



COURT FILE NUMBER                   **Q.B.G. No. 1705 of 2020**

COURT                                    **COURT OF QUEEN'S BENCH FOR SASKATCHEWAN  
IN BANKRUPTCY AND INSOLVENCY**

JUDICIAL CENTRE                    **REGINA**

APPLICANT                           **BDO CANADA LIMITED in its Capacity as Receiver  
of BOW RIVER ENERGY LTD.**

RESPONDENT                         **BOW RIVER ENERGY LTD.**

**IN THE MATTER OF THE RECEIVERSHIP OF BOW RIVER ENERGY LTD.**

**SALE APPROVAL AND VESTING ORDER**

Before the Honourable Madam Justice M.R. McCreary in chambers on 29<sup>th</sup> of March, 2021.

On the application of BDO Canada Limited, in its capacity as the court-appointed receiver and manager (the "**Receiver**") of the undertaking, property and assets of Bow River Energy Inc. (the "**Debtor**") pursuant to an Order of this Court granted on October 28, 2020 (the "**Receivership Order**"); **AND UPON** hearing counsel for the Receiver, and any other interested party appearing at the Application; **AND UPON** reading the Notice of Application dated March 19, 2021; the Report of the Receiver (the "**Receiver's Report**"), the confidential supplement to the Receiver's Report (the "**Confidential Supplement**") and a proposed Draft Order, all filed and the pleadings and proceedings having taken herein:

The Court Orders:

**SERVICE**

1. Service of the Notice of Application on behalf of the Receiver and the materials filed in support thereof (collectively, the "**Application Materials**") shall be and is hereby deemed to be good and valid and, further, shall be and is hereby abridged, such that service of such Application Materials is deemed to be timely and sufficient.

**APPROVAL OF TRANSACTION**

2. The sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and Tallahassee Exploration Inc. (the "**Purchaser**") dated March 16, 2021 and appended to the Confidential Supplement, for the sale to the Purchaser of the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**") is declared to be commercially reasonable and in the best interests of the Debtor and its creditors and

other stakeholders and is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary.

3. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable (including any steps necessary or desirable to satisfy and/or comply with any applicable laws, regulations or orders of any courts, tribunals, regulatory bodies or administrative bodies in any jurisdiction in which the Purchased Assets may be located) for the completion of the Transaction or for the conveyance of the Purchased Assets to the Purchaser (or its nominee), subject to such amendments as the Receiver and the Purchaser may agree upon, provided that any such amendments do not materially affect the Purchase Price.

## **VESTING OF PROPERTY**

1. Upon the Receiver determining that the Proposed Sale has closed to its satisfaction and on terms substantially as approved by this Honourable Court pursuant to this Order, the Receiver shall deliver to the Purchaser (or its nominee) a Receiver's certificate substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Certificate**").
2. The Receiver may rely on written notices from the Purchaser regarding fulfillment or, if applicable, waiver of conditions to closing of the Proposed Sale under the Sale Agreement and shall have no liability with respect to the delivery of the Receiver's Certificate.
3. Subject only to approval of the transfer of applicable licenses, permits and approvals by the Saskatchewan Ministry of Energy and Mines and Indian Oil and Gas Canada, as applicable, upon delivery of the Receiver's Certificate all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on **Schedule "B"** hereto shall, save and except for the encumbrances listed in **Schedule "C"** hereto (the "**Permitted Encumbrances**"), vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, interests, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, judgments, enforcement charges, levies, charges, or other financial or monetary claims (collectively, "**Encumbrances**") and all rights of others, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing:
  - (a) any encumbrances or charges created by the Receivership Order;
  - (b) all charges, security interests or claims evidenced by registrations pursuant to *The Personal Property Security Act, 1993* SS 1993, c P-6.2, or any other personal property registry system;
  - (c) all liens and claims of lien under *The Builders' Lien Act* (Saskatchewan);
  - (d) all municipal tax claims under *The Municipalities Act* or otherwise;
  - (e) all claims of the Saskatchewan Ministries of Energy and Resources, Environment and Agriculture in relation to the surface and mineral leases, royalties and any other debts owed by the Debtor;
  - (f) those Encumbrances listed in **Schedule "D"** hereto;

and, for greater certainty, this Court orders that all of the Encumbrances (save and except for the Permitted Encumbrances) affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. Upon delivery of the Receiver's Certificate to the Purchaser, the Receiver shall be and is hereby authorized to effect such discharges or revisions in the Saskatchewan Personal Property Registry as may be reasonably required to conclude the Transaction.
5. Pursuant to section 109 of *The Land Titles Act, 2000*, SS 2000, c L-5.1 and section 12 of *The Queen's Bench Act, 1998*, SS 1998, c Q-1.01 the Saskatchewan Registrar of Titles shall be and is hereby directed:
  - (i) accept an application, signed by the Receiver, to transfer the fee simple titles in the name of the Debtor listed in **Part I - Schedule "B"** to this Order, to the Purchaser (or its nominee),
  - (ii) accept an application, signed by the Receiver, to assign the interests in the name of the Debtor listed in **Part II - Schedule "B"** to this Order, to the Purchaser (or its nominee);  
and
  - (iii) for greater certainty, to discharge all interests described in Schedule "D" hereto.
6. Any and all registration charges and fees payable in regard to the Land Titles Application shall be to the account of the Purchaser.
7. For the purposes of determining the nature and priority of the Encumbrances:
  - (a) the net proceeds from the sale of the Purchased Assets (the "**Net Sale Proceeds**") shall stand in the place and stead of the Purchased Assets; and
  - (b) from and after the delivery of the Receiver's Certificate to the Purchaser, all Encumbrances and all rights of others shall attach to the Net Sale Proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to closing of the Transaction.
8. The Purchaser (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtor.
9. The Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Purchased Assets and, to the extent that any such person remains in possession or control of any of the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

10. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by or through or against the Debtor.
11. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver or the Debtor.
12. Forthwith after the delivery of the Receiver's Certificate to the Purchaser (or its nominee), the Receiver shall file a copy of the Receiver's Certificate with the Court, and shall serve a copy of the Receiver's Certificate on the recipients listed in the Service List maintained with respect to these proceedings.
13. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c 5, the Debtor and the Receiver are hereby authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.
14. Notwithstanding:
  - a) the pendency of these proceedings;
  - b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to such applications;
  - c) any assignment in bankruptcy made in respect of the Debtor; and
  - d) the provisions of any federal statute, provincial statute or any other law or rule of equity, the vesting of any of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order and the obligations of the Debtor under the Sale Agreement, shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.
15. The Transaction is exempt from any requirement under any applicable federal or provincial law to obtain shareholder approval and is exempt from the application of any bulk sales legislation in any Canadian province or territory.

#### **MISCELLANEOUS MATTERS**

16. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction, including, without limitation, an application to the Court to deal with interests which are registered against title to the Real Property after the time of the granting of this Order.

17. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
18. Service of this Order shall be deemed good and sufficient by serving the same on:
- a. the persons listed on the service list created in these proceedings;
  - b. the Purchaser or on the Purchaser's solicitors; and
  - c. by posting a copy of this Order on the Receiver's website at: <https://www.bdo.ca/en-ca/extranets/bowriver/>;

and service on any other Person is hereby dispensed with.

**ISSUED** at Regina, Saskatchewan, this 29<sup>th</sup> day of March 2021.

**ISSUED** at Regina, Saskatchewan, this 29<sup>th</sup> day of March 2021.



  
D/ Local Registrar

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS DOCUMENT

**BENNETT JONES LLP**

Barristers and Solicitors  
4500, 855 – 2nd Street SW  
Calgary, Alberta T2P 4K7

Attention: Keely Cameron  
Telephone No.: 403-298-3324  
Fax No.: 403-265-7219

Client File No.: 68775.6

**SCHEDULE "A" FORM OF RECEIVER'S CERTIFICATE**

COURT FILE NUMBER	<b>Q.B.G. No. 1705 of 2020</b>
COURT	COURT OF QUEEN'S BENCH FOR SASKATCHEWAN IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE	REGINA
APPLICANT	<b>BDO CANADA LIMITED in its Capacity as Receiver of BOW RIVER ENERGY LTD.</b>
RESPONDENT	<b>BOW RIVER ENERGY LTD.</b>

**IN THE MATTER OF THE RECEIVERSHIP OF BOW RIVER ENERGY LTD.**

**RECEIVER'S CERTIFICATE**

**RECITALS:**

- A. Pursuant to an Order of the Honourable Madam Justice M.R. McCreary of the Court of Queen's Bench of Saskatchewan in Bankruptcy and Insolvency (the "**Court**") dated October 28, 2020, BDO Canada Limited was appointed as the receiver and manager (the "**Receiver**") of the undertaking, property and assets of Bow River Energy Ltd. ("**Bow River**").
- B. Pursuant to an Order of the Court dated ●, 2021, the Court approved the agreement of purchase and sale (the "**Sale Agreement**") made between the Receiver and Tallahassee Exploration Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of Bow River's right, title and interest in and to the Purchased Assets as defined in the Sale Agreement, which vesting is to be effective upon the delivery by the Receiver to the Purchaser of a certificate confirming:
- (i) the payment by the Purchaser of the net Purchase Price for the Purchased Assets; and
  - (ii) the Transaction contemplated pursuant to the Sale Agreement has been completed to the satisfaction of the Receiver, subject only to the post-closing obligations provided for in the Sale Agreement.
- C. Unless otherwise indicated herein, capitalized terms not otherwise defined have the meaning attributed to them in the Sale Agreement.

**THE RECEIVER CERTIFIES** the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;

2. The conditions to Closing as set out in section \* of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee);
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at **[Time]** on **[Date]**.

**BDO CANADA LIMITED** solely in its capacity as court appointed receiver of the assets and undertaking of BOW RIVER ENERGY LTD. and not in its personal or corporate capacity.

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



**Schedule "B"**  
**PURCHASED ASSETS**

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### Bow River Energy Ltd. Mineral Schedule "A" Report - Tallahassee Offer Lands

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
M00377 A	LSE TYPE: FH PNG LSE DATE: 2011 Jul 07 EFF DATE: 2011 Jul 07 EXP DATE: 2012 Jan 06 INT TYPE: WI MNRL INT: 100.0 EXT CODE: HBP	TWP 036 RGE 26 W3M LSD 13 SEC 17 PNG TO BASE BAKKEN	CUR INT: WI BOWRIVER 100.0%	NONCONV LOR ALL 17.5% BASED ON 100.0% PDBY BOWRIVER 100.0%	CUR INT OPER CONT C00170 A General 0000 No ROFR Applies OPER: BOWRIVER	
M00699 A	LSE TYPE: CR PNG CR: PN56596 LSE DATE: 2005 Aug 16 EFF DATE: 2006 Apr 01 EXP DATE: 2011 Mar 31 INT TYPE: WI MNRL INT: 100.0 EXT CODE: SEC 43(5)A	TWP 038 RGE 26 W3M SEC 36 ALL PNG FROM TOP SURFACE TO TOP PRECAMBRIAN	CUR INT: WI BOWRIVER 75.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 75.0%	CUR INT OPER CONT C00343 B CAPL 1990 No ROFR Applies OPER: BOWRIVER	
M00351 A	LSE TYPE: CR PNG CR: PN59437 LSE DATE: 2007 Jun 04 EFF DATE: 2008 Apr 01 EXP DATE: 2013 Mar 31 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 43	TWP 038 RGE 27 W3M SEC 31 PNG BELOW BASE MANNVILLE_GROU	CUR INT: WI BOWRIVER 75.795%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 75.795%	CUR INT OPER CONT C00186 A CAPL 1990 ROFR Applies OPER: BOWRIVER	
M00293 B	LSE TYPE: CR PNG CR: PN17666 LSE DATE: 1982 Jun 24 EFF DATE: 1982 Jun 24 EXP DATE: 1988 Mar 31 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 43	TWP 038 RGE 28 W3M SEC 24 PETROLEUM TO BASE MANNVILLE_GROUP	CUR INT: WI BOWRIVER 75.795%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 75.795%	CUR INT OPER CONT C00186 B CAPL 1990 ROFR Applies OPER: BOWRIVER	
				NONCONV GOR ALL 10.0% BASED ON 95.0% PDBY BOWRIVER 75.795%	ROYALTY LINKS C00120 G General 0000	

**Bow River Energy Ltd.  
Mineral Schedule "A" Report - Tallahassee Offer Lands**

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
M00516 B	LSE TYPE: CR PNG CR: PN56609 LSE DATE: 2005 Aug 16 EFF DATE: 2006 Apr 01 EXP DATE: 2011 Mar 31 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 43	TWP 038 RGE 28 W3M SEC 36 PNG BELOW BASE MANNVILLE_GROI	CUR INT: WI BOWRIVER 75.795%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 75.795%	CUR INT OPER CONT C00186 A CAPL 1990 ROFR Applies OPER: BOWRIVER	No ROFR Applies
M00513 A	LSE TYPE: CR PNG CR: PN62723 LSE DATE: 2009 Jun 08 EFF DATE: 2009 Jun 08 EXP DATE: 2015 Mar 31 INT TYPE: WI MNRL INT: 100.0	TWP 039 RGE 25 W3M E 6, LSD 3, 6, 11, 14 SEC 6 ALL PNG	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00707 C	LSE TYPE: CR PNG CR: PN29597 LSE DATE: 1992 Dec 09 EFF DATE: 1993 Apr 01 EXP DATE: 1998 Mar 31 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 43	TWP 039 RGE 25 W3M LSD 12, 13 SEC 6 ALL PNG FROM TOP SURFACE TO TOP PRECAMBRIAN EXCL NG FROM TOP SURFACE TO BASE SPARKY	CUR INT: WI BOWRIVER 100.0%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 100.0%		
M00701 A	LSE TYPE: CR PNG CR: PN29600 LSE DATE: 1992 Dec 09 EFF DATE: 1993 Apr 01 EXP DATE: 1998 Mar 31 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 43	TWP 039 RGE 26 W3M LSD 9, 10, 15 SEC 1 TWP 039 RGE 26 W3M S SEC 1, NW SEC 1 (EXCLUDING 192/01-02-039-26W3/00 WELLBORE AND RELATED	CUR INT: WI BOWRIVER 24.437%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 24.437%	CUR INT OPER CONT C00339 A CAPL 1990 No ROFR Applies OPER: REPSOL CAN	

**Bow River Energy Ltd.**  
**Mineral Schedule "A" Report - Tallahassee Offer Lands**

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
	EXT CODE: SEC 43(5)A	PRODUCTION)				
		NG FROM TOP SPARKY TO BASE				
		SPARKY				
M00353 A	LSE TYPE: CR PNG CR: PN59967 LSE DATE: 2007 Oct 02 EFF DATE: 2008 Apr 01 EXP DATE: 2013 Mar 31 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 43	TWP 039 RGE 26 W3M SEC 2 PNG BELOW BASE MANNVILLE_GRO	CUR INT: WI BOWRIVER 75.795%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 75.795%	CUR INT OPER CONT C00187 B CAPL 1990 ROFR Applies OPER: BOWRIVER	
M00522 A	LSE TYPE: CR PNG CR: PN60485 LSE DATE: 2008 Feb 11 EFF DATE: 2008 Apr 01 EXP DATE: 2013 Mar 31 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 43	TWP 039 RGE 26 W3M SEC 12 PNG BELOW BASE MANNVILLE_GRO	CUR INT: WI BOWRIVER 75.795%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 75.795%	CUR INT OPER CONT C00187 B CAPL 1990 ROFR Applies OPER: BOWRIVER	
M00570 A	LSE TYPE: CR PNG CR: PN63859 LSE DATE: 2010 Feb 08 EFF DATE: 2010 Apr 01 EXP DATE: 2015 Mar 31 INT TYPE: WI MNRL INT: 100.0	TWP 039 RGE 27 W3M LSD 11, 13, 14 SEC 3, SW 3 PNG BELOW BASE MANNVILLE_GRO	CUR INT: WI BOWRIVER 75.795%	SLIDING SCALE ALL S/S BASED ON 100.0% PDBY BOWRIVER 75.795%	CUR INT OPER CONT C00186 A CAPL 1990 ROFR Applies OPER: BOWRIVER	
M00348 A	LSE TYPE: CR PNG CR: PN58849	TWP 039 RGE 27 W3M SEC 4 PNG BELOW BASE MANNVILLE_GRO	CUR INT: WI BOWRIVER 75.795%	NONCONV GOR ALL 6.0% BASED ON 50.0% PDBY BOWRIVER 75.795%	ROYALTY LINKS C00119 I General 0000 No ROFR Applies	
				SLIDING SCALE ALL S/S	CUR INT OPER CONT C00186 A	

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### Bow River Energy Ltd. Mineral Schedule "A" Report - Tallahassee Offer Lands

File Number	Title Information	Lands	Seller's Interests	Encumbrances	Operating Contract	Wells
M00272 A	LSE DATE: 2006 Dec 12 EFF DATE: 2007 Apr 01 EXP DATE: 2012 Mar 31 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 43	TWP 039 RGE 27 W3M SEC 5 ALL PETROLEUM	CUR INT: WI BOWRIVER 75.795%	BASED ON 100.0% PDBY BOWRIVER 75.795%	CAPL 1990 ROFR Applies OPER: BOWRIVER	
	LSE TYPE: CR PNG CR: PN49736 LSE DATE: 2001 Dec 04 EFF DATE: 2002 Apr 01 EXP DATE: 2007 Mar 31 INT TYPE: WI MNRL INT: 100.0 EXT CODE: 43			SLIDING SCALE OIL S/S BASED ON 100.0% PDBY BOWRIVER 75.795% NONCONV GOR ALL 6.0% BASED ON 100.0% PDBY BOWRIVER 75.795%	CUR INT OPER CONT C00186 D CAPL 1990 ROFR Applies OPER: BOWRIVER ROYALTY LINKS C00119 H General 0000 No ROFR Applies	

**Well List-Tallahassee Exploration INC.**

<b>License Number</b>	<b>UWI</b>	<b>WI%</b>	<b>Well Type Description</b>
11I423	191/08-31-038-27W3/0	75.7950%	Oil Well
10H322	191/14-02-039-26W3/0	75.7950%	Oil Well
10H244	191/11-12-039-26W3/0	75.7950%	Oil Well
11D135	191/10-36-038-28W3/0	75.7950%	Oil Well
09B058	191/09-05-039-27W3/0	75.7950%	Oil Well
09L255	191/05-05-039-27W3/0	75.7950%	Oil Well
09B057	192/05-04-039-27W3/0	75.7950%	Oil Well
10C267	191/04-03-039-27W3/0	75.7950%	Oil Well
09L254	192/12-05-039-27W3/0	75.7950%	Oil Well
09I143	191/12-05-039-27W3/0	75.7950%	Oil Well
11H367	192/16-12-039-26W3/0	75.7950%	Oil Well
10H323	192/14-02-039-26W3/0	75.7950%	Oil Well
09A100	191/08-05-039-27W3/0	75.7950%	Oil Well
09I133	192/08-04-039-27W3/0	75.7950%	Oil Well
08K266	191/07-04-039-27W3/2	75.7950%	Oil Well
08J339	191/05-04-039-27W3/0	75.7950%	Oil Well
11I402	192/01-31-038-27W3/0	75.7950%	Oil Well
7H268	141/06-24-038-28W3/4	75.7950%	Oil Well
09L167	192/01-01-039-26W3/0	100.0000%	Oil Well
10H317	191/09-02-039-26W3/0	75.7950%	Oil Well
10H321	194/15-02-039-26W3/0	75.7950%	Oil Well
10H007	191/16-02-039-26W3/0	75.7950%	Oil Well
10H016	191/04-12-039-26W3/0	75.7950%	Oil Well
11H197	191/16-12-039-26W3/0	75.7950%	Oil Well
11B160	193/13-06-039-25W3/0	100.0000%	Oil Well
11D185	191/06-06-039-25W3/0	100.0000%	Oil Well
11E166	141/13-17-036-26W3/2	100.0000%	Oil Well
81E059	06-24-038-28W3	75.7950%	Disposal Well
10H240	191/07-12-039-26W3/0	75.7950%	Oil Well
10H242	191/06-12-039-26W3/0	75.7950%	Oil Well
09L246	191/10-04-039-27W3/0	75.7950%	Oil Well
08J353	192/06-04-039-27W3/0	75.7950%	Oil Well
07K200	191/14-04-039-27W3/2	75.7950%	Oil Well
11E393	191/01-31-038-27W3/0	75.7950%	Oil Well
10D046	191/02-08-039-27W3/0	75.7950%	Oil Well
07J354	06-04-039-27W3	75.7950%	Stratigraphic Test Well
08J320	02-09-039-27W3	75.7950%	Stratigraphic Test Well
11C590	191/12-36-038-26W3/0	100.0000%	Oil Well

**Facility List--Tallahassee Exploration INC.**

<b>License Number</b>	<b>UWI</b>	<b>WI%</b>	<b>Facility Type Description</b>
6044	06-24-038-28W3	75.7950%	Water Injection/Disposal Facility

**Pipeline List (Unlicensed Pipelines)-Tallahassee Exploration INC.**

**\*License numbers "assigned" by Bow River Energy for tracking purposes**

<b>License Number</b>	<b>From Location</b>	<b>To Location</b>
122953	01-08-039-27W3	04-09-039-27W3
122960	08-08-039-27W3	16-05-039-27W3
122961	04-09-039-27W3	04-09-039-27W3
122962	04-09-039-27W3	02-09-039-27W3
122963	06-04-039-27W3	16-04-039-27W3
122975	02-09-039-27W3	01-09-039-27W3
124526	01-08-039-27W3	16-05-039-27W3
124528	04-09-039-27W3	04-09-039-27W3
124529	04-09-039-27W3	02-09-039-27W3
124531	10-04-039-27W3	16-04-039-27W3
137197	16-05-039-27W3	09-05-039-27W3
137202	15-04-039-27W3	13-03-039-27W3
137234	08-02-039-26W3	05-07-039-25W3
137235	08-02-039-26W3	13-34-038-26W3
138920	08-12-039-26W3	05-07-039-25W3
140602	14-19-038-27W3	15-24-038-28W3
140603	01-36-038-28W3	14-19-038-27W3
140604	08-36-038-28W3	01-36-038-28W3
140606	10-31-038-27W3	03-31-038-27W3
102472	10-31-38-27 W3M	08-05-39-27 W3M
122964	16-04-39-27 W3M	02-09-39-27 W3M
124528	04-09-39-27 W3M	04-09-39-27 W3M
124530	02-09-39-27 W3M	02-09-39-27 W3M
124532	06-04-39-27 W3M	10-04-39-27 W3M
140605	02-31-38-27 W3M	03-31-38-27 W3M
140607	08-05-39-27 W3M	09-05-39-27 W3M
102472	10-31-38-27 W3M	08-05-39-27 W3M

## SCHEDULE "C"

### PERMITTED ENCUMBRANCES

- (a) **"Permitted Encumbrances"** means:
- (i) all encumbrances, overriding and any other royalties, net profits interests and other burdens identified in the Title Documents or in Schedule A;
  - (ii) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
  - (iii) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;
  - (iv) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
  - (v) all Applicable Laws, and all rights of general application reserved to or vested in any Governmental Authority to regulate or control the ownership, use or operation of the Assets in any manner, including (A) requirements and limitations as to production rates or operations or otherwise affecting recoverability of Petroleum Substances, or (B) to levy taxes on Petroleum Substances or any of them or the income therefrom;
  - (vi) any obligations to Third Parties for any thirteenth month adjustments or for payments due as a result of any audits conducted by operators or Third Parties;
  - (vii) Taxes on Petroleum Substances or the income or revenue from the Petroleum Substances and requirements imposed by Applicable Law or Governmental Authorities concerning rates of production from the Wells or from operations on any of the Lands, or otherwise affecting recoverability of Petroleum Substances from the Lands, which Taxes or requirements are generally applicable to the oil and gas industry in the jurisdiction in which the Assets are located;
  - (viii) agreements for the sale, processing, transmission or transportation of Petroleum Substances, which are terminable on not more than thirty (30) days' notice (without an early termination penalty or other like cost);
  - (ix) any obligation of the Vendor or the Debtor to hold any portion of their interest in and to any of the Assets in trust for Third Parties;



- (x) the right reserved to or vested in any Governmental Authority to control or regulate any of the Assets in any manner, including any directives or notices received from any Governmental Authority pertaining to the Assets;
- (xi) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards the Vendor's or any Debtor's share of the costs and expenses thereof which are not due or delinquent as of the date hereof;
- (xii) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (xiii) agreements and plans relating to pooling or unitization of any of the Petroleum and Natural Gas Rights;
- (xiv) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations; and
- (xv) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's or any Debtor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof.

SCHEDULE "D"  
ENCUMBRANCES TO BE DISCHARGED