

COURT FILE NUMBER 2101-00814
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

Clerk's Stamp

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMENDED

AND IN THE MATTER OF CALGARY OIL & GAS SYNDICATE GROUP LTD., CALGARY OIL AND GAS INTERCONTINENTAL GROUP LTD. (IN ITS OWN CAPACITY AND IN ITS CAPACITY AS GENERAL PARTNER OF T5 SC OIL AND GAS LIMITED PARTNERSHIP), CALGARY OIL AND SYNDICATE PARTNERS LTD., AND PETROWORLD ENERGY LTD.

DOCUMENT

APPLICATION BY BDO CANADA LIMITED IN ITS CAPACITY AS MONITOR OF CALGARY OIL & GAS SYNDICATE GROUP LTD., CALGARY OIL AND GAS INTERCONTINENTAL GROUP LTD., CALGARY OIL AND SYNDICATE PARTNERS LTD., PETROWORLD ENERGY LTD. and T5 SC OIL AND GAS LIMITED PARTNERSHIP

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION
OF PARTY
FILING THIS
DOCUMENT

Cassels Brock & Blackwell LLP
Suite 3810, Bankers Hall West
888 3 Street SW
Calgary, AB T2P 5C5
Telephone (403) 351 2921
Facsimile: (403) 648 1151
Email: joliver@cassels.com / kdavis@cassels.com
File No. 28677-32

Attention: Jeffrey Oliver/Kara Davis

NOTICE TO RESPONDENTS:

This application is made against you. You are a respondent.

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

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

Date: Friday, September 24, 2021
Time: 11:00 AM
Where: Calgary Courts Centre – Via WebEx
Before Whom: The Honourable Justice C. Dario

Go to the end of this document to see what you can do and when you must do it.

Remedy claimed or sought:

1. BDO Canada Limited (“**BDO**”), in its capacity as monitor of Calgary Oil & Gas Syndicate Group Ltd., Calgary Oil and Gas Intercontinental Group Ltd., Calgary Oil and Syndicate Partners Ltd., Petroworld Energy Ltd., and T5 SC Oil and Gas Limited Partnership (the “**Companies**”), is seeking:
 - a) an order substantially in the form attached hereto as Schedule “A” (the “**Termination Order**”):
 - i. if necessary, abridging the time for service of this Application and supporting materials, to the time given and deeming service of notice of this Application and supporting materials good and sufficient;
 - ii. approving the Monitor’s professional fees and those of its legal counsel, Cassels Brock & Blackwell LLP; and
 - iii. declaring that upon BDO filing a certificate in the form attached as Appendix “B1” to Schedule “B” of the Companies’ Application (the “**Termination Certificate**”), the within proceedings (the “**CCA Proceedings**”) shall be terminated and BDO shall be discharged as Monitor; and
 - b) such further and other relief as counsel may request and this Honourable Court may deem appropriate.
2. Terms not defined herein shall have the meaning ascribed to them in the Sixth Report of the Monitor dated September 14, 2021 (the “**Report**”).

Grounds for making this application:

Background

3. On February 11, 2021, an initial order (the “**Initial Order**”) was granted by this Honourable Court pursuant to the *Companies Creditors Arrangement Act*, RSC 1985 c C-36, appointing BDO as monitor (in such capacity, the “**Monitor**”) of the Companies and *inter alia*, granting an initial stay of proceedings (the “**Stay**”) against the Companies and their assets.
4. On February 19, 2021, the Court granted, *inter alia*, an amended and restated Initial Order providing for a brief extension of the Stay until March 4, 2021.
5. On March 4, 2021, the Court granted, *inter alia*, a second amended and restated Initial Order (the “**SAR Initial Order**”) increasing the amount of the Administration Charge and extending the Stay until April 15, 2021.
6. On April 13, 2021, the Court approved, *inter alia*, a reverse proof of claims procedure for creditors of the Companies.
7. May 25, 2021, the Court granted, *inter alia*, orders extending the Stay until July 31, 2021; authorizing a late claims procedure to permit parties to disclaimed agreements to file proofs of claim; and ordering a creditors’ meeting to be convened on July 19, 2021.

8. On July 19, 2021, a plan of arrangement and compromise (the “**Plan**”) was approved at the Creditors’ Meeting and pursuant to an order granted on July 26, 2021, the Court sanctioned and approved a revised Plan (the “**Revised Plan**”); and extended the Stay until September 30, 2021.
9. A second Revised Plan was filed on August 31, 2021 (the “**Second Revised Plan**”).
10. On September 3, 2021 the Spartan Transaction closed, and the Monitor issued and submitted for filing, a certificate certifying all conditions of the Second Revised Plan have been satisfied or waived (the “**Plan Implementation Certificate**”).
11. Also on September 3, 2021, the Companies entered into a second transaction related to the Spartan Transaction (the “**GP Transaction**”) and the Companies are concurrently with the Monitor’s application, bringing an application for, *inter alia*, approval of the GP Transaction; termination of the CCAA Proceedings; and extension of the Stay through to the earlier of:
 - a) the date the Monitor files a certificate terminating the CCAA Proceedings; or
 - b) October 31, 2021.

Discharge of Monitor

12. As stated above, the Plan Implementation Certificate has been filed and upon the:
 - a) resolution of the Unresolved Unsecured Claim and Affected Claims; and
 - b) payment of the remaining distribution to creditors(collectively, the “**Remaining Activities**”), the Monitor anticipates there will remain no further steps to be taken by in the CCAA Proceedings.
13. The termination of the CCAA Proceedings and discharge of the Monitor upon filing the Termination Certificate will permit the Monitor to complete the Remaining Activities and terminate these CCAA Proceedings without the expense of a further court appearance.

Approval of Professional Fees

14. Paragraph 30 of the SAR Initial Order directs that the Monitor and its counsel shall be paid their reasonable fees and disbursements, in each case at their standard rates, of the costs of the CCAA Proceedings.
15. The accounts of the Monitor for the period of February 3, 2021 through to August 31, 2021, total approximately \$204,376, inclusive of GST.
16. The accounts of counsel to the Monitor for the period of February 3, 2021 through to August 31, 2021, total approximately \$230,905, inclusive of GST.
17. The Monitor and counsel to the Monitor estimate that their unbilled work in progress and additional fees and disbursements to be incurred through to the conclusion of the CCAA Proceedings, will be approximately \$75,000 for the Monitor and \$45,000 for counsel to the Monitor, both exclusive of GST.
18. The invoices rendered by the Monitor and its counsel were validly incurred in accordance with the provisions of the Initial Order.

19. The actions and activities undertaken by the Monitor and those of the Monitor's counsel to date have been necessary to complete the administration of the CCAA Proceedings, and were fair and reasonable in the circumstances.
20. Such further and other grounds as counsel may advise and this Honourable Court may permit.

Material or evidence to be relied on:

21. Pre-Filing Report of the Proposed Monitor, dated February 8, 2021.
22. Initial Order, pronounced February 11, 2021 by the Honourable Justice D.B. Nixon.
23. First Report of the Monitor, dated February 18, 2021.
24. Sealing Order, pronounced February 19, 2021 by the Honourable Justice R.A. Neufeld.
25. Amended and Restated Initial Order, pronounced February 19, 2021 by the Honourable Justice R.A. Neufeld.
26. Second Report of the Monitor, dated March 2, 2021.
27. Second Amended and Restated Initial Order, pronounced March 4, 2021 by the Honourable Justice D.B. Nixon.
28. Sealing Orders, pronounced March 4, 2021 by the Honourable Justice D.B. Nixon.
29. Third Report of the Monitor, dated April 8, 2021.
30. Supplement to the Third Report of the Monitor, dated April 13, 2021.
31. Sealing Orders, pronounced April 13, 2021 by the Honourable Justice J.J. Gill.
32. Order: Stay Extension and Payment of Pre-Filing Amount, pronounced April 13, 2021 by the Honourable Justice J.J. Gill.
33. Order: Claims Procedure, pronounced April 13, 2021 by the Honourable Justice J.J. Gill.
34. Fourth Report of the Monitor, dated May 20, 2021.
35. Order for Stay Extension and Late Filed Claims, pronounced May 25, 2021 by the Honourable Justice P.R. Jeffrey.
36. Sealing Order, pronounced May 25, 2021, pronounced by the Honourable Justice P.R. Jeffrey.
37. Revised Plan of Compromise and Arrangement, dated June 28, 2021.
38. Monitor's Report on Plan of Compromise or Arrangement, dated June 28, 2021.
39. Supplemental Monitor's Report on Plan, dated July 16, 2021.
40. Affidavit of Ryan Martin, sworn July 19, 2021.
41. Fifth Report of the Monitor, dated July 20, 2021.
42. Plan Sanction Order, pronounced July 26, 2021 by the Honourable Justice C.M. Jones.
43. Certificate of the Monitor (Plan Implementation), dated September 2, 2021.

44. Affidavit of Ryan Martin, sworn September 13, 2021.
45. Sixth Report of the Monitor, dated September 14, 2021.
46. Fee Affidavit of Breanne Barker to be sworn and filed in these proceedings.
47. Fee Affidavit of Danielle Marechal to be sworn and filed in these proceedings.
48. Such further and other materials as counsel may advise and this Honourable Court may permit.

Applicable rules:

49. The *Alberta Rules of Court*, including Rules 1.2, 1.3, 1.4, 6.1, 6.2, 6.3; and
50. Such further and other rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and regulations:

51. *Companies' Creditors Arrangement Act*, RSC 1985, c C-36; and
52. Such further and other acts and regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

53. None.

How the application is proposed to be heard or considered:

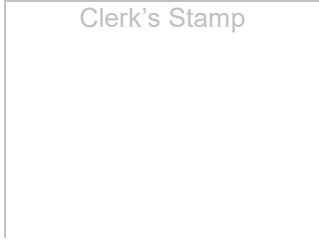
54. Via WebEx.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and time shown at the beginning of this form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.

SCHEDULE "A"

COURT FILE NUMBER 2101-00814
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY



IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMENDED

AND IN THE MATTER OF CALGARY OIL & GAS SYNDICATE GROUP LTD., CALGARY OIL AND GAS INTERCONTINENTAL GROUP LTD. (IN ITS OWN CAPACITY AND IN ITS CAPACITY AS GENERAL PARTNER OF T5 SC OIL AND GAS LIMITED PARTNERSHIP), CALGARY OIL AND SYNDICATE PARTNERS LTD., AND PETROWORLD ENERGY LTD.

DOCUMENT **ORDER — CCAA TERMINATION & APPROVAL OF PROFESSIONAL FEES**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
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888 3rd Street SW
Calgary, AB T2P 5C5

Telephone 403 351 2921
Facsimile 403 648 1151

File No. 28677-32

Attention: Jeffrey Oliver / Kara Davis

DATE ON WHICH ORDER WAS PRONOUNCED: Friday, September 24, 2021

LOCATION OF HEARING: Calgary, Alberta (via WebEx)

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Justice C. Dario

UPON THE APPLICATION of BDO Canada Limited ("**BDO**") in its capacity as monitor (in such capacity, the "**Monitor**") of Calgary Oil & Gas Syndicate Group Ltd., Calgary Oil and Gas Intercontinental Group Ltd., Calgary Oil and Syndicate Partners Ltd., Petroworld Energy Ltd., and T5 SC Oil and Gas Limited Partnership (the "**Companies**") for an order discharging the Monitor and approving the professional fees of the Monitor and its counsel; **AND UPON HAVING READ** the Initial Order granted by the Honourable Justice D.B. Nixon on February 11, 2021, the Amended and Restated Initial Order granted by the Honourable Justice R.A. Neufeld on February 19, 2021, the Second Amended and Restated Initial Order granted by the Honourable Justice D.B. Nixon on March 4, 2021, the Sixth Report of the Monitor dated September 14, 2021 (the "**Report**"), the application materials of the Companies and any other relevant pleadings and

materials filed in these proceedings; **AND UPON** hearing from counsel for the Monitor and such other counsel as were present;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of this application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.
2. Terms not otherwise defined herein shall have the meaning ascribed to them in the within Application.

Discharge of Monitor

3. Upon the filing of the Termination Certificate, the Monitor shall be discharged as Monitor of the Companies, provided however, that notwithstanding its discharge herein (a) the Monitor shall remain the Monitor for the performance of such incidental duties as may be required to complete the administration of the proceedings, and (b) the Monitor shall continue to have the benefit of the provisions of all Orders made in the proceedings, including all approvals, protections and stay of proceedings in favour of the Monitor in its capacity as Monitor.
4. Upon the filing of the Termination Certificate any and all claims against the Monitor, its officers, directors, employees and affiliates, in connection with its appointment or the performance of its duties as Monitor to the date of this Order shall be and are hereby stayed, extinguished and forever barred and the Monitor, its officers, directors, employees and affiliates, shall have no obligation or liability in respect thereof except for any liability arising out of gross negligence or wilful misconduct on the part of the Monitor.
5. No action or other proceeding shall be commenced against the Monitor in any way arising from or related to its capacity or conduct as Monitor, except (i) with prior leave of this Court on at least seven (7) days notice to BDO and (ii) the posting of security for costs by the plaintiff or moving party in an amount sufficient to cover the substantial indemnity costs of BDO for the proposed action or proceeding.

Approval of Professional Fees

6. The accounts of the Monitor for fees and disbursements including the estimate to complete the CCAA proceedings as set out in the Report, are hereby approved without the necessity of a formal passing of its accounts.

7. The accounts of the Monitor's legal counsel, Cassels Brock & Blackwell LLP for its fees and disbursements including the estimate to complete the CCAA proceedings as set out in the Report, are hereby approved without the necessity of a formal passing of its accounts.

Service

8. Service of this Order shall be deemed good and sufficient by serving same on the persons listed on the service list in this proceeding and by posting a copy of it on the Monitor's website at: <https://www.bdo.ca/en-ca/extranets/calgaryoilandgas/>.
9. Service of this Order on any party not listed in the service list in this proceeding is hereby dispensed with.

J.C.Q.B.A.