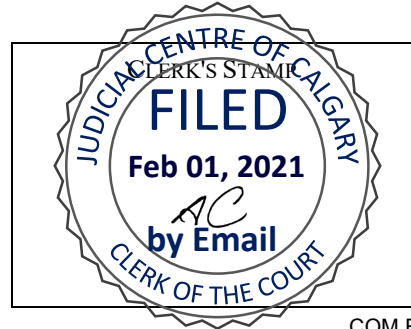


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COURT FILE NUMBER

25-2681862

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, RSC 1985, C. B-3, AS  
AMENDED

AND IN THE MATTER OF THE COMPROMISE  
OR ARRANGEMENT NEWSCO  
INTERNATIONAL ENERGY SERVICES INC.

DOCUMENT

**APPLICATION BY NEWSCO  
INTERNATIONAL ENERGY SERVICES INC.  
(SALE APPROVAL AND VESTING ORDER  
and SEALING ORDER)**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**BENNETT JONES LLP**  
Barristers and Solicitors  
4500, 855 – 2nd Street S.W.  
Calgary, Alberta T2P 4K7

Attention: Chris Simard / Dylan Gibbs  
Telephone No.: 403-298-4485 / 3449  
Fax No.: 403-265-7219  
Client File No.: 88912.3

**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: February 10, 2021  
Time: 2:00 p.m.  
Where: Calgary Courts Centre via Webex videoconference  
Before Whom: The Honourable Mr. Justice D.B. Nixon  
on the Commercial List

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

**Remedy claimed or sought:**

1. Newsco International Energy Services Inc. ("**Newsco**") seeks the following relief:
  - (a) An Order substantially in the form attached hereto as **Schedule "A"** (the "**Sale Approval and Vesting Order**"):
    - (i) declaring service of this Application good and sufficient, and abridging the time for notice of this Application to the time actually given, if necessary;
    - (ii) approving the transaction (the "**Transaction**") contemplated by the February 1, 2021 Asset Purchase Agreement entered into between Sawafi Newsco USA, LLC (the "**Purchaser**"), Sawafi Al-Jazeera Oilfield Products and Services Co Ltd., Buffalo Oilpatch Supply Inc. and Newsco (as vendor) (the "**Asset Purchase Agreement**"), a redacted copy of which is marked as **Exhibit "1"** to the February 1, 2021 Affidavit of William Melville (the "**Melville Affidavit No. 4**") (capitalized terms used but not defined in this Application are intended to bear their meanings as defined in the Asset Purchase Agreement);
    - (iii) authorizing Newsco to complete the Transaction; and
    - (iv) ordering that, upon delivery by BDO Canada Limited, the Proposal Trustee of Newsco (the "**Proposal Trustee**") to the Purchaser of the certificate contemplated in the Asset Purchase Agreement, all of Newsco's right, title and interest in and to the Purchased Assets shall vest in the Purchaser, free and clear of all Claims (as defined in the Sale Approval and Vesting Order); and
  - (b) An Order substantially in the form attached hereto as **Schedule "B"**, sealing on the Court file, until three months after the closing of the Transaction, the

unredacted copy of the Asset Purchase Agreement attached to the Confidential Supplement to the Proposal Trustee's Fourth Report; and

2. Such further and other relief as this Honourable Court may deem just in all of the circumstances.

**Grounds for making this application:**

*The Sale Approval and Vesting Order*

3. On October 20, 2020, Newsco filed a Notice of Intention to make a Proposal ("NOI") under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "BIA").
4. In the Asset Purchase Agreement, Newsco is agreeing to sell its Canadian equipment, which is not currently being actively used in the business to generate revenue.
5. Newsco has made a sufficient effort to get the best price for the Purchased Assets, and has not acted improvidently.
6. While there was no formal sale process for the Purchased Assets, Newsco's NOI proceedings have been publicly known since October, and if there were other parties interested in the Purchased Assets, they had ample opportunity to contact Newsco. None did.
7. There has been no unfairness in the process by which Newsco sought a buyer for the Purchased Assets prior to these NOI proceedings, nor in the process Newsco has followed subsequently.
8. The process followed by Newsco in negotiating the sale of the Purchased Assets was reasonable in the circumstances.
9. The Purchaser is arm's length from Newsco.
10. The Proposal Trustee is supportive of the Transaction.

11. The Purchase Price in the Asset Purchase Agreement is reasonable and fair, taking into account the market value of the Purchased Assets.

*The Sealing Order*

12. The Confidential Supplement to the Fourth Report of the Proposal Trustee will contain an unredacted copy of the Asset Purchase Agreement. The Asset Purchase Agreement will contain information of a highly sensitive commercial nature, namely the Purchase Price. Publication of the Purchase Price before the approval and closing of the Transaction could result in serious commercial damage to Newsco as it could prejudice any future sales process, in the event that the Transaction does not close, to the detriment of Newsco's stakeholders.
13. The sealing order being sought (sealing the Confidential Supplement until three months after the closing of the Transaction contemplated in the Asset Purchase Agreement) is the least restrictive and prejudicial alternative to prevent the dissemination of commercially sensitive information regarding the Transaction.
14. It is fair and just in the circumstances to restrict public access to the Confidential Appendices to the Report.

*General*

15. Such further and other grounds as this Honourable Court as counsel may advise and this Honourable Court may permit.

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

16. The pleadings and proceedings had and taken in this Action, including Melville Affidavit No. 4, filed;
17. The Fourth Report of the Proposal Trustee and the Confidential Supplement thereto; and
18. Such further or other material or evidence as counsel may advise and this Honourable Court may permit.

**Applicable rules:**

19. Part 6, Division 1 of the *Alberta Rules of Court*; and
20. Such further and other rules as counsel may advise and this Honourable Court may permit.

**Applicable Acts and Regulations:**

21. *Bankruptcy And Insolvency Act*, RSC 1985, c B-3, as amended;
22. *Judicature Act*, R.S.A. 2000, c. J-2, s. 13(2); and
23. 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:**

24. None.

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

25. Via Webex videoconference before the presiding Justice on the Commercial List.

**WARNING**

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes.

If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

**SCHEDULE "A"**

**PROPOSED SALE APPROVAL AND VESTING ORDER**

CLERK'S STAMP

COURT FILE NUMBER

25-2681862

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE *BANKRUPTCY  
AND INSOLVENCY ACT*, RSC 1985, C. B-3,  
AS AMENDED

AND IN THE MATTER OF THE NOTICE OF  
INTENTION TO MAKE A PROPOSAL OF  
NEWSCO INTERNATIONAL ENERGY  
SERVICES INC.

DOCUMENT

**SALE APPROVAL AND VESTING  
ORDER**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS DOCUMENT

**BENNETT JONES LLP**  
Barristers and Solicitors  
4500, 855 – 2nd Street S.W.  
Calgary, Alberta T2P 4K7

Attention: Chris Simard / Dylan Gibbs  
Telephone No.: 403-298-4485 / 3449  
Fax No.: 403-265-7219  
Client File No.: 88912.3

**DATE ON WHICH ORDER WAS PRONOUNCED:** February 10, 2021

**LOCATION WHERE ORDER WAS PRONOUNCED:** Calgary

**NAME OF JUSTICE WHO MADE THIS ORDER:** The Honourable Mr. Justice D.B. Nixon

**UPON THE APPLICATION** by Newsco International Energy Services Inc. (the  
"**Vendor**"), for an order approving the sale transaction (the "**Transaction**") contemplated by an

Agreement of Purchase and Sale between the Vendor, Sawafi Newsco USA, LLC (the "**Purchaser**"), Buffalo Oilpatch Supply Inc. and Sawafi Al-Jazeera Oilfield Products and Services Co. Ltd., dated as of February 1, 2021 (the "**Asset Purchase Agreement**"), a redacted copy of which is attached as Exhibit "1" to the Affidavit No. 4 of William Melville, sworn February 1, 2021 ("**Melville Affidavit No. 4**"), and vesting in the Purchaser (or its nominee) the Vendor's right, title and interest in and to the Purchased Assets (as defined in the Asset Purchase Agreement) (the "**Purchased Assets**");

**AND UPON HAVING READ** Melville Affidavit No. 4, the Fourth Report of the Proposal Trustee, BDO Canada Limited (the "**Proposal Trustee**"), the Confidential Supplement thereto and the Affidavit of Service of [●] sworn on February [●], 2021; **AND UPON HEARING** the submissions of counsel for the Vendor, the Purchaser and other interested parties;

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

**SERVICE**

1. Service of notice of this application and supporting materials is 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 given.

**APPROVAL OF TRANSACTIONS**

2. The Asset Purchase Agreement, including the Transaction contemplated thereby, is authorized and approved, with such minor amendments as the Vendor considers necessary, with the approval of the Proposal Trustee.
3. The Vendor is authorized and directed to take all such steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Purchased Assets to the Purchaser (or its nominee).

**VESTING OF PROPERTY**

4. Upon the delivery of the Proposal Trustee's Certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "**Proposal Trustee's**



**Certificate**"), all of the Vendor's right, title and interest in and to the Purchased Assets listed in **Schedule "B"** hereto will vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other contractual, statutory, financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created in the Order granted by the Court of Queen's Bench of Alberta in this Action on November 19, 2020 (the "**First Extension Order**"), including the Administration Charge, as defined in the First Extension Order;
  - (b) any encumbrances or charges created by any other Order granted in this Action;
  - (c) any charges, security interests or claims evidenced by registrations under the *Personal Property Security Act* (Alberta) or any other personal property registry system;
  - (d) those Claims listed on **Schedule "C"** hereto, all of which are collectively referred to as the "**Encumbrances**"; and
  - (e) for greater certainty, this Court orders that all Claims including the Encumbrances affecting or relating to the Purchased Assets are expunged, discharged and terminated as against the Purchased Assets.
5. To determine the nature and priority of Claims, net proceeds from the sale of the Purchased Assets (to be held in an interest-bearing trust account by counsel to the Vendor) shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Proposal Trustee's Certificate all Claims and Encumbrances shall attach to the net 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 the sale.

6. 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 Vendor.
7. Upon completion of the Transaction, the Vendor and all persons who claim by, through or under the Vendor in respect of the Purchased Assets and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets shall stand absolutely barred, estopped, foreclosed and permanently enjoined from pursuing or asserting or claiming any and all estate, right, title, interest, royalty, rental and equity of redemption or other claim in respect of the Purchased Assets and, to the extent that any such persons or entities remain in possession or control of any of the Purchased Assets, they shall immediately deliver possession thereof to the Purchaser (or its nominee).
8. 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 interference of or by the Vendor, or any person claiming by, through or against the Vendor.
9. The Proposal Trustee is directed to file with the Court a copy of the Proposal Trustee's Certificate, immediately after delivery thereof to the Purchaser (or its nominee).
10. Notwithstanding:
  - (a) the pendency of these proceedings and any declarations of insolvency made herein;
  - (b) the pendency of any applications for a bankruptcy order now or hereafter issued under the *Bankruptcy and Insolvency Act* (Canada) in respect of the Vendor and any bankruptcy order issued pursuant to any such applications; and
  - (c) any assignment in bankruptcy made in respect of the Vendor,

the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the

Vendor and shall not be void or voidable by creditors of the Vendor, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

11. The Proposal Trustee, the Vendor and the Purchaser (or its nominee) shall be at liberty to apply for further advice, assistance and directions as may be necessary to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

#### **MISCELLANEOUS MATTERS**

12. This Honourable Court requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Vendor, the Proposal Trustee, and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are respectfully requested to make such orders and to provide such assistance to the Proposal Trustee, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Vendor, the Proposal Trustee, and their respective agents in carrying out the terms of this Order.
13. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.
14. Service of this Order on any party not attending this application is hereby dispensed with.

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

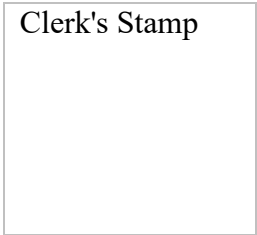
**Schedule "A"**

**Form of Proposal Trustee's Certificate**

COURT FILE NUMBER            25-2681862

COURT                                COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE                CALGARY



IN THE MATTER OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, RSC 1985, C. B-3, AS  
AMENDED

AND IN THE MATTER OF THE NOTICE OF  
INTENTION TO MAKE A PROPOSAL OF  
NEWSCO INTERNATIONAL ENERGY  
SERVICES INC.

DOCUMENT                                **PROPOSAL TRUSTEE'S CERTIFICATE**

ADDRESS FOR SERVICE            **BENNETT JONES LLP**  
AND                                        Barristers and Solicitors  
CONTACT INFORMATION            4500, 855 – 2nd Street S.W.  
OF    Calgary, Alberta T2P 4K7  
PARTY FILING THIS  
DOCUMENT                                Attention: Chris Simard  
    Tel No.: 403-298-4485  
    Fax No.: 403-265-7219  
    Client File No. 88912.3

**RECITALS**

- A. Pursuant to a Notice of Intention to make a Proposal ("NOI") under s 50.4(1) of the *Bankruptcy and Insolvency Act* on October 20, 2020, BDO Canada Limited was appointed as Licensed Insolvency Trustee (the "**Proposal Trustee**") in respect of the NOI proceedings of Newsco International Energy Services Inc. (the "**Vendor**").
  
- B. Pursuant to an Order of the Court dated February 10, 2021 the Court approved the Agreement of Purchase and Sale dated February 1, 2021 between the Vendor, Sawafi Newsco USA, LLC (the "**Purchaser**"), Buffalo Oilpatch Supply Inc. and Sawafi Al-

Jazeera Oilfield Products and Services Co. Ltd. (the "**Asset Purchase Agreement**") and provided for the vesting in the Purchaser of the Vendor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Proposal Trustee to the Purchaser of a certificate confirming: (i) the payment by the Purchaser (or its nominee) of the Purchase Price for the Purchased Assets; and (ii) that it has received the Conditions Certificates , pursuant to s. 10.5 of the Asset Purchase Agreement, from the Vendor and the Purchaser evidencing that all applicable conditions under the Asset Purchase Agreement have been satisfied or waived, as applicable.

- C. Unless otherwise indicated, capitalized terms used herein that are not defined, have the meanings as defined in the Asset Purchase Agreement.

**THE PROPOSAL TRUSTEE CERTIFIES** the following:

1. The Purchaser (or its nominee) has paid and counsel to the Vendor has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Asset Purchase Agreement.
2. The Vendor and the Purchaser have each delivered to the Proposal Trustee the Conditions Certificates evidencing that all applicable conditions under the Asset Purchase Agreement have been satisfied or waived, as applicable.
3. This Certificate was delivered by the Proposal Trustee at [Time] on [Date].

**BDO CANADA LIMITED, in its capacity as Proposal Trustee of Newsco International Energy Services Inc., and not in its personal capacity.**

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

**Name:**

**Title:**

**Schedule "B"**  
**Purchased Assets**

**Schedule "C"**  
**Encumbrances**



**SCHEDULE "B"**

**PROPOSED SEALING ORDER**

CLERK'S STAMP

COURT FILE NUMBER 25-2681862

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE *BANKRUPTCY AND  
INSOLVENCY ACT*, RSC 1985, C. B-3, AS  
AMENDED

AND IN THE MATTER OF THE NOTICE OF  
INTENTION TO MAKE A PROPOSAL OF  
NEWSCO INTERNATIONAL ENERGY  
SERVICES INC.

DOCUMENT **SEALING ORDER**

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Calgary, Alberta T2P 4K7

Attention: Chris Simard / Dylan Gibbs  
Telephone No.: 403-298-4485 / 3449  
Fax No.: 403-265-7219  
Client File No.: 88912.3

**DATE ON WHICH ORDER WAS PRONOUNCED: February 10, 2021**

**LOCATION OF HEARING OR TRIAL: Calgary Courts Centre**

**NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Mr. Justice D.B. Nixon**

UPON THE APPLICATION of Newsco International Energy Services Inc. ("**Newsco**");  
AND UPON reading the Application of Newsco filed on February 1, 2021, the Affidavit No. 4  
of William Melville sworn February 1, 2021, the Fourth Report of BDO Canada Limited (the  
"**Proposal Trustee**" and the "**Report**") and the Confidential Supplement thereto (the

"Confidential Supplement"); AND UPON hearing the submissions of counsel for Newsco, the Proposal Trustee, and any other parties present;

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

1. Service of the Notice of Application for this Order is hereby validated and deemed good and sufficient, this application is properly returnable today, and no person other than those persons served is entitled to service of the Notice of Application.
2. The Confidential Supplement to the Report and the unredacted Asset Purchase Agreement shall be sealed on the Court file and shall not form part of the public record, notwithstanding Division 4, Part 6 of the *Alberta Rules of Court*, until three months after the closing of the Transaction contemplated in the Asset Purchase Agreement.
3. The Clerk of this Honourable Court shall file the Confidential Supplement and the unredacted Asset Purchase Agreement in a sealed envelope attached to a notice that sets out the style of cause of these proceedings and states that:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS FILED BY NEWSCO INTERNATIONAL ENERGY SERVICES INC. THE CONFIDENTIAL MATERIALS ARE SEALED PURSUANT TO THE SEALING ORDER ISSUED BY MR. JUSTICE D.B. NIXON ON FEBRUARY 10, 2021.

4. Newsco shall serve by courier, fax transmission, email transmission or ordinary post, a copy of this Order on all parties present at this Application and such service shall be deemed good and sufficient for all purposes.

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J.C.Q.B.A. or Clerk of the Court