow tee & 51-mm ball valve. Current

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- 27 (1) USED 2001 mobile doghouse trailer s/n 2C9HB46D812044028 ; equipped with spring-ride tandem 10,000-lbs axels mounted on 225/70R22.5 tires. Trailer is c/w change shack & light plant. Light Plant; Isuzu 3-cylinder diesel unitized with Stamford 25-kW generator c/w day tank, electric start & switchgear. Incinolet Model WB electric toilet. Transmission; Eaton Model RTLO-16918B, 18-speed manual transmission. Hydraulic system; approximately 40-gal tank, Chelsea power take-off & hydraulic pump. Tulsa Model 30BBX4L2F winch; 30,000-lb Junk skid; approximately 8-ft wide x 16-ft long. Body is equipped w/ locking storage compartments, built-in tool boxes, BOP stand, tong rack, lubricator rack, etc. Rig Support Equipment; (1) Lot of safety equipment including; fire extinguishers, two SCBA 30-minute air packs, safety glasses & shields, basket stretcher, first aid kits, safety signs, safety & climbing belts, eye wash stations, fire blanket, (2) SALA self-retracting lifelines, SALA rig-rider, high-angle rescue kit, etc. (1) Lot of general rig tools including hand wrenches, screwdrivers, hammers, pipe wrenches, jacks, wire brushes, crow bars, cable cutters, drills, file sets, sledge hammers, shovels, tiger torch, bench (1) Lot spare parts & consumables including mud pump parts, table inserts, valves, hoses, filters, wire rope, slings, unions, fist grips, bull plugs, chains, hose clamps, nipples, etc. Current
- 28 (1) USED Rig Carrier; 1980 Franks Type 300 s/n 196087 free standing 4-axle self-propelled back-in carrier. Tandem-steer front axels equipped w/ polished aluminum wheels mounted on new 445/65-22.5 tires with approximately 15-mm of tread remaining complete with ABS braking system & Reyco suspension. Meritor tandem-drive Rockwell rear axels equipped with polished aluminum wheels mounted on 11R/24.5 tires with approximately 18-mm of tread remaining complete with ABS braking system. Singleman insulated cab w/ air-ride seat, fan, controls & gauges, built-in tool boxes, fuel tanks, wing walk and adjustable working platform. Mast; 1980 Franks Model KR069 1405, 21-m (69-ft) square-tubing free standing stiff mast, 53,400-daN (120,000-lbs) hook-load capacity w/ 4-lines, primary & secondary fall arrest systems, 2-in standpipe & 4 sheave crown assembly w/ (3) 20-in sheaves grooved for 3/4-in line & (1) 16-in sheave grooved for 1/2-in line. Rear stabilization shoe with leveling jacks and swing out stabilization arms s/n J12655. Drawworks; Frank Model double-drum 42X10 drawworks. Main drum; 254-mm (10-in) x 1,066-mm (42-in). Sandline drum; 38-in dia x 8-in wide, c/w crown-saver, disc brake & crown saver. Engine; Detroit Series 50 8.5-litre turbocharged diesel drive engine rated at 315-hp @ approximately 2,100 rpm s/n 04R0023225. Transmission; Allison Model HT750 torquetube drive automatic transmission.& Chelsea PTO drive. Right angle drive box. Drill & Sandline; 1-inch (25.4-mm) x 3,000-m drilline & 1/2-in (12.7-mm) sandline. Hydraulic System; rig-mounted hydraulic system with approximately 250-gal tank, hydraulic power unit complete with Girdel hydraulic services pump, thermal exchanger, manifold, filters & hoses. System operates one 3-stage mast raising cylinder, power tong, deck winches, etc. Current

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- 29 (1) USED2003 Freightliner Model FLD120 truck s/n 1FVPALAV83PL04474 equipped w/ Rock Well spring-ride front axle rated at 14,000-lbs mounted on polished aluminum wheels fitted with 385/65R22.5 tires w/ approximately 12-mm of tread remaining, air-operated brakes & ABS braking system. Tri-drive rear axels rated at 55,000-lbs equipped w/ air-ride suspension mounted on polished aluminum wheels w/ 11R24.5 tires w/ approximately 10-mm of tread remaining, air-operated brakes & ABS braking system. Truck is equipped with; (2) cylinder hydraulic live roll, driver's air-ride seat, tire chains, chocks. Engine; Cat Model C15 diesel engine rated at 450-hp @ approximately 2,100-rpm s/n 6NZ74661. Transmission; Eaton Fuller Model RTLO-20918B, 18-speed manual transmission. Hydraulic system; approximately 60-gal tank, power take-off & two-stage hydraulic pump. Tulsa Model 30BBX4L2F winch; 30,000-lb. Eweco (Empire) Model E300 triplex mud pump, 330-hp, 35,000-kPa wp, 5-in x 6-in c/w forged fluid end, quick-change heads, 7-valve, 5,000-psi manifold, pulsation dampener, Bowie charge pump w/ 2-in pressure gauge & relief valve. Mud Tank; Steel-fabricated 30-m 188-bbl mud tank with settling-trough, two compartments, w/ valves, degasser, c/w flow line, steam coils, fill lines, man lift, external tank gauge, chocks & mud. Condition Assessment; Mud system and tank is new (not truck). Drop box. Spark arrestors. Stretched frame Traveling & Rig Floor Equipment; McKissick Model Fig. 83A, 75-ton traveling block assembly w/ (3) 20-in sheaves grooved for 1-in line s/n W12163. Current
- 30 (1) set Foster Type 593-R hydraulic power tubing tongs. (1) set Oil Country 1-3/4-in x 72-in weld less elevator links, 150-ton capacity s/n 38028391-04A/04B. Clipper Model weight indicator, 0-90,000- daN, calibrated to 62,000-dan s/n KCW00205. Cavins depthometer for 14.28-mm.B.O.P. Equipment; IEL (Control Tech) Model DBL double-gate ram preventer, 179-mm (7-1/16 in) x 35,000-kPa (5,000-psi) wp, Nace Trim s/n CT3465. Spool, 179-mm (7-1/16 in) x 21,000-kPa (3,000-psi) wp w/ 51-mm outlet valve s/n API33911. Accumulator; 22-gal class II rig mounted accumulator system. BOP hoses, valves, hoses, studs, nuts, etc. (2) Hi-Kalibre safety valves, 73 & 89-mm. (1) Lot of saver subs, 73 & 89-mm. Tubing & Rod Handling Equipment; (1) Set Cavins 82.5-ton tubing spider w/ 3 1/2-in (89-mm) slip body. (1) Set Mission shallow hand slips w/ 60 to 89-mm dies. (1) set 2 -in Type CL Upset 100-ton tubing Elevators s/n 36737080-01. (1) set 2 -in Type CL Upset 100-ton tubing elevators s/n 34353023-04. Rod elevators, 5/8-in to 1-in. (4) Rod wrenches, 5/8-in to 1-in. 76-mm rod table w/ brass rod guide. Trico Model 554-578-600, 25-ton rod hook w/ clevis s/n H0611007. (1) Regan 3-in 76-mm x 21,000-kPa rod BOP. (1) 10-ton BOP elevator w/ pick-up slings. (1) lot of rod chaser, tubing drifts, rod transfers, etc. (1) Lot of Pup joints, 60-mm & 73-mm. Servicing & Swabbing Equipment; Guibberson type HD tandem oil saver w/ high pressure pump & hose. Lubricator, (2) 76-mm x 4.57-m (3-in x 20-ft) w/ Fig 200 unions. 600/900 Series hydraulic tubing pack-off spool. Lift mandrels, rod jars, knuckle joints, rope sockets, sinker bars, tubulars rod jars, centrifuge, etc. Swab tree assembly w/ 76-mm x 21,000- kPa Demco valve, 76-mm FP rod BOP, flow tee & 51-mm ball valve. Current
- 31 (1) USED 2001 International Model 5900i 6X4 Series s/n 1HTXRAET11J086477 tandem-axle tractor powered by Cummins Model N14460E1 turbo charged diesel engine rated at 450-hp @ 2,100 rpm. Engine is unitized with w/ Eaton Fuller 10 speed manual transmission & PTO. Tractor has single steer front axle mounted on 12R/22.5 tires w/ approximately 14-mm of tread remaining. Tractor has Tandem rear axles mounted on 11R24.5 tires w/ approximately 18-mm of tread remaining. Truck also equipped w/ rear exterior lighting, rear hitch, drivers air ride seat, air ride suspension. Service body; approximately 8-ft wide x 20-ft long. Body is equipped w/ roll-back access tarp, locking storage compartments, built-in tool boxes, BOP stand with slider, tong rack, lubricator rack, etc. Condition Assessment; Truck frame stretched to accommodate deck and slider for BOP stand. Whole unit recently painted. Current

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- 32 (1) USED 2012 MWS Model MWS s/n 2M91DV3B7CC185008 mobile doghouse trailer approximately 8-ft wide x 32-ft long. Trailer is equipped with spring-ride tandem 10,000-lbs axels mounted on dual wheels fitted with 225/70R22.5 tires. Change shack/ doghouse section; (8) lockers, knowledge box, fridge, desk, electric heater, storage benches, locking storage cabinets & fluorescent interior lighting. Light plant section; utility bench, vise, locking storage compartments, wrench boards, lubricants, slings, chains, w/ electric heater, grinder, vice, work benches & Incinolet electric toilet. Light Plant; Isuzu Model NEMA powered by Isuzu Model 4BG1T 4-cylinder diesel unitized with Stamford 42-kW generator c/w day tank, electric start & switchgear s/n A05D389308. Rig Support Equipment; (1) Lot of safety equipment including; fire extinguishers, two SCBA 30-minute air packs, safety glasses & shields, basket stretcher, first aid kits, safety signs, safety & climbing belts, eye wash stations, fire blanket, (2) SALA self-retracting lifelines, SALA rig-rider, high-angle rescue kit, etc. (1) Lot of general rig tools including hand wrenches, screwdrivers, hammers, pipe wrenches, jacks, wire brushes, crow bars, cable cutters, drills, file sets, sledge hammers, shovels, tiger torch, bench grinders, etc. (1) Lot spare parts & consumables including mud pump parts, table inserts, valves, hoses, filters, wire rope, slings, unions, fist grips, bull plugs, chains, hose clamps, nipples, etc. Current
- 33 (1) USED 2013 DynaWinch Model CD3-323 s/n 20856 recorder body 8-ft 6-in wide x 8-ft 6-in long constructed of 100% aluminum-structure. Recorder body is equipped w/ control console, locking storage cabinets, light table, 12-V & 120-V wiring, interior & exterior lighting, roof-mounted AC/heating unit, bus heater, etc. CSS DAS 2000 data acquisition system with rack mount chassis and printer 840 DL printer. Service body 8-ft 6-in wide x 18-ft 6-in long with two rear hydraulic stabilizers and locking storage compartments, class 1.1 B and 1.4 S storage magazines, headache rack/crown stand, rear working platform, (1) 10-Kw hydraulic generator with thermal exchanger and switch gear. Mast; Telescoping 52-ft 6-in overall working height rated for 37,000-lbs w/ -in diameter line for swabbing. Mast is equipped w/ (1) 16-in sheave grooved for -in E-Line (approximately 2800-m line on), (2) TCP sheaves grooved for -in line (approximately 800-ft line on), (2) 10-in sheaves grooved for -in winch line, (2) two-stage mast raising cylinders, (2) mast guy lines c/w mounting frame, (2) 9,000-lb utility winches & lighting s/n 24030. Single-drum E-line drawworks; 42-in flange with capacity for 6,000-m of -in braided line. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, & IEC slip ring. Single-drum TCP drawworks; 29-in flange with capacity for 250-m of -in wire rope. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, control console (located at rear of unit) & weight indicator. Drawworks is energized by 2-speed planetary gear box unitized with Sauer 2- speed hydraulic motor. E-line measuring head assembly; measuring head grooved for -in E-line c/w encoders & VRoller guide assembly (side-to-side movement), load cell & electronic depth counter. Current

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- 34 (1) USED 2013 International Paystar Model 5918x6 tri drive truck s/n 1HTXVSJT8DJ146041; powered by Cummins Model A 475 diesel engine rated at 475-hp @ 1,700-hp unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to 20,000-lb spring-ride front axles mounted on 445/65R22.5 tires with polished aluminum wheels and air-operated brakes. Tri-drive rear axles rated at 54,000 lbs are equipped with airride suspension mounted on 11R24.5 tires, polished aluminum wheels and air-operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chucks etc. Lot of support equipment including; McKissick 35-ton traveling block, casing swab mandrel, Baker 10 & 20 setting tools, (4) 3 -in dump bailers, 3 -in & 5 -in lubricators, Vanoil 5 -in R45 x 3000-psi flange, 3 -in x 3,000-psi BOP, 5 -in x 5,000-psi BOP w/ Nace trim, Vanoil 4 -in x 5 -in x 3,000-psi flotee, set of CSS bow spring logging centralizers, CSS multiplex bond log tool, gamma tool, sinker bar, collar locators, oil saver w/ pump & rubbers, subs, Type 4 & 6 magazines, (3) 17-in sheave wheels grooved for -in line, CCL assembly w/ junk basket & gauge ring noise. Current
- 35 (1) USED 2005 DynaWinch Model CDC-323 s/n 21270 recorder body 8-ft 6-in wide x 8-ft 6-in long constructed of 100% aluminum-structure. Recorder body is equipped w/ control console, locking storage cabinets, light table, 12-V & 120-V wiring, interior & exterior lighting, roof mounted AC/heating unit, bus heater, etc. CSS DAS 2000 data acquisition system with rack mount chassis and printer 840 DL. Service body 8-ft 6-in wide x 18-ft 6-in long with two rear hydraulic stabilizers and locking storage compartments, class 1.1 B and 1.4 S storage magazines, headache rack/crown stand, rear working platform, (1) 10-Kw hydraulic generator with thermal exchanger. Mast; Telescoping 52-ft 6-in overall working height rated for 37,000-lbs w/ -in diameter line for swabbing. Mast is equipped w/ (1) 16- in sheave grooved for -in E-Line (approximately 4,800-m line on), (2) TCP sheaves grooved for -in line (approximately 800-ft line on), (2) 10-in sheaves grooved for -in winch line, (2) two-stage mast raising cylinders, (2) mast guy lines c/w mounting frame, (2) 9,000-lb utility winches & lighting. Last inspected April 13, 2010; mast s/n 21270. Single-drum E-line drawworks; 42-in flange with capacity for 6,000-m of -in braided line. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, & IEC slip ring. Drawworks is energized by hydraulic motor s/n 054381889. Single-drum TCP drawworks; 29-in flange with capacity for 250-m of -in wire rope. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, control console (located at rear of unit) & weight indicator. Drawworks is energized by hydraulic motor s/n 054081345. E-line measuring head assembly; measuring head grooved for -in E-line c/w encoders & V-Roller guide assembly (side-to-side movement), load cell & electronic depth. Current

Search ID#: Z10635701

- 36 (1) USED 2005 International Paystar Model 5900I 8x6 Tri-axle truck s/n 1HTXTAPT26J225893 ; powered by Cummins Model ISX 450 diesel engine rated at 450-hp (15,026-metered hours) unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to 20,000-lb spring-ride front axles mounted on 445/65R22.5 tires with approximately 10-mm of tread & polished aluminum wheels with air - operated brakes. Tridem rear axles rated at 52,000 lbs equipped with air-ride suspension mounted on 11R24.5 tires, polished aluminum wheels. Lot of support equipment including; McKissick 35-ton traveling block, casing swab mandrel, Baker 10 & 20 setting tools, (4) 3 -in dump bailers, 3 -in & 5 -in lubricators, Vanoil 5 -in R45 x 3000-psi flange, 3 -in x 3,000-psi BOP, 5 -in x 5,000-psi BOP w/ nace trim, Vanoil 4 -in x 5 -in x 3,000-psi flotee, set of CSS bow spring logging centralizers, CSS multiplex bond log tool, gamma tool, sinker bar, collar locators, oil saver w/ pump & rubbers, subs, Type 4 & 6 magazines, (3) 17-in sheave wheels grooved for -in line, CCL assembly w/ junk basket & gauge ring noise temp, wire line tools, (1) Laptop, 8-kW hydraulically - powered generator, hand tools etc. Current
- 37 (1) USED 2007 DynaWinch s/n 21681 recorder body 8-ft 6-in wide x 8-ft 6-in long constructed of 100% aluminum structure. Recorder body is equipped w/ control console, locking storage cabinets, light table, 12-V & 120-V wiring, interior & exterior lighting, roof-mounted AC/heating unit, bus heater, etc. CSS DAS 2000 data acquisition system with rack mount chassis and printer 840 DL printer. Service body 8-ft 6-in wide x 18-ft 6-in long with two rear hydraulic stabilizers and locking storage compartments, class 1.1 B and 1.4 S storage magazines, headache rack/crown stand, rear working platform, (1) 10-Kw hydraulic generator with thermal exchanger and switch gear. Mast; Telescoping 52-ft 6-in overall working height rated for 37,000-lbs w/ -in diameter line for swabbing. Mast is equipped w/ (1) 16-in sheave grooved for -in E-Line (approximately 2800-m line on), (2) TCP sheaves grooved for -in line (approximately 800-ft line on), (2) 10-in sheaves grooved for -in winch line, (2) two-stage mast raising cylinders, (2) mast guy lines c/w mounting frame, (2) 9,000-lb utility winches & lighting; mast s/n 21681. Single-drum E-line drawworks; 42-in flange with capacity for 6,000-m of -in braided line. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, & IEC slip ring. Drawworks is energized by 2-speed planetary gear box unitized with Sauer hydraulic motor. Single-drum TCP drawworks; 29-in flange with capacity for 250-m of -in wire rope. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, control console (located at rear of unit) & weight indicator. Drawworks is energized by 2-speed planetary gear box unitized with Sauer 2-speed hydraulic motor. E -line measuring head assembly; measuring head grooved for -in E-line c/w encoders & V-Roller guide assembly (side-to-side movement), load cell & electronic depth counter. Current

Search ID#: Z10635701

- 38 (1) USED 2007 International Model 5618 7X6 Tri-axle truck s/n 1HTXSAPT67J407021; powered by Cummins Model ISX475 diesel engine rated at 475-hp unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to 23,000-lb spring-ride front axles mounted on 445/65R22.5 tires with polished aluminum wheels & air - operated brakes. Tridem rear axles rated at 53,000 lbs equipped with airride suspension mounted on 11R24.5 tires w/ polished aluminum wheels. Conventional cab equipped with A/C, driver and passenger ride air seats, and Motorola 2 way radio, tire chains, chocks etc. Lot of support equipment including; McKissick 35-ton traveling block, casing swab mandrel, Baker 10 & 20 setting tools, (4) 3 -in dump bailers, 3 -in & 5 -in lubricators, Vanoil 5 -in R45 x 3000-psi flange, 3 -in x 3,000-psi BOP, 5 -in x 5,000-psi BOP w/ Nace trim, Vanoil 4 -in x 5 -in x 3,000-psi flotee, set of CSS bow spring logging centralizers, CSS multiplex bond log tool, gamma tool, sinker bar, collar locators, oil saver w/ pump & rubbers, subs, Type 4 & 6 magazines, (3) 17-in sheave wheels grooved for -in line, CCL assembly w/ junk basket & gauge ring noise temp, wire line tools, (1) Laptop, 8-kW hydraulically - powered generator, hand tools etc. Current
- 39 (1) USED 2012 DynaWinch s/n 33844 recorder body 8-ft 6-in wide x 8-ft 6-in long constructed of 100% aluminum-structure. Recorder body is equipped w/ control console, locking storage cabinets, light table, 12-V & 120-V. CSS DAS 2000 data acquisition system with rack mount chassis and printer 840 DL printer. Service body 8-ft 6-in wide x 18-ft 6-in long with two rear hydraulic stabilizers and locking storage compartments, class 1.1 B and 1.4 S storage magazines, headache rack/crown stand, rear working platform, (1) 10-Kw hydraulic generator with thermal exchanger and switch gear. Mast; Telescoping 62-ft overall working height rated for 33,500-lb safe working load single line w/ guy lines, 67,000-lbs total mast static load. Mast is equipped w/ (1) 16-in sheave grooved for -in E-Line (approximately 2800-m line on), (2) TCP sheaves grooved for -in line (approximately 800-ft line on), (2) 10-in sheaves grooved for -in winch line, (2) twostage mast raising cylinders, (2) mast guy lines c/w mounting frame, (2) 9,000-lb utility s/n 23844. Single-drum E-line drawworks; 42-in flange with capacity for 6,000-m of -in braided line. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, & IEC slip ring. Drawworks is energized by 2-speed planetary gear box unitized with Sauer hydraulic motor. Single-drum TCP drawworks; 29-in flange with capacity for 250-m of -in wire rope. Drawworks is equipped with pneumatic brakes, heavy-duty pillow block bearings, control console (located at rear of unit) & weight indicator. Drawworks is energized by 2-speed planetary gear box unitized with Sauer 2-speed hydraulic motor. E-line measuring head assembly; measuring head grooved for -in E-line c/w encoders & V-Roller guide assembly (sideto-side movement), load cell & electronic depth counter. Current

Search ID#: Z10635701

- 40 (1) USED 2011 International Model Paystar tandemsteer tri-drive truck s/n 1HTXVAPT2BJ196710 ; powered by Cummins Model ISX600 diesel engine rated at 475-hp unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to 23,000-lb spring-ride front axles mounted on 445/65R22.5 tires with polished aluminum wheels & air - operated brakes. Tridem rear axles rated at 53,000 lbs equipped with air-ride suspension mounted on 11R24.5 tires w/ polished aluminum wheels. Conventional cab equipped with A/C, driver and passenger ride air seats, and Motorola 2 way radio, tire chains, chalks etc. Lot of support equipment including; McKissick 35-ton traveling block, casing swab mandrel, Baker 10 & 20 setting tools, (4) 3 -in dump bailers, 3 -in & 5 -in lubricators, Vanoil 5 -in R45 x 3000-psi flange, 3 -in x 3,000-psi BOP, 5 -in x 5,000-psi BOP w/ Nace trim, Vanoil 4 -in x 5 -in x 3,000-psi flotee, set of CSS bow spring logging centralizers, CSS multiplex bond log tool, gamma tool, sinker bar, collar locators, oil saver w/ pump & rubbers, subs, Type 4 & 6 magazines, (3) 17-in sheave wheels grooved for -in line, CCL assembly w/ junk basket & gauge ring noise temp, wire line tools, (1) Laptop, 8-kW hydraulically - powered generator, hand tools etc. Current
- 41 (1) USED 2013 International Paystar Model 5918x6 tridrive truck s/n 1HTNWSMT3DJ603273 ; powered by Cummins Model ISX 450 diesel engine rated at 450-hp unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to 20,000-lb spring-ride front axles mounted on 425/65R22.5 tires with polished aluminum wheels and air-operated brakes. Tridem rear axles rated at 52,000 lbs equipped with air-ride suspension mounted on 11R24.5 tires, polished aluminum wheels and air - operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chalks etc. Truck is equipped with steel-constructed wood plank decked; 8-ft 6-in wide x 20-ft long c/w live roll & Tulsa Model 08C6 winch, 20,000-lb pull rating & junk basket with elbows, chick sans etc. Jolly Engineering Services Model JES-300 mud pump; 5-in x 6-in x 5,000-psi rated at 160-hp c/w standard heads, pulsation chamber, Oteco pressure valve, 2-in relief valve, 5-valve 2-in x 3000 psi manifold, Bowie Model 33 pre-charge pump & control console. Pump is energized by drop box via truck PTO s/n 120. (1) 28-m 2 section tank with; degasser, (2) guns, (2) gate valves, telescopic lighting, (20) 2-in joints line pipe x 3000-psi, 30-ft 4-in x 150-psi suction hose, (1) 30-ft and (1) 40-ft kelly hose x 3625-psi. Tank c/w tripod man lift with manual winch. Tank is mounted on 8-ft 6-in wide 20-ft long. Current
- 42 (1) USED 1996 Western Star Model tri drive truck s/n 2WLNCCFF0TK941183; powered by a diesel engine rated at approximately 450-hp unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to 20,000-lb spring-ride front axles mounted on 445/65R22.5 tires with polished aluminum wheels and air-operated brakes. Tridem rear axles rated at 52,000 lbs equipped with air-ride suspension mounted on 11R24.5 tires, polished aluminum wheels and air - operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chalks etc. Truck is equipped with steel-constructed wood plank decked; 8-ft 6-in wide x 20-ft long c/w live roll & Tulsa Model 08C6 winch, 20,000-lb pull rating & junk basket with elbows, chick sans etc. Garder Denver Model TEE mud pump; 4-in x 5-in c/w standard heads, pulsation chamber, Oteco pressure valve, 2-in relief valve, 5-valve 2-in x 3000 psi manifold, Bowie Model 33 precharge pump & control console. Pump is energized by drop box via truck PTO s/n 0010377. (1) 28-m 2 section tank with; degasser, (2) guns, (2) gate valves, telescopic lighting, (20) 2-in joints line pipe x 3000-psi, 30-ft 4-in x 150-psi suction hose, (1) 30-ft and (1) 40-ft Kelly hose x 3625-psi. Tank c/w tripod man lift with manual winch. Current

Search ID#: Z10635701

- 43 (1) USED 2005 International Model 5600 6X4 tri-drive truck s/n 1HTXSAPT35J055979 ; Current
powered by Cummins diesel engine rated at approximately 450-hp unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to 20,000-lb spring-ride front axles mounted on 445/65R22.5 tires with polished aluminum wheels and air-operated brakes. Tridem rear axles rated at 52,000 lbs equipped with airride suspension mounted on 11R24.5 tires, polished aluminum wheels and air - operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chocks etc. Truck is equipped with steel-constructed wood plank decked; 8-ft 6-in wide x 20-ft long c/w live roll & Tulsa Model 08C6 winch, 20,000-lb pull rating & junk basket with elbows, chock bars etc. Empire Model E-300 mud pump; 4-in x 5-in c/w standard heads, pulsation chamber, Oteco pressure valve, 2-in relief valve, 5-valve 2-in x 3000 psi manifold, Bowie Model 33 pre-charge pump & control console. Pump is energized by drop box via truck PTO. s/n 1201. (1) 28-m 2 section tank with; degasser, (2) guns, (2) gate valves, telescopic lighting, (20) 2-in joints line pipe x 3000-psi, 30-ft 4-in x 150 psi suction hose, (1) 30-ft and (1) 40-ft kelly hose x 3625-psi. Tank c/w tripod man lift with manual winch.
- 44 (1) USED 2005 Western Star tri-drive truck s/n 5KKPALCK45PU76629; powered by Detroit Current
Series 60 diesel engine rated at approximately 450-hp unitized with Eaton Model RTLO16918B 18-speed manual transmission. Truck is equipped with; dual power steering boxes unitized to 20,000-lb spring-ride front axles mounted on 445/65R22.5 tires with polished aluminum wheels and air-operated brakes. Tri-drive rear axles rated at 52,000 lbs equipped with air-ride suspension mounted on 11R24.5 tires, polished aluminum wheels and air - operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chocks etc. Truck is equipped with steel-constructed wood plank decked; 8-ft 6-in wide x 20-ft long c/w live roll & Tulsa Model 08C6 winch, 20,000-lb pull rating & junk basket with elbows, chock bars etc. Empire Model E-300 mud pump; 4-in x 5-in c/w standard heads, pulsation chamber, Oteco pressure valve, 2-in relief valve, 5-valve 2-in x 3000 psi manifold, Bowie Model 33 pre-charge pump & control console. Pump is energized by drop box via truck PTO s/n 1201. (1) 28-m 2 section tank with; degasser, (2) guns, (2) gate valves, telescopic lighting, (20) 2-in joints line pipe x 3000-psi, 30-ft 4-in x 150-psi suction hose, (1) 30-ft and (1) 40-ft kelly hose x 3625-psi. Tank c/w tripod man lift with manual winch.
- 45 (1) USED 2013 International Model 7500SBA6X4 single-axle truck s/n Current
1HTWNAZT5DJ304393; powered by Maxxforce Model GDT 350 diesel engine rated at 350-hp @ 2,000-rpm unitized with Allison Model 3000RDS automatic 6-speed transmission. Truck is equipped with; 16,000-lb front axle mounted on 315/80R22.5 tires with painted steel wheels and air-operated brakes. Rear axle rated at 20,000 lbs equipped with airride suspension mounted on 11R22.5 tires w/ painted steel wheels and air-operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chocks etc. Dynawinch BOP support deck; approximately 8 -ft wide x 22-ft long w/ BOP stump c/w Warn positioning winch, tubular wall racks, chock-bar hangers, caged junk baskets, custom locking cabinetry, head ache rack, aluminum stairwell, lighting etc s/n 24058. Electric over hydraulic 3,000-psi Class II accumulator system equipped w/ 45-gal reservoir, nitrogen back-up, hose reels, direct & remote (rig-mounted) controls s/n 1201. Lot of support equipment including; Guiberson Type 1 air slips, Mission Low-Lie slips, tubing elevators (2 -in 2 -in inserts), Web Wilson 2-in dia x 53-tons bails, TEDA (Chinese) Model XYQ6B power tongs c/w 2-in 3 -in dies, lot of rod tools including; rod hook, elevators, wrenches, etc.

Search ID#: Z10635701

- 46 (1) USED 2012 International Model 7500SBA6X4 single-axle truck s/n 1HTWNAZT1CJ603037; powered by Maxxforce Model GDT 350 diesel engine rated at 350-hp @ 2,000-rpm unitized with Allison Model 3000RDS automatic 6-speed transmission. Truck is equipped with; 16,000-lb front axle mounted on 315/80R22.5 tires with painted steel wheels and air-operated brakes. Rear axle rated at 20,000 lbs equipped with airride suspension mounted on 11R22.5 tires w/ painted steel wheels and air-operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chocks etc. Dynawinch BOP support deck; approximately 8 -ft wide x 22-ft long w/ BOP stump c/w Warn positioning winch, tubular wall racks, chic-san hangers, caged junk baskets, custom locking cabinetry, head ache rack, aluminum stairwell, lighting etc. Electric over hydraulic 3,000-psi Class II accumulator system equipped w/ 45-gal reservoir, nitrogen back-up, hose reels, direct & remote (rig-mounted) controls. Lot of support equipment including; Guiberson Type 1 air slips, Mission Low-Lie slips, tubing elevators (2 -in 2 -in inserts), Web Wilson 2-in dia x 53-tons bails, TEDA (Chinese) Model XYQ6B power tongs c/w 2-in 3 -in dies, lot of rod tools. Current
- 47 (1) USED 2012 International Model 7500SBA6X4 single-axle truck s/n 1HTWNAZTLCJ603037; powered by Maxxforce Model GDT 350 diesel engine rated at 350-hp @ 2,000-rpm unitized with Allison Model 3000RDS automatic 6-speed transmission. Truck is equipped with; 16,000-lb front axle mounted on 315/80R22.5 tires with painted steel wheels and air-operated brakes. Rear axle rated at 20,000 lbs equipped with airride suspension mounted on 11R22.5 tires w/ painted steel wheels and air-operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chocks etc. Dynawinch BOP support deck; approximately 8 -ft wide x 22-ft long w/ BOP stump c/w Warn positioning winch, tubular wall racks, chic-san hangers, caged junk baskets, custom locking cabinetry, head ache rack, aluminum stairwell, lighting etc. Electric over hydraulic 3,000-psi Class II accumulator system equipped w/ 45-gal reservoir, nitrogen back-up, hose reels, direct & remote (rig-mounted) controls. Lot of support equipment including; Guiberson Type 1 air slips, Mission Low-Lie slips, tubing elevators (2 -in 2 -in inserts), Web Wilson 2-in dia x 53-tons bails, TEDA (Chinese) Model XYQ6B power tongs c/w 2-in 3 -in dies, lot of rod tools. Current
- 48 (1) USED 2012 International Model 7500SBA6X4 single axle truck s/n 1HTWNAZT0CJ660216; powered by Maxxforce Model GDT 350 diesel engine rated at 350-hp @ 2,000-rpm unitized with Allison Model 3000RDS automatic 6-speed transmission. Truck is equipped with; 16,000-lb front axle mounted on 315/80R22.5 tires with painted steel wheels and air-operated brakes. Rear axle rated at 20,000 lbs equipped with air-ride suspension mounted on 11R22.5 tires w/ painted steel wheels and air-operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chocks etc. Dynawinch BOP support deck; approximately 8 -ft wide x 22-ft long w/ BOP stump c/w Warn positioning winch, tubular wall racks, chic-san hangers, caged junk baskets, custom locking cabinetry, head ache rack, aluminum stairwell, lighting etc s/n 23797. Electric over hydraulic 3,000-psi Class II accumulator system equipped w/ 45-gal reservoir, nitrogen back-up, hose reels, direct & remote (rig-mounted) controls. Lot of support equipment including; Guiberson Type 1 air slips, Mission Low-Lie slips, tubing elevators (2 -in 2 -in inserts), Web Wilson 2-in dia x 53-tons bails, TEDA (Chinese) Model XYQ6B power tongs c/w 2-in 3 -in dies, lot of rod tools. Current

Search ID#: Z10635701

- | | | |
|----|--|---------------------------|
| 49 | <p>(1) USED 2012 International Model 7500SBA6X4 single-axle truck s/n 1HTWNAZT9CJ07869; powered by Maxxforce Model GDT 350 diesel engine rated at 350-hp @ 2,000-rpm unitized with Allison Model 3000RDS automatic 6-speed transmission. Truck is equipped with; 16,000-lb front axle mounted on 315/80R22.5 tires with painted steel wheels and air-operated brakes. Rear axle rated at 20,000 lbs equipped with airride suspension mounted on 11R22.5 tires w/ painted steel wheels and air-operated brakes. Conventional cab equipped with A/C, driver air ride seat, and Motorola 2 way radio, tire chains, chocks etc. Dynawinch BOP support deck; approximately 8 -ft wide x 22-ft long w/ BOP stump c/w Warn positioning winch, tubular wall racks, chic-san hangers, caged junk baskets, custom locking cabinetry, head ache rack, aluminum stairwell, lighting etc. Electric over hydraulic 3,000-psi Class II accumulator system equipped w/ 45-gal reservoir, nitrogen back-up, hose reels, direct & remote (rig-mounted) controls. Lot of support equipment including; Guiberson Type 1 air slips, Mission Low-Lie slips, tubing elevators (2 -in 2 -in inserts), Web Wilson 2-in dia x 53-tons bails, TEDA (Chinese) Model XYQ6B power tongs c/w 2-in 3 -in dies, lot of rod tools.</p> <p>(1) USED 2006 Western Star Tri Drive truck s/n 1HTMKAAR87H407626. Spring-ride front axel mounted on steel wheels equipped w/ air-operated brakes. Air-ride rear axels mounted on steel wheels. Steel-constructed carrier deck. Engine; Cat Model 3406E diesel engine rated at 475-hp.</p> | Current |
| 50 | All present and after-acquired personal property of the debtor. | Current By
14070313968 |
| 51 | <p>(1) USED Rig Carrier; 2006 Exact Model Low-Rider 5- axle self-propelled back-in carrier S/N 2E9RSZ5Z96R073007. Tandemsteer front axels rated at 20,000-lb each, equipped w/polished aluminum wheels mounted on 445/65-22.5 tires w/ approximately 18-mm of tread remaining & ABS braking system. Meritor 12x6 tri-drive rear axels rated at 23,000-lb each, mounted on polished aluminum wheels equipped w/ 12R22.5 tires w/ approximately 22-mm of tread remaining & ABS braking system. Single-man insulated cab w/ controls, builtin tool boxes, fuel tanks, wing walk and adjustable working platform. Mast; 2006 Cheyenne 21.9-m (72-ft) square-tubing stiff mast s/n 08-06-041, Mdl. 72-150, 66,720-daN hook-load capacity w/ 4-lines, primary & secondary fall arrest systems, 2-in standpipe & six sheave crown assembly. Drawworks; Kin double-drum drawworks. w/ LEBUS grooving. Main drum; 254-mm (10-in) x 965-mm (38-in). Sandline drum; 38-in dia x 8-in wide c/w crown-saver, Kobelt band 36-in, Model 122 hydromantic brake clutch, mechanical drum brake & Crown-O-Matic crown saver. Engine; Detroit Series 60 14.0-L turbocharged diesel drive engine rated @ 665-hp @ 2300 rpm s/n SN-06R0911167. Transmission; Allison Model HT750- DRDDB torque-tube-drive automatic 5-speed transmission w/ power take-off. Namco Model right angle drive box. Drill & Sandline; 1-inch (25.4-mm) drillline & 1/2-in (12.7-mm) sandline. Hydraulic System; Rig-mounted hydraulic system with approximately 200-gal tank, hydraulic pump, manifold, filters & hoses, System operates one 3-stage mast raising cylinder, (2) rear levelling jacks & two midship jacks, power tong, (2) Pullmaster Model PL5 deck winches, etc.</p> | Current By
14102024427 |

Particulars

<u>Block</u>	<u>Other Changes</u>	<u>Status</u>
1	The serial number in Block 5 of the General Collateral should read 2E9RSZ5Z96R073007. The serial number in Block 9 of the General Collateral should read 1CYEGW6837T047676.	Current By 14070313968

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 15041704915

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Apr-17

Registration Status: Current

Expiry Date: 2020-Apr-17 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1	MUSTANG WELL SERVICES LTD. BOX 1467 CAMROSE, AB T4V 1X4	Current
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Secured Party / Parties

Block

Status

1	HAYMAX ENERGY INC. 1500, 407 - 2ND STREET SW CALGARY, AB T2P 2Y3	Current
---	--	---------

Block

Status

2	MCPHEDRAN CONSULTING INC. 6539 LAURENTIAN WAY SW CALGARY, AB T3E 5N4	Current
---	--	---------

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	2RCR545S2A16F8386	2010	RYKAR MOBILE RIG CARRIER	TR - Trailer	Current
2	RK6091010	2010	RYKAR 72-140 MAST	TR - Trailer	Current
3	5KJRALCK55PN28007	2005	WESTERN STAR T800	MV - Motor Vehicle	Current
4	2WLPCD2G4YK960579	1999	WESTERN STAR T800	MV - Motor Vehicle	Current

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 15121622493

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Dec-16

Registration Status: Current

Expiry Date: 2019-Dec-16 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

15121624426

Amendment

2015-Dec-16

18071149155

Amendment

2018-Jul-11

Debtor(s)

Block

Status

1 MUSTANG WELL SERVICES LTD.
PO BOX 1467, GD,
CAMROSE, AB T4V1X1

Current

Block

Status

2 BARDOVUE RENTALS LIMITED
PO BOX 1467, GD
CAMROSE, AB T4V1X1

Current

Block

Status

3 REACTION OILFIELD SUPPLY LTD.
PO BOX 1467, GD,
CAMROSE, AB T4V1X1

Current

Block

Status

4 INTEGRA LABORATORY SERVICES LTD.
PO BOX 1467, GD,
CAMROSE, AB T4V1X1

Current

Secured Party / Parties

Search ID#: Z10635701

Block

1 NATIONAL LEASING GROUP INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9

Phone #: 204 954 9000 Fax #: 204 954 9099

Status

Deleted by
18071149155

Block

2 CWB NATIONAL LEASING INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9

Phone #: 204 954 9000 Fax #: 204 954 9099

Status

Current by
18071149155

Collateral: General

Block

Description

Status

- | | | |
|---|---|---------------------------|
| 1 | ALL SHELVINGS/RACKINGS OF EVERY NATURE OR KIND DESCRIBED IN AGREEMENT NUMBER 2743475, BETWEEN THE SECURED PARTY AND THE DEBTOR, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES AND SUBSTITUTIONS. | Deleted By
15121624426 |
| 2 | ALL SHELVINGS/RACKINGS, CONNECTORS, SUPPORTS, OSB, JACKS, PULLERS, BINS, POSTS, FRAMES, BEAMS, ANCHORS, MOUNTS OF EVERY NATURE OR KIND DESCRIBED IN AGREEMENT NUMBER 2743475, BETWEEN THE SECURED PARTY AND THE DEBTOR, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES AND SUBSTITUTIONS. | Current By
15121624426 |

Particulars

Block

Additional Information

Status

- | | | |
|---|-----------------------------------|---------|
| 1 | Purchase Money Security Interest. | Current |
|---|-----------------------------------|---------|

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 16051031155

Registration Type: SECURITY AGREEMENT

Registration Date: 2016-May-10

Registration Status: Current

Expiry Date: 2022-May-10 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

16102506492

Amendment

2016-Oct-25

Debtor(s)

Block

Status

1	MUSTANG WELL SERVICES LTD. 46272 HWY 56 CAMROSE, AB T4V 1X4	Current
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Secured Party / Parties

Block

Status

1	BDC CAPITAL INC. BARCLAY CENTRE, 110, 444 - 7TH AVENUE SW CALGARY, AB T2P 0X8	Current
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Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	2E9R5Z5Z36R073004	2006	Exact Cab & Chassis	MV - Motor Vehicle	Current
2	1NKDLBEX9YS959499	2000	Kenworth	MV - Motor Vehicle	Current
3	2WLPCD2G5YK960249	2000	Star Conventional	MV - Motor Vehicle	Current
4	MWS200902	2009	MWS Doghouse Trailer	TR - Trailer	Current
5	2E9RSZ5Z96R073007	2003	Exact Cab & Chassis	MV - Motor Vehicle	Current
6	5KKPALAV83PL79816	2003	Western Star Conventional	MV - Motor Vehicle	Current

Search ID#: Z10635701

7	2WKPDDJH4YK962165	2000	Western Star Conventional	MV - Motor Vehicle	Current
8	MWS201002	2010	MWS Doghouse Trailer	TR - Trailer	Current
9	1CYEGW6837T047676	2007	Crane Carrier Company	MV - Motor Vehicle	Current
10	2WLPSDCJ3YK962739	2000	Western Star 4986FX	MV - Motor Vehicle	Current
11	1FVX3EDB3SP599554	1995	Freightliner FLD112	MV - Motor Vehicle	Current
12	2M91DV3B7CC185001	2012	MWS Doghouse Trailer	TR - Trailer	Current
13	2R9R4CF1428E690061	2008	Irontech Rig	MV - Motor Vehicle	Current
14	5KJRALCK45PN91874	2005	Western Star	MV - Motor Vehicle	Current
15	2WKPDDCJ8WK950999	1999	Western Star	MV - Motor Vehicle	Current
16	2M91DV3B7CC185004	2012	MWS Doghouse Trailer	TR - Trailer	Current
17	1CYEGW6879T049305	2009	Crane Carrier	MV - Motor Vehicle	Current
18	1FVUF7WB1YPG53125	2003	Freightliner FLD120	MV - Motor Vehicle	Current
19	1FVPA6AV43PL05431	2003	Freightliner	MV - Motor Vehicle	Current
20	2S9NL666491022197	2009	Southland Doghouse	TR - Trailer	Current
21	78244	1978	Cardwell Service Rig	MV - Motor Vehicle	Current
22	5KJRALCV86PV36016	2006	Western Star 4900	MV - Motor Vehicle	Current
23	1XKWDB0XX4J972653	2004	Kenworth W900	MV - Motor Vehicle	Current
24	2ATB0214914500392	2011	Homebuilt Dog House	TR - Trailer	Current
25	2RCR545S2A16F8386	2010	Rykar Freestanding Servic	MV - Motor Vehicle	Current
26	5KJRALCK55PN28007	2005	Western Star	MV - Motor Vehicle	Current
27	2WLPCD2G4YK960579	2000	Western Star Conventional	MV - Motor Vehicle	Current
28	2M91DV3B7CC185002	2012	MWS Doghouse Trailer	TR - Trailer	Current
29	196087	1980	Franks 1058 Rig	MV - Motor Vehicle	Current
30	1FVPALAV83PL04474	2003	Freightliner Tridrive FLD	MV - Motor Vehicle	Current
31	1HTXRAET11J086477	2011	International 59001 T/A A	MV - Motor Vehicle	Current
32	2M91DV3B7CC185008	2013	Doghouse MWS Trailer	TR - Trailer	Current
33	2RCR545D4C16F8393	2012	Rykar Standalone Rig	MV - Motor Vehicle	Current
34	5KJRALCH85PV36860	2005	Western Star Pump	MV - Motor Vehicle	Current
35	2WLPCDCJ3YK964147	2000	Western Star 4964FX	MV - Motor Vehicle	Current
36	M291DV3B7CC185003	2012	MWS Doghouse Trailer	TR - Trailer	Current
37	1CYEGM580CT050177	2012	Crane Carrier	MV - Motor Vehicle	Current
38	5KJRALAVX7PX67617	2007	Western Star	MV - Motor Vehicle	Current
39	1XKDDB0X41J963207	2001	Kenworth	MV - Motor Vehicle	Current
40	2M91DV3B7CC185009	2013	Doghouse	TR - Trailer	Current
41	1HTMKAAR56H311306	2007	International 440SBA4X2	MV - Motor Vehicle	Current

Search ID#: Z10635701

42	1NKDLB0X1YR959866	2000	Kenworth Construct	MV - Motor Vehicle	Current
43	1HTMKAAR87H407626	2006	International	MV - Motor Vehicle	Current
44	4220491208	2002	Fabtec Mobile Dog House	TR - Trailer	Current
45	4P5F8202171103180	2007	P.J. Trailer Deckover	TR - Trailer	Current
46	4RYS282028T110314	2008	Charmac Snow Sport Traile	TR - Trailer	Current
47	3B2HP18298C005200	2008	Norte Trailer Car Hauler	TR - Trailer	Current
48	2H8B03126HR010301	1987	1987 Trailmobile HEB-F2W	TR - Trailer	Current
49	2H8B01929HR010401	1987	Trailmobile 2 Axle Pup	TR - Trailer	Current
50	2M5121467W1049257	1998	Manac T/A Hiboy	MV - Motor Vehicle	Current
51	1PMB14739C2039719	2012	Polar Tank Pneumatic Bulk	MV - Motor Vehicle	Current
52	2S9NE3698C1026845	2012	Renn Tri-Chassis	MV - Motor Vehicle	Current
53	5NHUVH211BT614318	2011	Continental Cargo Value H	MV - Motor Vehicle	Current
54	MWS004	1998	Doghouse Trailer	TR - Trailer	Current
55	0M5671622	1979	Freuhauf TA Pneumatic Tra	TR - Trailer	Current
56	2A9LB4530VN125235	1997	Aspen FG45-3 Trailer	TR - Trailer	Current
57	1GTHK23698F182119	2008	GMC Sierra 2500	MV - Motor Vehicle	Deleted By 16102506492
58	1GKUKMEF6AR153676	2010	GCM Yukon XL	MV - Motor Vehicle	Current
59	3D73Y3CL5BG511480	2011	Dodge Ram 3500 Diesel 4wd	MV - Motor Vehicle	Current
60	3D73Y3CL0BG517221	2011	Dodge Ram 3500 Crew Cab D	MV - Motor Vehicle	Current
61	3D73YHL3BG607343	2011	Dodge Ram 3500 Lamarie	MV - Motor Vehicle	Current
62	1GT125E89CF127745	2012	GMC Sierra 2500	MV - Motor Vehicle	Current
63	3C7WDTCL6CG232210	2012	Dodge Ram 3500	MV - Motor Vehicle	Current
64	3C7WDTCL8CG232211	2012	Dodge Ram 3500	MV - Motor Vehicle	Current
65	3C63D3FL3CG243717	2012	Dodge Ram 3500 Laramie Lo	MV - Motor Vehicle	Current
66	3D73Y3CL9BG611954	2011	Dodge Ram 3500	MV - Motor Vehicle	Current
67	3D7UT2CL3BG586904	2011	Dodge Ram 2500	MV - Motor Vehicle	Current

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	All present and after-acquired personal property and proceeds.	Current

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 17082234135

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Aug-22

Registration Status: Current

Expiry Date: 2027-Aug-22 23:59:59

Inexact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MUSTANG WELL SERVICIES LTD.
PO BOX 1467
CAMROSE, AB T4V 1X4

Current

Secured Party / Parties

Block

Status

1 STERLING CRANE
PO BOX 8610 STATION SOUTH
EDMONTON, AB T6E 6R2

Current

Block

Status

2 PROCRANE INC,
PO BOX 8610 STATION SOUTH
EDMONTON, AB T6E 6R2

Current

Collateral: General

Block

Description

Status

1 All Present and after personal property and all present and after acquired real property of any and all kinds whatsoever.

Current

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 17101129826

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Oct-11

Registration Status: Current

Expiry Date: 2022-Oct-11 23:59:59

Exact Match on: Debtor

No: 2

Debtor(s)

Block

Status

1 WSK WELL SERVICES INC.
24 WILLOW PARK GREEN
CALGARY, AB T2J 3L1

Current

Block

Status

2 MUSTANG WELL SERVICES LTD.
24 WILLOW PARK GREEN
CALGARY, AB T2J 3L1

Current

Secured Party / Parties

Block

Status

1 ALBERS FAMILY HOLDING CORPORATION
P.O. BOX 1839
BROOKS, AB T1R 1C6

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	5KJRALD14DPFJ9712	2013	WESTERN STAR 4900 SB	MV - Motor Vehicle	Current
2	2PLC05568DBH16515	2014	PEERLESS CH-55-24A	TR - Trailer	Current

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
---------------------	---------------------------	----------------------

Search ID#: Z10635701

- | | | |
|---|---|---------|
| 1 | <p>Unit 0420D - 2014 Stewart & Stevenson (SS) Model TCR-13100-CA Trailer Mounted Conventional Coil Tubing Unit, S/N 2PLC05568DBH16515, including: (i) Mounted on 2013 Peerless model CH-55-24A tridem singledrop trailer mounted on three (3) 35,000-lb axles fitted with twenty-four (24) polished aluminum wheels and 275170 R22.5 tires. Trailer is a split-beam design with provisions for reel, jeep & tandem booster, Licence BRV6573, CVIP CV5894233, (ii) SS Control Cabin and Instrumentation; constructed of aluminum materials w/ electro-hydraulic and hydraulic systems, 96-in L x 95-in W x 88-in H installed on a scissor lift mechanism, includes aluminum staircase, electric/PLC controls, Cabin is c/w standard features including heating, cooling, wiring, safety glass, stairwell etc., (iii) SS model 3-100L Long Body Injector Assembly rated at 100,000-lbs pull force, 40,000-lbs snub force and up to 200-ft/min max speed. Injector is energized by twin axial piston motors and Verria-Block III chains, (iv) Tubing Reel Assembly is a shaftless design, permitting easy access to frac iron for service, frac iron is 10,000-psi working pressure, (non H2S). Reel drive is facilitated with hydraulic motor and planetary gear box with internal fail safe brake system. Reel is c/w semi-automatic level wind dressed for 2-in tubing and fitted with mechanical counter, (v) all attachments, accessories, accessions, replacements, substitutions, additions and improvements to the foregoing, and (vi) all proceeds of any of the foregoing.</p> | Current |
| 2 | <p>Proceeds: goods, inventory, chattel paper, investment property, documents of title, instruments, money, intangibles and accounts (all as defined in the Personal Property Security Act of Alberta) and insurance proceeds.</p> | Current |

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 17101130072

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Oct-11

Registration Status: Current

Expiry Date: 2022-Oct-11 23:59:59

Exact Match on: Debtor

No: 2

Debtor(s)

Block

Status

1 WSK WELL SERVICES INC.
24 WILLOW PARK GREEN
CALGARY, AB T2J 3L1 Current

Block

Status

2 MUSTANG WELL SERVICES LTD.
24 WILLOW PARK GREEN
CALGARY, AB T2J 3L1 Current

Secured Party / Parties

Block

Status

1 COIL WORKS INC.
P.O. BOX 1839
BROOKS, AB T1R 1C6 Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1HTXSASTX4J019924	2014	INTERNATIONAL 5600	MV - Motor Vehicle	Current
2	1HTXHAET61J010000	2001	INTERNATIONAL 5600	MV - Motor Vehicle	Current
3	1M1AE02Y85N002551	2005	MACK 600	MV - Motor Vehicle	Current
4	1HTXYAPT8AJ677003	2010	INTERNATIONAL 5900i	MV - Motor Vehicle	Current
5	LA9ST1336BYJRR001	2011	JEREH GJT70-3411	MV - Motor Vehicle	Current
6	1HTXSAPT76J223303	2006	INTERNATIONAL 5600	MV - Motor Vehicle	Current

Search ID#: Z10635701

7	1HTXSAPT15J004917	2005	INTERNATIONAL 5600	MV - Motor Vehicle	Current
8	RC180K10KHR1100031	2005	N2 PUMP	MV - Motor Vehicle	Current
9	1HTXVAPT7BJ196718	2011	INTERNATIONAL 5900	MV - Motor Vehicle	Current
10	20100101	2010	N2 PUMP	MV - Motor Vehicle	Current
11	2B9TS324264098332	2006	BLUE SKY 9500	TR - Trailer	Current

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	<p>2013 Celtic Pride Remanufactured CTU: (i) 2004 International Model 5600i8x6 tractor powered by Cat Model C15 diesel engine rated at 475-hp @ 1800 RPM unitized with Eaton Model RTL018918B 18-speed manual transmission. Tractor has tandem 20,000-lb single-steering axles mounted on polished aluminum wheels fitted with 425/65R22.5 tires & air-operated brakes. Rear tri-drive axles are rated at 18,000-lbs/each mounted on; air-ride suspension, polished aluminum wheels fitted with 11R24.5 tires & air - operated brakes, Tractor is complete with conventional day cab, revolving beacons, drivers air -ride seat, 2-way radio, CB, tire chains etc., VIN 1HTXSASTX4J019924, Engine S/N 6NZ42731, 1,109,818-km, 14,520-hrs, Licence BKV-6385, (ii) Celtic Pride injector; rated max pull 80,000-lbs, max snub 60,000-lbs, hose-reels, load cells w/ instrumentation & Vanoil tubing stripper, S/N CPW-0912-75, (iii) Celtic Pride reel is a offset open-spoke design, constructed of square & rectangular steel tubing. Reel is mounted on a steel frame that is moved transversely of center line by hydraulic cylinders. The reel is chain-driven by a hydraulic motor & is c/w pneumatic disc brakes. Reel capacity is approximately 4,000-m of 2-in., (iv) Hydraulic system with Linde hydraulic motors PTO driven from truck engine, system designed to function the reel, Injector, soap pump, levelling jacks, winch etc. Hydraulic system c/w 130-gal oil reservoir c/w interconnecting piping, hoses & filters, (v) DSW fixed midship operators cab; approximately 7%-ft wide x 4-ft long w/ driver's-side man door, aluminum construction, lighting, power outlets & 180 windows, (vi) all attachments, accessories, accessions, replacements, substitutions, additions and improvements to the foregoing, and (vii) all proceeds of any of the foregoing.</p>	Current

Search ID#: Z10635701

- 2 Unit 127; 2005 Circle D built cementing unit rated at 44.3-MPa maximum working pressure, 0.7-m³/min maximum flow rate primary components include: (i) 2005 Mack Model CX612 tractor powered by Mack Model 350 Asset diesel engine rated at 350-hp 1,800-RPM unitized with Eaton Model FRO13210 10-speed manual transmission. Tractor has 14,600-lb single-steer front axle mounted on polished aluminum wheels fitted with painted steel 385/65R22.5 tires & air - operated brakes, and rear axles are rated at 46,000-lbs mounted on painted steel wheels fitted with 11824.5 tires & air-operated brakes. Tractor is c/w (2) 96-gal fuel tanks, drivers air-ride seat, 2-way radio, CB, etc., S/N 1M1AE02Y85N002551, Engine S/N 400583, Licence No. BDM6526, 434,976-km, 15,157-hrs, (ii) 2005 Gardner Denver Model Tee triplex plunger pump rated at 165-bhp w/ 6-in stroke x 3 1/2-in bore x 10,000-psi. Pump is powered via Fabco drop box from truck PTO, S/N Q009286, (iii) Hydraulic power unit includes (3) series hydraulic pumps energized by truck PTO, reservoir, thermal exchanger, interconnecting piping, valves, hoses, etc., (iv) Mission injection pump; 4-in x 3-in x 6-in. Pump is powered by hydraulic motor, (v) Mission recycling pump; 6-in x 5-in x 6-in. Pump is powered by hydraulic motor, (vi) Mission irrigating pump; 4-in x 3-in x 6-in. Pump is powered by hydraulic motor, (vii) two (2) 1m³ water tanks and one (1) 0.85-m³ mixing tank, (viii) DSW fixed midship operators cab; approximately 7 -ft wide x 4-ft long w/ driver's-side man door, aluminum construction, lighting, power outlets & 180 windows, (ix) all attachments, accessories, accessions, replacements, substitutions, additions and improvements to the foregoing, and (x) all proceeds of any of the foregoing. Current
- 3 Unit 129; 2011 Jerih Model GJT70-34 II Cementing unit rated at 70-MPa maximum working pressure, 3.4-m³/min maximum flow rate, S/N 21003, primary components include: (i) 2011 Jerih Model THT9630TD custom built trailer. Trailer has approximately 8-ft wide x 34-ft long main deck with 8-ft step. Trailer is equipped with 30,000-lb tri-axle fitted with 12R20 tires on painted steel wheels w/ spring-ride suspension & air operated brakes. Trailer is finished with; checker-plated steel decking, access ladder, safety railing, (2) custom locking storage compartments, (2) hand-operated jacks & rearmounted pipe rack, S/N LA9ST1336BYJRR001, CVIP No. CV5080575, Licence No. 4DA1-92, (ii) two (2) OFM Model 600 triplex plunger pumps each rated at 600-bhp w/ 6-in stroke x 3 -In bore x 10,000-psi, S/N 11220, S/N 11219, (iii) two (2) Detroit Series 60 pump drive diesel engines each rated at 475-hp, S/N 06R1045843, S/N 06R1045740, (iv) two (2) Allison Model 4700 OFS automatic 7-speed pump transmissions each rated at 1,850-lb-ft of torque & 600-hp, S/N 6610309589, S/N 6610309569, (v) one (1) Cat Model C7 hydraulic diesel engine rated at 300-hp. Engine is unitized with Funk Model 5928 gear box energizing four (4) hydraulic pumps comprising hydraulic power system including reservoir, thermal exchanger, interconnecting piping, valves, hoses, etc., Engine S/N JTF13623, Gear Box S/N 1208009, (vi) Mission injection pump; 4-in x 3-in x 13-in. Pump is powered by hydraulic motor, (vii) Mission recycling pump; 6-in x 5-in x 11-In. Pump is powered by hydraulic motor, (viii) Mission irrigating pump; 4-in x 3-in x 13-in, Pump is powered by hydraulic motor, (ix) two (2) 2-m³ water tanks & one (1) 1.8-m³ mixing tank, Current
- 4 (x) Fixed midship operators cab; approximately 5-ft wide x 4-ft long w/ driver's-side man door, aluminum construction, lighting, power outlets & 180 windows, (xi) all attachments, accessories, accessions, replacements, substitutions, additions and improvements to the foregoing, and (xii) all proceeds of any of the foregoing. Current

Search ID#: Z10635701

- 5 Unit 128; 2010 Shop built cementing unit rated at 44.3-Mpa (6,430-psi) maximum working pressure, 1,2-m³/min maximum flow rate primary components include: (i) 2010 International Paystar Model 5900 6X4 tractor powered by Cummins Model ISX500 diesel engine rated at 500-hp @ 2,000-RPM unitized with Eaton Model RTL018918B 18-speed manual transmission. Tractor has 18,000-lb single-steer front axle mounted on polished aluminum wheels fitted with 385/6522.5 tires & air-operated brakes. Tandem rear axles are rated at 46,000-lbs mounted on polished aluminum wheels fitted with 11 R24.5 tires & air-operated brakes. Tractor is c/w (2) 120-gal fuel tanks, drivers air -ride seats, 2-way radio, CB, etc., S/N 1HTXYAPT8M877003, Engine S/N 79382387, CVIP No. V5360066, KMS - 102,341, FIRS - 4,399, Licence No. BFR5715, (ii) 2011 Serva TPD Model 600 triplex plunger pump rated at 600-bhp w/ 6-in stroke x 4 -in bore x 44.3-Mpa, Pump is powered via Fabco drop box from truck PTO, S/N W112676001001, (iii) Hydraulic power unit includes three (3) series hydraulic pumps energized by truck PTO, reservoir, thermal exchanger, interconnecting piping, valves, hoses, etc., (iv) Mission injection pump; 4-In x 3-in x 6-in. Pump is powered by hydraulic motor, (v) Mission recycling pump; 6-in x 5-in x 6-in. Pump is powered by hydraulic motor, (vi) Mission irrigating pump; 4-in x 3-in x 6-in. Pump is powered by hydraulic motor, (vii) two (2) 1m³ water tanks & one (1) 1.2m³ mixing tank, (viii) DSW fixed midship operators cab; approximately 7 -ft wide x 4-ft long w/ driver's-side man door, aluminum construction, lighting, power outlets & 180 windows, (ix) all attachments, accessories, accessions, replacements, substitutions, additions and improvements to the foregoing, and (x) all proceeds of any of the foregoing. Current
- 6 2006 Shop Built CTU: (i) 2006 International Model 5600i 8x6 tridem tractor powered by Cummins Model ISX 500 diesel engine rated at 500-hp at 2,000 rpm unitized with Eaton Model RTL018918B 18-speed manual transmission. Tractor has 20,000-lb single-steer front axle mounted on polished aluminum wheels fitted with 445165R22.5 tires & air-operated brakes. Rear tri-drive axles are rated at 53,000-lbs mounted on air-ride suspension, polished aluminum wheels fitted with 11R24.5 tires & air-operated brakes. Tractor is complete with conventional day cab, drivers air-ride seat, 2-way radio, CB, tire chains etc., S/N 1HTXSAPT76J223303, Engine S/N 79105355, 142,298-Kms, 11,408-Hrs, CVIP CV5549358, License No. ZXC-431, (ii) C-Tech Manufacturing Model CT300 injector; rated max pull 40,000-lbs, max snub 20,000-lbs, hose reels, load cells w/ instrumentation & Vanoil tubing stripper, S/N CTI-3096, (iii) Reel is an offset open-spoke design, constructed of square & rectangular steel tubing. Reel is mounted on a steel frame that is moved transversely of center line by hydraulic cylinders. The reel is chain-driven by a hydraulic motor & is c/w pneumatic disc, (iv) Hydraulic system with Linde hydraulic motors PTO driven from truck engine, system designed to function the reel, injector, leveling jacks, winch etc. Hydraulic system c/w 130-gal oil reservoir c/w interconnecting piping, hoses & filters, (v) Cat Model 3517 triplex soap pump powered by hydraulic motor complete w/ tank enclosed in heated & lit compartment, (vi) Fassi Model F150A.21 knuckle picker; 12,930 rating, c/w fixed & remote controls, hydraulic out riggers & block, S/N 5184, (vii) Control panel including throttle, engine shut-down controller, reel controls & injector controls, (viii) methanol tank; 10-gal, (ix) all attachments, accessories, accessions, replacements, substitutions, additions and improvements to the foregoing, and (x) all proceeds of any of the foregoing. Current

Search ID#: Z10635701

- 7 Unit 4841: 2005 HydraRig Model N2 Pump 180K SCFH 10K PSI Flameless Nitrogen Pumping Unit, S/N HRC180K1OKHR110003-1, including: (i) 2005 International Paystar Model 5600i 8X6 tractor powered by Cummins Model ISX565 diesel engine rated at 565-hp at 2,000-RPM unitized with Eaton Model RTL018918B 18-speed manual transmission, Tractor has 20,000-lb single-steer front axle mounted on polished aluminum wheels fitted with 445/65R22.5 tires, air - operated brakes & dual power steering boxes, Rear tri-drive axles are rated at 58,000-lbs mounted on polished aluminum wheels fitted with 11R24,5 tires & air-operated brakes. Tractor is complete with 36-in sleeper, two (2) 120-gal fuel tanks, drivers air -ride seat, 2-way radio, CB, etc., S/N 1HTXSAPT15J004917, Engine S/N 79058243, KMS 234,450, HRS 13,031, CVIP CV5465769, Licence No. BBC0072, (ii) 2005 Westington Cryogenics Model RTV3000 liquid N2 tank, 3000-gal (11,406-litre) TC-341 w/ stainless plumbing, MAWP 38-psi at 100 F, MDMT -320 F at 38-psi, 19,213-lbs (8,715-kg) maximum product load, Designation stamps Include; U, W & RT2, S/N 460, CRN Z-05-507-06-05, NB No. 155, (iii) HydraRig Model HR200- nitrogen triplex pump; 200-hp, 10,000-psi / 70-mpa, 85-me / min max flow, dressed w/ 1.625-in cold ends, (iv) Namco Model 239-A-SPSEXS drop box is unitized with main triplex pump, Drop box is energized by Denison Model M11G3N1A 180-cc fixed displacement hydraulic motor, S/N 01040767, (v) CSP Model 543-05014-00007 nitrogen boost pump; 1.5-in x 2.5-in x 6-in powered by Parker Model 3707308 hydraulic motor, S/N 1179, (vi) Cain heat recovery system includes thermal air shroud, glycol exchanger, glycol pump & circulation pump each hydraulically powered, S/N 4185, Current
- 8 (vii) Secondary heat exchanger & exhaust vaporizer pot rated at 180,000-SCFH, (viii) ITB fixed midship operators cab; approximately 7 -ft wide x 4-ft long w/ driver's-side man door, aluminum construction, lighting, power outlets & 180 windows, (ix) all attachments, accessories, accessions, replacements, substitutions, additions and improvements to the foregoing, and (x) all proceeds of any of the foregoing. Current
- 9 Unit 4842: 2011 Packaged Flameless Nitrogen Pumping Unit; 180K at 10K-PSI, including: (i) 2011 international Paystar Model 5900 tractor powered by Cummins Model ISX550 diesel engine rated at 550-hp at 2,000-RPM unitized with Eaton Model RTL018918B 18-speed manual transmission. Tractor has 20,000-lb single-steer front axle mounted on polished aluminum wheels fitted with 445/65R22.5 tires, air - operated brakes & dual power steering boxes, Rear tri-drive axles are rated at 54,000-lbs mounted on polished aluminum wheels fitted with 11R22.5 tires & air-operated brakes. Tractor is c/w two (2) 120-gal fuel tanks, drivers & passenger air -ride seats, 2-way radio, CB, etc., S/N 1HTXVAPT7BJ196718, Engine S/N 9CEXH0912XAN, CV1P No. CV5465740, KMS 106,153, HRS 6,136, Licence No. BOM6534, (ii) 1998 MVE liquid N2 tank; 3000-gal (11,406-litre) MC-338 w/ stainless plumbing. MAWP 45-psi at 100 F, MDMT -320 F at 45-psi, 19,213-lbs (8,715-kg) design weight of loading. Designation stamps Include; U, W & RT2, Tank was recertified in 2011, S/N 235, CRN C7680.2, A No. 448232, (iii) 2011 Texas Southwest Model W60001367 nitrogen triplex pump; 205-hp, 10,000-psi / 70-mpa, 85-m3 / min max flow, dressed w/ 1.58-in cold ends, S/N 848, (iv) Omsi Model 239-A-SPSEXS power transfer case energizing hydraulic power unit c/w pump, exchanger, reservoir, filters & interconnecting piping, (v) ACD Model AC18HD nitrogen boost pump; powered by Parker Model 3707308 hydraulic motor, S/N 904, Current

Search ID#: Z10635701

- | | | |
|----|--|---------|
| 10 | (vi) Heat recovery system includes thermal air shroud, glycol exchanger, glycol pump & circulation pump each hydraulically powered, (vii) Tri-Red Model TR021000 secondary heat exchanger & exhaust vaporizer pot rated at 180,000-SCFH, S/N 00060, (viii) DSW fixed midship operators cab; approximately 7 -ft wide x 4-ft long w/ driver's-side man door, aluminum construction, lighting, power outlets & 180 windows, (ix) all attachments, accessories, accessions, replacements, substitutions, additions and improvements to the foregoing, and (x) all proceeds of any of the foregoing. | Current |
| 11 | Proceeds: goods, inventory, chattel paper, investment property, documents of title, instruments, money, intangibles and accounts (all as defined in the Personal Property Security Act of Alberta) and insurance proceeds. | Current |

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 18052335763

Registration Type: GARAGE KEEPERS' LIEN

Registration Date: 2018-May-23

Registration Status: Current

Expiry Date: 2018-Nov-23 23:59:59

The Garage Keeper has possession of the vehicle

Accessories were provided on 2018-May-01

Lien Amount is \$7,500.00

Exact Match on: Debtor

No: 1

Vehicle Owner(s)

Block

Status

1 MUSTANG WELL SERVICES LTD.
BOX 1467
CAMROSE, AB T4V 1X4

Current

Person(s) Claiming Lien

Block

Status

1 IRON CREEK TRUCK & TRAILER LTD.
4909-50 AVE
DAYSLAND, AB T0B 1A0

Current

Phone #: 780 374 3724

Collateral: Serial Number Goods

Block

Serial Number

Year

Make and Model

Category

Status

1 1FVPALAV83PL04474 2003 Freightliner Truck

MV - Motor Vehicle

Current

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 18062028301

Registration Type: SECURITY AGREEMENT

Registration Date: 2018-Jun-20

Registration Status: Current

Expiry Date: 2023-Jun-20 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 MUSTANG WELL SERVICES LTD.
P.O. BOX 1467
CAMROSE, AB T4V 1X4

Current

Secured Party / Parties

Block

Status

1 PRECISION TUBE CANADA LTD.
4323 - 78 STREET CRESCENT
RED DEER, AB T4P 3E3

Current

Collateral: General

Block

Description

Status

1 All goods sold, consigned or delivered to the Debtor by the Secured Party, now held or hereafter acquired, wherever located (including as the same may become inventory and accessions). This includes but is not limited to all steel pipe, casing, coiled tubes, couplings, fittings, or any other good bearing the Tenaris brand (or stamp) or that of any subsidiary of Tenaris, together with all products and proceeds thereof, and all accounts and accounts receivable.

Current

Proceeds: all present and after-acquired personal property.

Search ID#: Z10635701

Business Debtor Search For:

MUSTANG WELL SERVICES LTD.

Search ID #: Z10635701

Date of Search: 2018-Aug-27

Time of Search: 10:25:58

Registration Number: 18071022334

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2018-Jul-10

Registration Status: Current

Expiry Date: 2020-Jul-10 23:59:59

Issued in Grande Prairie Judicial Centre

Court File Number is 80400431

Judgment Date is 2018-Jul-04

This Writ was issued on 2018-Jul-09

Type of Judgment is Other

Original Judgment Amount: \$11,182.00

Costs Are: \$200.00

Post Judgment Interest: \$0.00

Current Amount Owing: \$11,382.50

Exact Match on: Debtor

No: 1

Solicitor / Agent

DEREK VAN TASSELL, Q.C. OF STRINGAM LLP
#102, 10126 - 97 AVENUE
GRANDE PRAIRIE, AB T8V 7X6

Phone #: 780 513 6883

Fax #: 780 513 6884

Reference #: 096789-0006csh

Debtor(s)

Block

1 MUSTANG WELL SERVICES LTD.
#3200, 10180 - 101 STREET
EDMONTON, AB T5J 3W8

Status

Current

Creditor(s)

Block

1

Status

Current

Search ID#: Z10635701

ANYTIME N2 OILFIELD SERVICES LTD.
#101, 10126 - 97 AVENUE
GRANDE PRAIRIE, AB T8V 7X6

Result Complete

Appendix 10

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2018/05/14
Time of Search: 10:08 AM

Service Request Number: 28995494
Customer Reference Number: 02047765-EDD3_5_230595

Corporate Access Number: 2012156499
Legal Entity Name: MUSTANG WELL SERVICES LTD.
Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2006/01/12 YYYY/MM/DD

Registered Office:
Street: 3200, 10180 - 101 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3W8

Records Address:
Street: 3200, 10180 - 101 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3W8

Directors:
Last Name: KALLAL
First Name: MIKE
Street/Box Number: 255030 WILLOW CREEK RISE
City: CALGARY
Province: ALBERTA
Postal Code: T3R 0K3

Last Name: WIDEMAN
First Name: ROYDEN

Street/Box Number: BOX 1467
City: CAMROSE
Province: ALBERTA
Postal Code: T0B 4J0

Voting Shareholders:

Last Name: KALLAL
First Name: MIKE
Street: 255030 WILLOW CREEK RISE
City: CALGARY
Province: ALBERTA
Postal Code: T3R 0K3
Percent Of Voting Shares: 50

Last Name: WIDEMAN
First Name: ROYDEN
Street: BOX 1467
City: CAMROSE
Province: ALBERTA
Postal Code: T0B 4J0
Percent Of Voting Shares: 50

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED SCHEDULE
Share Transfers Restrictions: SEE ATTACHED SCHEDULE
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE ATTACHED SCHEDULE

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
------------------	--------------------------------

2018	2018/01/30
------	------------

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2006/01/12	Incorporate Alberta Corporation
2014/12/12	Change Director / Shareholder
2018/01/30	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2006/01/12
Restrictions on Share Transfers	ELECTRONIC	2006/01/12
Other Rules or Provisions	ELECTRONIC	2006/01/12

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



Appendix 11

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2018/05/14
Time of Search: 10:09 AM

Service Request Number: 28995500
Customer Reference Number: 02047771-EDD3_5_230601

Corporate Access Number: 2017307402
Legal Entity Name: MRBD LTD.
Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2013/02/15 YYYY/MM/DD

Registered Office:

Street: 3200, 10180 - 101 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3W8

Records Address:

Street: 3200, 10180 - 101 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5J 3W8

Directors:

Last Name: KALLAL
First Name: MIKE
Street/Box Number: 255030 WILLOW CREEK RISE
City: CALGARY
Province: ALBERTA
Postal Code: T3R 0K3

Last Name: WIDEMAN
First Name: ROYDEN

Street/Box Number: BOX 1467
City: CAMROSE
Province: ALBERTA
Postal Code: T0B 4J0

Voting Shareholders:

Last Name: KALLAL
First Name: MIKE
Street: 255030 WILLOW CREEK RISE
City: CALGARY
Province: ALBERTA
Postal Code: T3R 0K3
Percent Of Voting Shares: 50

Last Name: WIDEMAN
First Name: ROYDEN
Street: BOX 1467
City: CAMROSE
Province: ALBERTA
Postal Code: T0B 4J0
Percent Of Voting Shares: 50

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED SCHEDULE A
Share Transfers Restrictions: SEE ATTACHED SCHEDULE B
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE ATTACHED SCHEDULE C

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
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2018	2018/02/20
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Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2013/02/15	Incorporate Alberta Corporation
2014/12/12	Change Director / Shareholder
2018/02/20	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2013/02/15
Restrictions on Share Transfers	ELECTRONIC	2013/02/15
Other Rules or Provisions	ELECTRONIC	2013/02/15

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.

