

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF WYOMING



11:30 am, 6/3/22

Tim J. Ellis  
Clerk of Court

In re: )  
)  
CUDA ENERGY INC. ) Case No. 21-20484  
) Chapter 15  
)  
Debtor in Foreign Proceeding. )

In re: )  
)  
CUDA ENERGY LLC ) Case No. 21-20485  
) Chapter 15  
)  
Debtor in Foreign Proceeding. )

In re: )  
)  
CUDA OIL AND GAS, INC. ) Case No. 21-20486  
) Chapter 15  
)  
Debtor in Foreign Proceeding. )

In re: )  
)  
JUNEX INC. ) Case No. 21-20487  
) Chapter 15  
)  
Debtor in Foreign Proceeding. )

---

**ORDER (I) APPROVING ASSET PURCHASE AND SALE AGREEMENT AND AUTHORIZING THE SALE OF SUBSTANTIALLY ALL OF CUDA ENERGY LLC'S ASSETS UNDER 11 U.S.C. §§ 363(b) AND 363(m); (II) AUTHORIZING THE SALE OF ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, RIGHTS, ENCUMBRANCES AND OTHER INTERESTS PURSUANT TO 11 U.S.C. § 363(f); (III) RECOGNIZING AND GIVING FULL FORCE AND EFFECT TO ORDER[S] OF THE CANADIAN COURT APPROVING THE SALE OF SUBSTANTIALLY ALL ASSETS, AND (IV) GRANTING RELATED RELIEF**

---

THIS MATTER comes before the Court upon consideration of the *Motion For Entry of Order: (I) Approving Asset Purchase and Sale Agreement and Authorizing the*

*Sale of Substantially All of Cuda Energy LLC's Assets Under 11 U.S.C. §§ 363(b) and 363(m); (II) Authorizing the Sale of Assets Free and Clear of All Liens, Claims, Rights, Encumbrances and Other Interests Pursuant to 11 U.S.C. § 363(f); (III) Recognizing and Giving Full Force and Effect to the Order[s] of the Canadian Court Approving the Sale of Substantially All Assets, and (IV) Granting Related Relief* (the “Sale Motion”)<sup>1</sup> filed by FTI Consulting Canada Inc. in its capacity as court-appointed receiver of the assets of, and authorized foreign representative (the “Receiver”) of Cuda Energy Inc., Cuda Oil and Gas Inc., Cuda Energy LLC, and Junex Inc. (collectively referred to as the “Debtors”), appointed by the Court of Queen’s Bench of Alberta, Canada (“Canadian Court”) in that certain Canadian proceeding in Action No. 2101-14158 (“Canadian Proceeding”).

Through the Sale Motion, the Receiver seeks entry of this Order (the “Sale Order”):

(i) approving the Asset Purchase and Sale Agreement dated April 11, 2022 (including all ancillary documents and as modified or supplemented by this Sale Order, the “Purchase Agreement”), a redacted copy of which was attached to the Sale Motion as Exhibit 1 at Appendix A, between the Receiver and COPL America Inc., a Delaware corporation, as Purchaser (the “Purchaser”), authorizing and approving the sale of substantially all of the assets of Cuda Energy LLC (as defined in the Purchase Agreement, the “Assets”) under 11 U.S.C. § 363(b) and (m); (ii) authorizing the sale of the Assets free and clear of all liens, claims, and encumbrances under 11 U.S.C. § 363(f); (iii) recognizing and giving full force

---

<sup>1</sup> Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to such terms in the Purchase Agreement (as defined herein, and if not defined therein, as defined in the Sale Motion).

and effect to order of the Canadian Court in the Canadian Proceeding approving the sale of the Assets filed by the Receiver, and (iv) granted related relief.

The Court, having reviewed the Sale Motion and the basis for the relief requested therein, and any responses or objections to the Sale Motion, and in light of the withdrawal of same, having vacated the hearing set for May 26, 2022 (the “Sale Hearing”); and having determined that the legal and factual basis set forth in the Sale Motion establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is **HEREBY FOUND AND DETERMINED THAT:**<sup>2</sup>

**A. Findings of Fact and Conclusions of Law.** The findings of fact and conclusions of law herein constitute the Court’s findings of fact and conclusions of law for the purposes of Fed. R. Bankr. P. 7052, made applicable pursuant to Fed. R. Bankr. P. 9014. To the extent any findings of facts are conclusions of law, they are adopted as such. To the extent any conclusions of law are findings of fact, they are adopted as such.

**B. Final Order.** This Sale Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a). Notwithstanding anything to the contrary, including Bankruptcy Rules 6004(h) and 6006(d) and to any extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, this Court expressly finds that there is no just reason for delay in

---

<sup>2</sup>This Sale Order and the Findings of Fact and Conclusions of Law contained herein apply to all of the above-captioned jointly administered chapter 15 cases.

the implementation of this Sale Order, and expressly directs that this Sale Order constitute an entry of judgment.

**C. Jurisdiction, Venue and Core Proceeding.** This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(a), 157(b)(1) and 1334(a) and 11 U.S.C. § 1501. This matter is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(2)(A), (N) and (P). Venue in this district is proper under 28 U.S.C. §§ 1408, 1409 and 1410.

**D. Statutory Predicates.** The statutory bases for the relief requested in the Sale Motion are Sections 105(a), 363(b), 363(f), 363(m), 365, 1501, 1507, 1520 and 1521 of Title 11 of the United States Code, 11 U.S.C. § 101, *et seq.* (the “Bankruptcy Code”), and Rules 2002(a)(2), 6004, 6006, 9007 and 9014 of the Federal Rules of Bankruptcy Procedures (the “Bankruptcy Rules”). The consummation of the transactions contemplated by the Sale Motion, the Purchase Agreement, and this Order is legal, valid and properly authorized under all such provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules, and all of the applicable requirements of such sections and rules have been complied with in all respects or waived by this Court pursuant to this Order.

**E. Canadian Sale Order.** The Canadian Court has duly entered the *Approval and Vesting Order* (the “Canadian Sale Order”) in the Canadian Proceeding, a copy of which is attached to this Sale Order as **Exhibit 1**, which *inter alia*: (i) approves and authorizes the Receiver’s and the Purchaser’s execution of the Purchase Agreement; (ii) approves and authorizes the sale Transaction and consummation of the Transaction to the Purchaser; (iii) subject to Closing, vesting all of the Cuda Energy LLC’s interests in and to the Assets to the Purchaser free and clear of all Claims and Encumbrances (other than

Assumed Liabilities and Permitted Encumbrances) (as defined in the Canadian Sale Order), and (iv) requests aid and recognition from this Court to give effect to the Canadian Sale Order.

**F. Notice.** As evidenced by the certificates of service filed with the Court, proper, timely, adequate, and sufficient notice of the Sale Motion, this Sale Order, the Sale Hearing, the Transaction, and the Purchase Agreement, and all transactions contemplated therein or in connection therewith, and all deadlines related thereto, was given to, among other parties, (i) the Office of the United States Trustee for the District of Wyoming; (ii) PricewaterhouseCoopers Inc., in its capacity as court-appointed receiver and manager of Bridging Finance, Inc.; (iii) Tallinn Capital Energy L.P.; (iv) Cuda Energy LLC and its equity owners; (v) the United States Attorney's Office for the District of Wyoming; (vi) the Wyoming Attorney General; (vii) local and state environmental authorities and the Environmental Protection Agency; (viii) the Internal Revenue Service; (ix) all known taxing authorities to which Cuda Energy LLC is subject; (x) all entities known or reasonably believed to have asserted a lien or encumbrance on any of the Assets; (xi) the non-Debtor counterparties to the Assumed and Assigned Contracts; (xii) those entities and individuals appearing on the Debtors' creditor matrix; and (xiii) all parties who have requested notice in these pursuant to Bankruptcy Rule 2002. Such notice was good, sufficient, and appropriate under the circumstances, and no further notice was required or need be provided.

**G. Opportunity to Object.** The Court finds that a reasonable opportunity to object or be heard with respect to the Sale Motion, the Transaction (and the transactions

contemplated thereby), the Purchase Agreement, the Sale Hearing, and any asserted rights or interests under any contract has been afforded to all known Persons, including, without limitation, (i) all Persons known or reasonably known to have expressed an interest in a transaction with respect to all or part of the Assets; (ii) all Persons who have, or have asserted, any Encumbrance of any kind whatsoever in or upon any of the Assets; (iii) all creditors of the Debtors; (iv) each governmental agency that is an interested party with respect to the Transaction and sale transactions proposed thereunder; and (v) any Person that has requested notice pursuant to Bankruptcy Rule 2002 prior to the time notice was given.

**H. Adequate Marketing; Highest or Best Offer.** The Receiver conducted a sale process in accordance with, and otherwise complied in all respects with, the orders entered in the Canadian Proceeding and section 363 of the Bankruptcy Code. The sale process afforded a full and fair opportunity for any entity to make their highest and best offer to purchase the Assets within the territorial jurisdiction of the United States (for all purposes hereinafter in this Sale Order, the Assets within the territorial jurisdiction of the United States shall be termed the “Assets”). The sale process was duly noticed and conducted in a non-collusive, fair, and good faith manner, and a reasonable opportunity has been given to any interested party to make their highest and best offer for the Assets. The sale of the Assets to the Purchaser and the authorization for the Receiver to implement the sale of the Assets to the Purchaser pursuant to the Purchase Agreement are duly authorized pursuant to Sections 363(b) and 363(f) of the Bankruptcy Code, and Bankruptcy Rule 6004(f). The marketing processes undertaken by the Receiver and its professionals,

agents and other representatives with respect to the Assets was adequate and appropriate under the circumstances of these cases. The transactions embodied in the Purchase Agreement constitute an offer within the range of reasonableness for the Assets and constitutes the highest and otherwise best offer to purchase the Assets.

**I. Comity.** On May 3, 2022, the Canadian Court entered the Canadian Sale Order, approving of the sale of substantially all of Cuda Energy LLC's assets to Purchaser. It is appropriate to extend comity to the Canadian Court and the Canadian Sale Order.

**J. Corporate Authority.** The Receiver has (i) full corporate power and authority to execute the Purchase Agreement and the General Conveyance, Assignment and Assumption Agreement, and the Transaction to the Purchaser has been duly and validly authorized by all necessary corporate or similar action, and by the Canadian Court, (ii) all of the corporate power and authority necessary to consummate the Transaction and all transactions contemplated by the Purchase Agreement, the General Conveyance, Assignment and Assumption Agreement, and this Sale Order, (iii) has taken all corporate action necessary to authorize and approve the Purchase Agreement, the General Conveyance, Assignment and Assumption Agreement, and the consummation of the Sale and all transactions contemplated thereby, and (iv) requires no consents or approvals, other than those expressly provided for in the Purchase Agreement to consummate the Transaction and all transactions contemplated thereby.

**K. Validity of Transaction.** The Transaction, sale, transfer and assignment of each of the Assets to the Purchaser will be, as of the Closing Date of the Transaction, a legal, valid, and effective sale, transfer and assignment of such assets, and each such sale,

transfer and assignment vests or will vest the Purchaser with all right, title, and interest of Cuda Energy LLC and the Receiver to the Assets free and clear of all

- i. right, claim (including as such term is defined in the Bankruptcy Code), cause of action or complaint of any Person that may be asserted or made in whole or in part against the Assets, Cuda Energy LLC, the Receiver, any of their respective Affiliates and their respective Representatives, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right, claim, cause of action or complaint is executory or anticipatory in nature (collectively, "Claims");
- ii. mortgages, pledges, charges, liens, debentures, trust deeds, Claims, assignments by way of security or otherwise, security interests, conditional sales contracts or other title retention agreements, security created under the *Bank Act* (Canada), rights of first refusal, or similar interests or instruments charging or creating a security interest in the Assets or any part thereof or interest therein, and, to the extent not Assets, any agreements, leases, licenses, occupancy agreements, options, easements, rights of way, restrictions, executions, or other encumbrances (including notices or other registrations in respect of any of the foregoing) affecting title to the Assets or any part thereof or interest therein (collectively, "Encumbrances");

including interests, restrictions or limitations on use, successor liabilities, or conditions with respect to the Assets or to production from the Assets or the processing or marketing thereof, rights asserted in litigation matters, whether known or unknown, legal or equitable, and all liens, rights of offset, replacement liens, adequate protection liens, charges, or obligations (except for Assumed Liabilities and Permitted Encumbrances), of any kind or



nature whatsoever against the Receiver, Cuda Energy LLC, its estate, or any of the Assets accruing, arising, or relating to facts or circumstances any time prior to the Closing to the fullest extent permitted under Section 363(f) of the Bankruptcy Code (collectively, “Free and Clear”).

**L. Property of the Estate.** The Assets of Cuda Energy LLC are property of its estate and title in such assets is vested in Cuda Energy LLC’s estate.

**M. Sale in Best Interests.** The relief granted herein is necessary and appropriate, promotes international comity, is consistent with the public policy of the United States, is warranted pursuant to the Bankruptcy Code, and approval of the Purchase Agreement and consummation of the Transaction of the Assets pursuant to the Purchase Agreement and this Sale Order are in the best interests of Cuda Energy LLC’s estate, its creditors and other parties in interest in these chapter 15 cases.

**N. Business Justification.** The Receiver has demonstrated both (i) good, sufficient, and sound business purposes and justifications for the Transaction, and (ii) compelling circumstances for this Court to approve the Purchase Agreement and consummation of the Transaction pursuant to Section 363(b) of the Bankruptcy Code prior to and outside of a plan of reorganization.

**O. Good Faith Purchaser.** Purchaser is not an “insider” of the Receiver or any of the Debtors, as defined in Section 101(31) of the Bankruptcy Code. The Purchaser is a good faith purchaser of the Assets within the meaning of Section 363(m) of the Bankruptcy Code and is entitled to all the protections afforded thereby. The Purchaser proceeded in good faith in all respects in connection with the Transaction in that: (i) the Purchaser in no

way induced or caused the chapter 15 filings of the Debtors; (ii) the Purchaser recognized that the Receiver was free to deal with any other party interested in acquiring the Assets; and (iii) all payments to be made by the Purchaser pursuant to the Purchase Agreement in connection with the Transaction have been disclosed.

**P. Arm's-Length Sale.** The Purchase Price was not controlled by any agreement among potential bidders at such Transaction. The Purchase Agreement was negotiated, proposed, and entered into by the Receiver and the Purchaser in good faith and on an arm's-length basis and represents a fair and reasonable offer to purchase the Assets under the circumstances of these chapter 15 cases. The Purchase Price being paid by the Purchaser represents the highest and best offer for the Assets resulting from the sale process. Neither the Receiver, nor the Purchaser, engaged in collusion or any other conduct that would cause or permit the Purchase Agreement or the Transaction to be avoided, or costs or damages to be imposed, under Section 363(n) of the Bankruptcy Code.

**Q. Fair Consideration.** The consideration provided by the Purchaser for the Assets pursuant to the Purchase Agreement represents (a) reasonably equivalent value under the Bankruptcy Code, (b) fair consideration under any Uniform Fraudulent Transfer Act or any Uniform Fraudulent Conveyance Act, and (c) reasonably equivalent value, fair consideration, fair salable value, and fair value under any such laws as applicable or any other applicable laws of the United States, any state, territory, or possession thereof, or the District of Columbia. The Purchase Agreement and the Transaction cannot be avoided under Section 363(n) of the Bankruptcy Code.

**R. Property Vesting at Closing.** As of the Closing, pursuant and subject to the terms of the Purchase Agreement, the transfer of the Assets pursuant to the Transaction will effect a legal, valid, enforceable, and effective transfer of the Assets of Cuda Energy LLC and will vest the Purchaser with all the Receiver's and Cuda Energy LLC's rights, title, and interests in and to their Assets Free and Clear. The transfer of the Assets to Purchaser Free and Clear will not result in any undue burden or prejudice to any holders of any affected Claims and Encumbrances. The proceeds from the Transaction shall be held by the Receiver pursuant to the terms and conditions of the Canadian Sale Order. Except as expressly permitted or otherwise specifically provided by the Purchase Agreement, this Sale Order or the Canadian Sale Order, all such affected Claims and Encumbrances of any kind or nature whatsoever shall attach to the proceeds of the Transaction received by the Receiver in the order of their priority, with the same validity, force and effect which they have as of the Closing Date as against the Assets and subject to any claims and defenses the Receiver or the Debtors may possess with respect thereto. The Receiver will hold such proceeds from the Transaction and is hereby authorized to distribute such proceeds pursuant to the terms and conditions of the Canadian Sale Order.

**S. Assumed and Assigned Contracts.** The Receiver and Cuda Energy LLC have met all the requirements of section 365(b) of the Bankruptcy Code for each of the agreements listed in Exhibit C to the Purchase Agreement, to the extent such agreements are executory contracts or unexpired leases (the "Assumed and Assigned Contracts"). The assumption and/or assignment of the Assumed and Assigned Contracts pursuant to the Purchase Agreement is integral to the Transaction and is in the best interests of the

Receiver, Cuda Energy LLC, its creditors, and all other parties in interest, and represents the reasonable exercise of sound and prudent business judgment by the Receiver. Accordingly, such assumption and assignment is reasonable, enhances the value of Cuda Energy LLC's assets and does not constitute unfair discrimination. The Purchaser has provided adequate assurance of prompt cure of any default existing prior to Closing under any of the Assumed and Assigned Contracts that are executory contracts or unexpired leases, within the meaning of Section 365(b)(1)(A) of the Bankruptcy Code, and provided adequate assurance of prompt compensation to any party for any actual pecuniary loss to such party resulting from default prior to the date hereof under any of the Assumed and Assigned Contracts that are executory contracts or unexpired leases within the meaning of Bankruptcy Code Section 365(b)(1)(B). The Purchaser has provided adequate assurance of its future performance of and under the Assumed and Assigned Contracts that are executory contracts or unexpired leases, within the meaning of Section 365(b)(1)(C) of the Bankruptcy Code. The non-Debtor parties to the Assumed and Assigned Contracts that are executory contracts or unexpired leases were given notice and sufficient opportunity to object to the Cure Costs, if any, and are deemed to have consented to entry of this Sale Order approving such Cure Costs, if any, pursuant to Section 363(f)(2) of the Bankruptcy Code.

**T. Substitution of Purchaser for Assumed and Assigned Contracts.** The Purchaser is hereby substituted for all purposes as a party to all Assumed and Assigned Contracts in the place of the applicable Debtor and/or the Receiver. The Purchaser shall have any and all rights, benefits, and obligations of the applicable Debtor and/or the

Receiver under all such Assumed and Assigned Contracts in the place of such Debtor and/or the Receiver, without interruption or termination of any kind, and all terms applicable to the Debtors and/or the Receiver shall apply to the Purchaser as if such Assumed and Assigned Contracts were amended to replace the Debtors and/or the Receiver with the Purchaser.

**U. Satisfaction of Section 363(f).** The Purchaser would not have entered into the Purchase Agreement and would not consummate the Transaction, thus adversely affecting the Receiver, Cuda Energy LLC, its estate and its creditors, if (i) the Assets and (ii) the assumption and assignment of the Assumed and Assigned Contracts were not Free and Clear to the greatest extent permitted by the Bankruptcy Code and applicable, non-bankruptcy law. A sale of the Assets other than one that is Free and Clear, would yield substantially less value for the Receiver and Cuda Energy LLC, with less certainty, than the Transaction as contemplated. The Receiver may sell the Assets Free and Clear, because, in each case, one or more of the standards set forth in Section 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. All parties in interest, including, without limitation, holders of Claims and Encumbrances, and any other non-Debtor counterparties to the Assumed and Assigned Contracts or Cure Costs that did not object, or who withdrew their objection, to the Transaction, the Sale Motion, or the assumption and assignment of the applicable Assigned Contract, are deemed to have consented to the relief granted herein pursuant to section 363(f)(2) of the Bankruptcy Code. Those (i) holders of Claims and Encumbrances or other interests and (ii) non-Debtor parties to Assumed and Assigned Contracts who did object fall within one or more of the other subsections of Section 363(f)

of the Bankruptcy Code and are adequately protected by having their Claims and Encumbrances or other interests, if any, attach to the portion of the Purchase Price attributable to the property against or in which they assert a lien or claim, in the order of their priority, with the same validity, force, and effect that they now have as against such property, subject to any rights, claims and defenses the Receiver or the Debtors may possess with respect thereto.

**V. Successor Liability.** Except as otherwise expressly provided in the Purchase Agreement, neither the Purchaser nor any of its affiliates are successors to any Debtor or any Debtor's estate by reason of any theory of law or equity, and neither the Purchaser nor any of its affiliates shall assume or in any way be responsible for any liability or obligation of the Debtors and/or their estates. All persons or entities having affected Claims and Encumbrances of any kind or nature whatsoever against or in any of the Debtors or the Assets shall be forever barred, estopped and permanently enjoined from pursuing or asserting such affected Claims and Encumbrances, if any, whether by payment, setoff or otherwise, against Purchaser, any Assets, or any of their successors or assigns.

**W. Prompt Consummation.** Time is of the essence in consummating the Transaction. To maximize the value of the Assets, it is essential that the Transaction occur within the time constraints set forth in the Purchase Agreement. Accordingly, there is cause to waive the stays contemplated by Bankruptcy Rules 6004(h). Given all of the circumstances of these chapter 15 cases and the adequacy and fair value of the Purchase Price under the Purchase Agreement, the Transaction constitutes a reasonable exercise of the Receiver's business judgment and should be approved.

**X. Statutory Authority.** The consummation of the Transaction is legal, valid, and properly authorized under all applicable provisions of the Bankruptcy Code, including, without limitation, Bankruptcy Code Sections 105(a), 363(b), 363(f), 363(m), 365(a), 365(b), 365(c), 365(f), and all of the applicable requirements of such sections have been complied with in respect of the Transaction.

**NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:**

1. The relief requested by the Sale Motion is GRANTED as set forth herein.
2. All objections to the relief granted herein that have not been withdrawn, waived, or settled, and all reservations of rights included therein, are overruled on the merits.
3. The Court finds that notice of the Sale Hearing was fair and equitable under the circumstances and complied in all respects with Section 102(1) of the Bankruptcy Code, Bankruptcy Rules 2002 and 6004.
4. The Transaction and the Purchase Agreement and the form of General Conveyance, Assignment and Assumption Agreement attached thereto are approved as set forth in this Sale Order.
5. The Canadian Sale Order entered in the Canadian Proceeding, a copy of which is attached to this Sale Order as Exhibit 1, is hereby recognized and given full force and effect in the United States.

**Approval of the Purchase Agreement**

6. Given all of the circumstances of these chapter 15 cases and the adequacy and fair value of the Purchase Price under the Purchase Agreement, the Transaction constitutes a reasonable exercise of the Receiver's business judgment and is approved.

7. The Purchase Agreement and the General Conveyance, Assignment and Assumption Agreement, including all the terms and conditions thereof, are hereby approved.

8. Pursuant to Section 363(b) and (f) of the Bankruptcy Code, the Receiver is authorized and directed to perform the Receiver's obligations under and to comply with the terms of the Purchase Agreement, and to consummate the Transaction, pursuant to and in accordance with the terms and conditions of the Purchase Agreement. The Receiver is authorized and directed to close the Transaction as contemplated in the Purchase Agreement and this Sale Order. The Receiver is further authorized and directed to pay, without further order of this Court, whether before, at, or after the Closing, any expenses or costs that are required to be paid by them in order to consummate the transactions contemplated by the Purchase Agreement or perform their obligations under the Purchase Agreement.

9. The Receiver and the Purchaser, and each of their respective officers, employees, and agents, are authorized and empowered to take all actions and execute and deliver any and all documents and instruments that either the Receiver or the Purchaser deem necessary or appropriate to implement and effectuate the terms of the Purchase Agreement and this Order. Further, effective as of the Closing, the Purchaser, its successors



and assigns, shall be designated and appointed as Cuda Energy LLC's true and lawful attorney, with full power of substitution, in Cuda Energy LLC's name and stead, its successors and assigns, to demand and receive any and all of the Assets, and from time to time institute and prosecute in the name of the Purchaser, for the benefit of the Purchaser, its successors and assigns, any and all proceedings at law, in equity, or otherwise, that the Purchaser, its successors or assigns, may deem proper for the collection or reduction to possession of any of the Assets, and to do all acts and things with respect to the Assets and to consummate the Transaction that the Purchaser, its successors and assigns, shall deem desirable. All the foregoing powers granted to the Purchaser are coupled with an interest and are irrevocable by Cuda Energy LLC. The Purchaser shall not be required to seek or obtain relief from the automatic stay under Section 362 of the Bankruptcy Code to enforce any of its remedies under the Purchase Agreement or any other Transaction-related document. The automatic stay imposed by Section 362 of the Bankruptcy Code is modified solely to the extent necessary to implement the preceding sentence and the other provisions of this Sale Order.

10. This Sale Order and the Purchase Agreement shall be binding in all respects upon all creditors of and equity holders in the Debtors and any and all other parties in interest in these chapter 15 cases, including, without limitation, any and all holders of Claims (including holders of any rights or claims based on any putative successor or transferee liability), Encumbrances, and other interests in and to the Assets, all non-seller parties to the Assumed and Assigned Contracts, the Purchaser, the Debtors, all successors and assigns of the Purchaser, and any trustees, examiners, responsible officers, estate

representatives, wind-down administrators, control persons, responsible persons, or similar Person, or any successors to any of the foregoing, appointed in these chapter 15 cases by the Court or any Debtor, or upon a conversion to chapter 7 under the Bankruptcy Code. The Purchase Agreement and the Transaction of Debtors' Assets are not subject to rejection or avoidance (whether through any avoidance, fraudulent transfer, preference or recovery, claim, action, or proceeding arising under chapter 5 of the Bankruptcy Code or under any similar state or federal Law or any other cause of action) by the Debtors, or any chapter 7 or trustee of the Debtors' bankruptcy estates or any other Person with respect to the Debtors. This Sale Order and the Purchase Agreement shall inure to the benefit of the Receiver, the Debtors, the Purchaser, and their respective successors and assigns.

11. The Purchase Agreement, this Order, and Cuda Energy LLC's and the Receiver's obligations therein and herein shall not be altered, impaired, amended, rejected, discharged, or otherwise affected by any subsequent order of this Court, without the prior written consent of the Purchaser. Nothing contained in any plan of reorganization or liquidation, or subsequent order of this Court of any type or kind entered in (a) these chapter 15 cases, (b) any subsequent chapter 7 case into which any such chapter 15 cases may be converted, or (c) any related proceeding subsequent to entry of this Sale Order, shall affect, conflict with or derogate from the provisions of the Purchase Agreement or this Sale Order.

12. The Purchase Agreement and any related agreements, documents, or instruments may be modified, amended, or supplemented by the parties thereto in a writing signed by the parties, and in accordance with the terms thereof, without further order of

this Court, provided that any such modification, amendment, or supplement does not have a material adverse effect on the Receiver and/or Debtors' estates.

### **Transfer of the Assets**

13. The Purchaser shall assume and be liable for only the Assumed Liabilities and any other liabilities expressly assumed pursuant to the Purchase Agreement. Except as expressly permitted or otherwise specifically provided for in the Purchase Agreement or this Sale Order, pursuant to Sections 105(a), 363(b), 363(f), 365(b), 365(f) of the Bankruptcy Code and/or any other applicable section of the Bankruptcy Code, at the Closing, the Receiver is authorized to transfer the Assets on the Closing Date on the terms as provided in the Purchase Agreement. Except as expressly provided in the Purchase Agreement, the Assets shall be transferred to the Purchaser "as is, where is" with all faults in accordance with the Purchase Agreement and title to and possession of the Assets shall vest in the Purchaser upon and as of the Closing Date Free and Clear.

14. All Persons are prohibited and enjoined from taking any action to adversely affect or interfere with the ability of the Receiver to transfer the Assets to the Purchaser in accordance with the Purchase Agreement and this Sale Order or the right of Cuda Energy LLC to consent to and implement the Transaction of the Assets to the Purchaser pursuant to the Purchase Agreement and this Order. Following the Closing, except for persons entitled to enforce Assumed Liabilities and Permitted Encumbrances, all Persons (including, but not limited to, (i) the Debtors and/or their respective successors (including any trustees), (ii) creditors, (iii) investors, (iv) current and former employees and shareholders, (v) administrative agencies, (vi) governmental units, (vii) secretaries of state,

(viii) federal, state, and local officials, including those maintaining any authority relating to any environmental, health and safety laws, and (ix) the successors and assigns of each of the foregoing) holding Claims and Encumbrances in the Assets or against the Cuda Energy LLC or the Receiver in respect of the Assets of any kind or nature whatsoever shall be, and hereby are, forever barred, estopped, and permanently enjoined from asserting, prosecuting, or otherwise pursuing any Claims and Encumbrances against the Purchaser or any Affiliate of the Purchaser or any of their respective property, successors and assigns, or the Assets, as an alleged successor or on any other grounds. No Person shall assert, and the Purchaser and the Assets shall not be subject to, any defaults, breaches, counterclaims, offsets, defenses (whether contractual or otherwise, including, without limitation, any right of recoupment), liabilities, claims and interests, or basis of any kind or nature whatsoever to delay, defer, or impair any right of the Purchaser, the Receiver or the Debtors, or any obligation of any other Person, under or with respect to, any of the Assets, with respect to any act or omission that occurred prior to the Closing or with respect to any other agreement or any obligation of Cuda Energy LLC that is not an Assumed Liability or Permitted Encumbrance.

15. Upon the Closing, this Sale Order shall be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance, and transfer of the Assets and Cuda Energy LLC's and the Receiver's rights, title, and interests therein, and a bill of sale transferring good and marketable title in the Assets to the Purchaser Free and Clear. Each and every federal, state, and local governmental agency, quasi-agency, or

department is hereby authorized and directed to accept any and all documents and instruments necessary and appropriate to consummate the Transaction.

16. The transfer of the Assets to the Purchaser pursuant to the Purchase Agreement, the General Conveyance, Assignment and Assumption Agreement, and this Order shall constitute a legal, valid, and effective transfer of the Assets at the Closing and shall vest the Purchaser with all of Cuda Energy LLC's and the Receiver's rights, title, and interests in such Assets Free and Clear.

17. If any Person that has filed financing statements, mortgages, mechanic's liens, lis pendens, or other documents, instruments or agreements evidencing Claims and Encumbrances in or on the Assets has not delivered to the Receiver, prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all Claims and Encumbrances which the Person has with respect to the Assets or otherwise, then (a) the Receiver and the Purchaser, collectively and individually, are hereby authorized to execute and file such statements, instruments, releases and other documents on behalf of such Person with respect to the Assets, and (b) the Receiver and the Purchaser are hereby authorized to file, register, or otherwise record a certified copy of this Sale Order with any Governmental Authority and all Governmental Authorities and authorized and directed to accept the same, which, once filed, registered, or otherwise recorded, shall constitute conclusive evidence of the release of all Claims and Encumbrances in the Assets.

18. Nothing in this Order or the Purchase Agreement releases, nullifies, precludes, or enjoins the enforcement of any police power by, or any regulatory liability

to, any Governmental Authority. To the greater extent provided by Section 525 of the Bankruptcy Code, no Governmental Authority may deny, revoke, suspend, or refuse to renew any Permit, Governmental Authority or Grant relating to the Assets or the operation of the business represented thereby on account of the filing or pendency of these chapter 15 cases or the consummation of the transactions contemplated by the Purchase Agreement, including, without limitation, the Transaction and the assumption and assignment of the Assumed and Assigned Contracts.

19. Pursuant to Sections 105(a), and 365(a), (b), (c), and (f) of the Bankruptcy Code, the Receiver and Cuda Energy LLC are authorized to assume and assign the Assumed and Assigned Contracts that are executory contracts or unexpired leases to Purchaser pursuant to the terms of the Purchase Agreement. The requirements of sections 365(b) and (f) of the Bankruptcy Code are hereby deemed satisfied. Each counterparty to the Assumed and Assigned Contracts is hereby forever barred, estopped, and permanently enjoined from raising or asserting against the Receiver, Cuda Energy LLC, or the property of Cuda Energy LLC, any assignment fee, default, breach, claim, pecuniary loss, liability or obligation in any way related to the Assumed and Assigned Contracts existing as of the Closing Date or arising by reason of the Closing.

20. The Assumed and Assigned Contracts shall be deemed to be valid and binding and in full force and effect and enforceable in accordance with their terms. Upon the Closing, in accordance with sections 363 and 365 of the Bankruptcy Code, the Purchaser shall be fully and irrevocably vested with all right, title and interest of the Receiver and Cuda Energy LLC under the Assumed and Assigned Contracts.

21. The Purchaser has provided adequate assurance of its future performance under the Assumed and Assigned Contracts that are executory contracts or unexpired leases within the meaning of sections 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code. All other requirements and conditions under sections 363 and 365 of the Bankruptcy Code for the assumption by the Receiver and/or Cuda Energy LLC and assignment to the Purchaser of the Assumed and Assigned Contracts that are executory contracts or unexpired leases have been satisfied.

22. All defaults or other obligations shall be deemed cured by the payment or other satisfaction of the cure amounts, if any, associated with the Assumed and Assigned Contracts that are executory contracts or unexpired leases (as further defined in the Purchase Agreement, the “Cure Costs”). Except for the Cure Costs, if any, there are no other defaults existing under the Assumed and Assigned Contracts that are executory contracts or unexpired leases.

23. All executory contracts or unexpired leases with a United States counterparty, other than Assumed and Assigned Contracts and that are not Assets, shall be rejected effective as of the Closing Date of the Purchase Agreement.

**Additional Provisions**

24. As of and after the Closing, all Persons are hereby authorized and directed to execute such documents and take all other actions as may be necessary to release their Claims and Encumbrances in, to, or against the Assets, as such Claims and Encumbrances may have been recorded or may otherwise exist, and such Claims and Encumbrances shall

attach to the applicable allocated portion (if any) of the Transaction proceeds in the same priority they currently enjoy with respect to the applicable Assets prior to the Closing.

25. This Sale Order (a) shall be effective as a determination that, upon the Closing, all Claims and Encumbrances existing as to the Assets prior to the Closing, other than Assumed Liabilities and Permitted Encumbrances, have been unconditionally released, discharged, and terminated and that the conveyances described herein have been effected, and (b) shall be binding upon and shall govern the acts of all Persons including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other Persons who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to, the Assets.

26. Except as expressly permitted or otherwise specifically provided for in the Purchase Agreement or this Sale Order, the Purchaser and its affiliates and their respective successors and assigns shall have no liability or responsibility for any liability or other obligation of Cuda Energy LLC or the Receiver arising under or related to the Assets or otherwise. Without limiting the generality of the foregoing, and except as otherwise specifically provided herein and in the Purchase Agreement, the Purchaser and its affiliates shall not be liable for any Claims and Encumbrances against Cuda Energy LLC, the Receiver, or any of their predecessors, other than Assumed Liabilities and Permitted



Encumbrances, and the Purchaser and its affiliates and their respective successors and assigns shall have no successor or vicarious liabilities of any kind or character including but not limited to any theory of antitrust, warranty, product liability, environmental, successor or transferee liability, labor law, ERISA, de facto merger, or substantial continuity, whether known or unknown as of the Closing, now existing or hereafter arising, whether fixed or contingent, with respect to Cuda Energy LLC or any obligations of Cuda Energy LLC, including, but not limited to, liabilities on account of any taxes arising, accruing, or payable under, out of, in connection with, or in any way relating to the operation of the Cuda Energy LLC's business prior to the Closing or any claims under the WARN Act or any claims related to wages, benefits, severance or vacation pay owed to employees or former employees of the Debtors other than any such liabilities that are Assumed Liabilities or Permitted Encumbrances.

27. Except as otherwise specifically provided herein and in the Purchase Agreement, neither the Purchaser nor any of its affiliates nor any of their respective successors or assignees are or shall be deemed, as a result of the consummation of the Transaction, to: (a) be legal successors to the Receiver, the Debtors or their estates by reason of any theory of law or equity, (b) have, de facto or otherwise, merged with or into the Receiver or the Debtors, or (c) be an alter ego or a mere continuation or substantial continuation or successor of the Receiver or the Debtors in any respect. Neither the Purchaser nor any of its affiliates nor any of their respective successors or assignees shall assume or in any way be responsible for any liability or obligation of the Receiver, the

Debtors or the Debtors' estates, except as otherwise expressly provided in the Purchase Agreement.

28. Following the Closing, no holder of any Claims and Encumbrances in or against the Assets shall interfere with the Purchaser's title to or use and enjoyment of such Assets based on or related to such lien, claim, or encumbrance, or any actions that the Debtors may take in these chapter 15 cases or any successor cases.

29. All Persons that are in possession of some or all the Assets are hereby directed at their sole cost and expense to surrender possession of such Assets to the Purchaser on the Closing Date, unless the Purchaser otherwise agrees.

30. Nothing in the Purchase Agreement or this Sale Order discharges, releases, precludes, or enjoins: (i) any liability of any entity or person under police or regulatory statutes or regulations to the State of Wyoming as the owner or operator of property or rights to property that such entity owns or operates after entry of this Sale Order; and (ii) any liability to a governmental authority on the part of any non-debtor. Nor shall anything in this Sale Order enjoin or otherwise bar a governmental authority from asserting or enforcing, outside the Bankruptcy Court, any liability described in the first sentence of this paragraph and nothing in this Sale Order divests any tribunal of any jurisdiction it may have under police or regulatory law to interpret this Order or to adjudicate any defense asserted thereunder.

31. Notwithstanding anything to the contrary in this Sale Order, nothing shall affect the State of Wyoming's setoff and recoupment rights, or the Debtors', and/or their successor(s) and assign(s) defenses thereto.

32. Notwithstanding any provision to the contrary in this Sale Order or the Purchase Agreement, no sale, assignment, and/or transfer of any interest in contracts, leases, covenants, operating rights agreements, rights-of-use and easement, and rights-of-way or other interests or agreements with the State of Wyoming involving federal or state land or minerals in effect on or after entry of this Sale Order (collectively, the “State Leases”) may take place pursuant to this Sale Order absent the consent of the State of Wyoming including any of its components, as provided for in applicable non-bankruptcy laws and regulations.

33. Notwithstanding any provision to the contrary in this Sale Order, the State of Wyoming will retain and have the right to audit and/or perform any compliance review and, if appropriate, collect from the Debtors, and/or their successor(s) and assign(s) in full any additional monies owed by the Debtors with respect to any assigned State Leases without those rights being adversely affected by these bankruptcy proceedings. Such rights shall be preserved in full as if this bankruptcy had not occurred. Furthermore, nothing in this Sale Order shall be interpreted to set cure amounts or require the State of Wyoming to novate, approve or consent to any sale, assignment, and/or transfer of any interests in the State Leases except pursuant to existing regulatory requirements and applicable law. The Debtors, and their successor(s) and assign(s), will retain all defenses and/or rights, other than defenses and/or rights arising from these bankruptcy proceedings, to challenge any such determination; *provided, however*, that any such challenge, including any challenge associated with these bankruptcy cases, must be raised in the State of Wyoming’s administrative review process (as applicable) leading to a final agency determination by

the Office of State Lands and Investments (as applicable). The audit and/or compliance review period shall remain open for the full statute of limitations period established by the laws of the State of Wyoming (as applicable).

34. For the avoidance of doubt, nothing in this Sale Order releases the Debtors, and/or their successor(s) and assign(s) from any reclamation, decommissioning, site clearance, plugging and abandonment, or other operational requirements under applicable federal non-bankruptcy law with respect to the State Leases or addresses or otherwise affects any decommissioning obligations and financial assurance requirements under the State Leases, as determined by the State of Wyoming, that must be met by the Debtors, or their successors and assigns on the State Leases going forward.

35. Notwithstanding any other provision in the Purchase Agreement, or any implementing documents, no assumption and assignment and/or transfer of any interests in contracts, mineral leases, covenants, operating rights agreements, rights-of-use and easements, and rights-of-way or other interests or agreements with the federal government (collectively referred to as the “Federal Leases”) shall take effect absent the prior consent of the United States, as agreed to between the United States Department of the Interior (“Interior”), including any of its components, and the Debtor as of the date of entry of this Sale Order.

36. The Debtors and/or the Purchaser, if able to obtain Interior’s consent to assume, transfer, and/or assign an interest in the Federal Leases, will retain all defenses and/or rights, other than defenses and/or rights arising from the bankruptcy, to challenge any such determination relating to the Federal Leases; *provided*, however, that any such

challenge, including any challenge associated with the bankruptcy proceedings and/or Interior's exercise of consent, must be raised in the United States' administrative review process leading to a final agency determination by Interior.

37. For the avoidance of doubt, in order to obtain the consent of the United States to the assumption, sale, assignment, and/or transfer of any interest in a Federal Lease, all existing defaults under such Federal Lease, including any outstanding rents, royalties, right-of-way fees, or inspection fees known to date, plus any accrued and unpaid interest lawfully chargeable, must be paid (i.e., assumed and/or cured, as applicable), and nothing in this Sale Order shall be interpreted to set cure amounts for the Federal Leases. Any challenge to any default required to be cured under the Federal Leases must be raised in the United States' administrative review process leading to a final agency determination by Interior.

38. If the Debtors and/or Purchaser, as applicable, do not timely pay the Cure Costs when due in the ordinary course pursuant to the Federal Leases, applicable non-bankruptcy laws, federal regulations, and administrative procedures, the Debtors and/or Purchaser, as applicable, will pay late payment charges on the untimely payment at the rate established in 30 C.F.R. § 1218.54 to the fullest extent permitted by applicable non-bankruptcy laws and federal regulations.

39. For the avoidance of any doubt, the payment of any Cure Costs, or any other payment that must be made in connection with the assumption and/or assignment of the Debtors' interests in the Federal Leases, shall not release any monetary or non-monetary obligations that are owing by either the Debtors or Purchaser, as applicable, under

applicable laws and regulations other than with respect to the specific monetary obligation being paid.

40. Notwithstanding any other provision in the Purchase Agreement, or any implementing documents, to the extent provided under the Federal Leases or applicable law, the Office of Natural Resources Revenue (“ONRR”) retains, and has the right to audit and/or perform any compliance review and collect from the Debtor and/or the Purchaser any additional monies owed by the Debtor prior to the assumption and assignment of the Federal Leases, without those rights being adversely affected by these bankruptcy proceedings. The Debtor and the Purchaser retain any defenses and/or rights, other than defenses and/or rights arising under the Bankruptcy Code, to challenge any such determination by ONRR relating to the Federal Leases; provided, however, that any such challenge must be raised in ONRR’s administrative process. Moreover, nothing in the Purchase Agreement, or implementing documents shall limit or otherwise affect any applicable audit and/or compliance review period, including those established by the Federal Oil and Gas Royalty Simplification and Fairness Act of 1996 (30 U.S.C. §§ 1701, et seq.). As adequate assurance of future performance under the Federal Leases, and expressly excluding royalty and other Debtor payment obligations for periods prior to the closing of Purchaser’s acquisition of the Federal Leases, if any, the Purchaser assumes and shall succeed to all liabilities of the Debtor thereunder. For the avoidance of doubt, nothing in the Purchase Agreement, or implementing documents releases, nullifies, limits, waives, or precludes or enjoins the enforcement of, any plugging and abandonment or reclamation obligation or financial assurance requirements under applicable statutes, regulations or the

terms of the Federal Leases, as determined by Interior for which the Debtor, the Purchaser, and any of their successors and/or assigns, shall be jointly and severally liable.

41. Nothing in the Purchase Agreement, or any implementing documents releases, nullifies, limits, waives or precludes or enjoins the enforcement of any police or regulatory liability to a governmental unit that any entity would be subject to as the owner or operator of property after the date of entry of this Sale Order. Nothing in the Purchase Agreement, or any implementing documents authorizes the transfer or assignment of any governmental (a) license, (b) permit, (c) registration, (d) authorization, or (e) approval, or the discontinuation of any obligation thereunder, without compliance with all applicable legal requirements and approvals under police or regulatory law. Nothing in the Purchase Agreement, or implementing documents divests any tribunal of any jurisdiction it may have under police or regulatory law to interpret the Purchase Agreement or to adjudicate any defense asserted under the Purchase Agreement, and the United States' rights to offset or recoup any amounts due under, or relating to, any Federal Leases (if any) are expressly preserved.

42. Notwithstanding anything to the contrary in any asset purchase agreement, nothing shall affect the United States' setoff and recoupment rights or Debtors' and/or the Purchaser's defenses thereto.

43. Nothing in the United States' or State of Wyoming's reservation of rights set forth in this Sale Order shall constitute a waiver or release of any rights, claims, and defenses of the Debtors and/or their successors and assigns and in this case or any related proceeding before this Court, or in any other case, proceeding, or process before any other

court or any governmental authority with respect to the subject matter of the United States' or State of Wyoming's reservation of rights. All such rights, claims, and defenses of the Debtors and/or their successors and assigns are preserved.

44. The consideration provided by the Purchaser for the Assets under the Purchase Agreement constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia. The Purchase Agreement and the Sale may not be avoided and no party shall be entitled to damages or other recovery pursuant to Section 363(n) of the Bankruptcy Code. The Purchase Agreement was not entered into, and the Transaction is not being consummated, for the purpose of hindering, delaying, or defrauding creditors of the Debtors under the Bankruptcy Code or under the laws of the United States, any state, territory, possession thereof, or the District of Columbia, or any other applicable law. Neither the Receiver nor the Purchaser have entered into the Purchase Agreement, or any agreement contemplated thereby, or are consummating the Transaction with any fraudulent or otherwise improper purpose, including, without limitation, to evade any pension liabilities. The Court's approval of the Sale Motion and the Purchase Agreement are in the best interests of the Receiver, the Debtors, the Debtors' estates and creditors, and all other parties in interest in these chapter 15 cases.

45. No order concerning the distribution of the proceeds of the sale, no distribution of the proceeds of the sale, and no allocation in connection with either of the foregoing, whether based upon a valuation of the Assets or otherwise, shall affect or have an effect on: (i) the Purchaser's tax basis, allocation, or other tax position regarding the



Assets, (ii) the manner in which the Assets are valued by the Purchaser for tax, accounting, or any other purposes, or (iii) how the Purchaser accounts for the Assets in financial statements, or otherwise.

46. This Court retains jurisdiction to enforce and implement the terms and provisions of the Purchase Agreement, the General Conveyance, Assignment and Assumption Agreement, and this Sale Order, all amendments thereto, any waivers and consents thereunder, and each of the agreements and other documents executed and/or delivered in connection therewith in all respects as the same relate to the Debtors, including, but not limited to, retaining jurisdiction to: (a) compel delivery of the Assets or performance of any other obligations owed to the Purchaser; (b) enforce the terms of the Purchase Agreement or the General Conveyance, Assignment and Assumption Agreement; (c) resolve any disputes arising under or related to the Purchase Agreement or the General Conveyance, Assignment and Assumption Agreement; (d) interpret, implement, and enforce the provisions of this Sale Order; and (e) protect the Purchaser and its affiliates and their respective successors and assigns from and against (i) any Claims and Encumbrances in, to or against the Assets and (ii) any creditors or other parties in interest regarding the turnover of the Assets that may be in their possession.

47. Notwithstanding Bankruptcy Rules 6004(h), this Order shall be effective and enforceable immediately upon entry and its provisions shall be self-executing. In the absence of any Person obtaining a stay pending appeal, the Receiver, Cuda Energy LLC and the Purchaser, at the Purchaser's option, are free to close the Transaction under the Purchase Agreement at any time prior to this Sale Order becoming a Final Order.

48. The Transaction is undertaken by the Purchaser in good faith, as that term is used in Section 363(m) of the Bankruptcy Code, and accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Transaction shall not affect the validity of the Transaction to the Purchaser (including the assumption and assignment of the Assumed and Assigned Contracts), unless such authorization is duly stayed pending such appeal. The Purchaser is a purchaser in good faith of the Assets and is entitled to all the protections afforded by Section 363(m) of the Bankruptcy Code.

### **Miscellaneous**

49. The terms and provisions of the Purchase Agreement and this Order shall be binding in all respects upon, and shall inure to the benefit of, the Receiver, the Debtors, the Debtors' estates and creditors, the Purchaser and its affiliates and their respective, successors and assigns, and all affected third parties, including, but not limited to, all Persons asserting Claims and Encumbrances in, to or against Cuda Energy LLC or the Receiver and/or the Assets, notwithstanding any subsequent appointment of any trustee, liquidating or litigation trustee, wind-down administrator, control person, responsible person or similar Person, or any successors to any of the foregoing, appointed in these chapter 11 cases by the Court or any Debtor, including pursuant to a chapter 11 plan, or upon a conversion to chapter 7 under the Bankruptcy Code, as to which such Person such terms and provisions likewise shall be binding.

50. To the fullest extent authorized under applicable law, the sale of the Assets to the Purchaser shall not be taxed with and/or shall not be subject to any tax that is a stamp tax or a sale, use, transfer, or any other similar tax imposed by any federal, state, local,

municipal or other Governmental Authority. As the assignment, transfer and/or sale of the Assets is in exchange for the Purchase Price, no withholding of U.S. federal income tax pursuant to sections 1441 or 1442 of the Internal Revenue Code is required.

51. No bulk sales law, or similar law of any state or other jurisdiction shall apply in any way to the Transaction.

52. The Leases constitute interests in real property and shall be transferred to the Purchaser as such and are not subject to Section 365 of the Bankruptcy Code. The Leases shall be transferred to the Purchaser in accordance with the terms of this Sale Order, and, except as expressly assumed under the Purchase Agreement or otherwise provided herein, the Purchaser shall have no liability or obligation for: (a) any defaults or breaches under such Leases that relate to acts or omissions that occurred in the period, prior to the date of the entry of this Sale Order or otherwise arose during such period, and (b) any claims, counterclaims, offsets not exercised prior to the Petition Date, or defenses (whether contractual or otherwise) with respect to such Leases, that relate to any acts or omissions that arose or occurred prior to the date of the entry of this Sale Order.

53. To the extent of any conflict between the Purchase Agreement and this Sale Order, the terms and provisions of this Sale Order shall govern. To the extent that this Sale Order is inconsistent with the Canadian Sale Order with respect to conveyance of the Assets Free and Clear and/or the provisions set forth in paragraphs 35 through 42 of this Sale Order, the terms of this Sale Order shall govern. To the extent that this Sale Order is inconsistent with the Canadian Sale Order in any other respect, the terms of the Canadian Sale Order shall govern.

54. The failure to specifically reference any particular provisions of the Purchase Agreement or other related documents in this Sale Order shall not diminish or impair the effectiveness of such provisions, it being the intent of the Court that the Purchase Agreement and other related documents be authorized and approved in their entirety.

55. The Receiver is authorized to take all actions necessary to effect the relief granted pursuant to this Sale Order.

BY THE COURT:



6/3/2022

---

Honorable Cathleen D. Parker  
United States Bankruptcy Judge

**EXHIBIT 1**

CERTIFIED *E. Wheaton*  
by the Court Clerk as a true copy of the  
document digitally filed on May 3, 2022

COURT FILE NUMBER

2101 14158

COURT

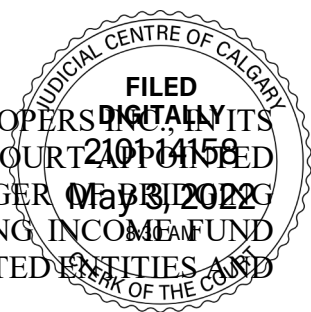
COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANT

PRICEWATERHOUSECOOPERS INC., IN ITS  
CAPACITY AS COURT-APPOINTED  
RECEIVER AND MANAGER OF FTI CONSULTING  
FINANCE INC., BRIDGING INCOME FUND  
LP AND CERTAIN RELATED ENTITIES AND  
INVESTMENT FUNDS



RESPONDENTS

CUDA ENERGY INC., CUDA OIL AND GAS  
INC., CUDA ENERGY LLC AND JUNEX INC.

DOCUMENT

**APPROVAL AND VESTING ORDER**  
**(Sale by Receiver to COPL America Inc.)**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**BENNETT JONES LLP**  
Barristers and Solicitors  
4500 Bankers Hall East  
855 – 2<sup>nd</sup> Avenue S.W.  
Calgary, AB T2P 4K7

Attention: Chris Simard / Katherine J. Fisher  
Telephone No.: (403) 298-4485 / (780) 917-4268  
Fax No.: (403) 265-7219 / (780) 421-7951  
Email: [simardc@bennettjones.com](mailto:simardc@bennettjones.com)  
[fisherka@bennettjones.com](mailto:fisherka@bennettjones.com)

**DATE ON WHICH ORDER WAS PRONOUNCED:** April 29, 2022

**LOCATION OF HEARING:** Calgary, Alberta

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

**UPON THE APPLICATION** by FTI Consulting Canada Inc., in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertakings, property and assets of Cuda Energy LLC. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and **COPL America Inc.** (the "**Purchaser**") dated April 11, 2022, a redacted copy of which is attached to the Second Report of the Receiver dated April 20, 2022 (the "**Second Report**") as Schedule "A", and an unredacted copy of which is attached to the Confidential Supplement to the Second (the "**Confidential Supplement**") as Schedule "A", and vesting in the Purchaser (or its nominee) the

Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**");

**AND UPON HAVING READ** the Receivership Order dated November 18, 2021 (the "**Receivership Order**"), the Report, the Confidential Supplement and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser, and any other interested parties that may be present, and no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

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

**SERVICE**

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, 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.

**DEFINED TERMS**

2. All capitalized terms used in this Order but not defined herein shall bear their meanings as defined in the Sale Agreement.

**APPROVAL OF TRANSACTION**

3. The Transaction is hereby approved and is commercially reasonable, and execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary and the Purchaser approves. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

**VESTING OF PROPERTY**

4. Upon delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Closing Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets listed in **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgments, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and

whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) those Claims listed in **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "D"** (collectively, "**Permitted Encumbrances**")),

and for greater certainty, this Court orders that (i) the Environmental Liabilities and Abandonment and Reclamation Obligations, as defined respectively in the Sale Agreement, do not, for the purpose of this Order, constitute Claims; and (ii) all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

5. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement.
6. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from 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. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order or as against any Receiver's Charge outstanding pursuant to the Receivership Order.
7. Except as expressly provided for in the Sale Agreement, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.



8. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
9. 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, through or against the Debtor.
10. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
11. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).

#### **MISCELLANEOUS MATTERS**

12. Notwithstanding:
  - (a) the pendency of these proceedings and any declaration of insolvency made herein;
  - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the "*BIA*"), in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;
  - (c) any assignment in bankruptcy made in respect of the Debtor; and
  - (d) the provisions of any federal or provincial statute:


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 Debtor and shall not be void or voidable by creditors of the Debtor, 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 *BIA* 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.

13. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction 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.
14. This Honourable Court hereby 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 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 order and to provide such assistance to the Receiver, as an officer of the 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, including, without limitation, in the proceeding filed under chapter 15 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Wyoming, Jointly Administered Case No. 21-20484, Case No. 21-20485, Case No. 21-20486 and Case No. 21-20487.
15. Service of this Order shall be deemed good and sufficient by:
  - (a) Serving the same on:
    - (i) the persons listed on the service list created in these proceedings;
    - (ii) any other person served with notice of the application for this Order;
    - (iii) any other parties attending or represented at the application for this Order;
    - (iv) the Purchaser or the Purchaser's solicitors; and
  - (b) Posting a copy of this Order on the Receiver's website at:  
<http://cfcanada.fticonsulting.com/cuda>,

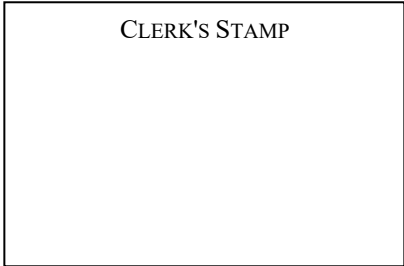
and service on any other person is hereby dispensed with.

16. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

  
Justice of the Court of Queen's Bench of Alberta

**SCHEDULE "A"**

**Form of Receiver's Certificate**



COURT FILE NUMBER 2101 14158

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF(S) PRICEWATERHOUSECOOPERS INC., IN ITS CAPACITY AS COURT-APPOINTED RECEIVER AND MANAGER OF BRIDGING FINANCE INC., BRIDGING INCOME FUND LP AND CERTAIN RELATED ENTITIES AND INVESTMENT FUNDS

DEFENDANT(S) CUDA ENERGY INC., CUDA OIL AND GAS INC., CUDA ENERGY LLC AND JUNEX INC.

DOCUMENT

**RECEIVER'S CERTIFICATE**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

**BENNETT JONES LLP**  
Barristers and Solicitors  
4500 Bankers Hall East  
855 – 2<sup>nd</sup> Avenue S.W.  
Calgary, AB T2P 4K7

Attention: Chris Simard / Katherine J. Fisher  
Telephone No.: (403) 298-4485 / (780) 917-4268  
Fax No.: (403) 265-7219 / (780) 421-7951  
Email: [simardc@bennettjones.com](mailto:simardc@bennettjones.com)  
[fisherka@bennettjones.com](mailto:fisherka@bennettjones.com)

**RECITALS**

A. Pursuant to an Order of the Honourable Justice K.M. Horner of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated November 18, 2021, FTI Consulting Canada Inc. was appointed as the receiver (the "**Receiver**") of the undertakings, property and assets of Cuda Energy, LLC (the "**Debtor**").

- B. Pursuant to an Order of the Court dated April 29, 2022, the Court approved the agreement of purchase and sale made as of April 11, 2022 (the "**Sale Agreement**") between the Receiver and COPL America Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor'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 Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in sections 11.1, 11.2 and 11.3 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out 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 sections 11.1, 11.2 and 11.3 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at [Time] on [Date].

**FTI Consulting Canada Inc., in its capacity as Receiver of the undertakings, property and assets of Cuda Energy LLC., and not in its personal capacity.**

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

**Name:**

**Title:**

## **SCHEDULE "B"**

### **Purchased Assets**

The Purchased Assets consist of the Assets (as defined in the Sale Agreement, and each subsequent capitalized term herein having the respective meaning as defined therein), including, without limitation, (i) the Petroleum and Natural Gas Rights; (ii) the Tangibles; and (iii) the Miscellaneous Interests described in the attachments to this Schedule "B".

## SCHEDULE "C"

### Claims

"**Claim**" means, with capitalized terms having the definitions given to them in the Sale Agreement, unless otherwise defined in this Order, any right, claim, cause of action or complaint of any Person that may be asserted or made in whole or in part against any Vendor, any of their respective Affiliates and their respective Representatives, or the Assets, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right, claim, cause of action or complaint is executory or anticipatory in nature.

## SCHEDULE "D"

### Permitted Encumbrances

"Permitted Encumbrances" means, with capitalized terms having the definitions given to them in the Sale Agreement, unless otherwise defined in this Order, to the extent disclosed by Vendor to Purchaser (including to the extent identified in Exhibits A, B, or C to the Sale Agreement or otherwise in any diligence materials or other disclosures provided by the Vendor, including the Due Diligence Information) or of record in the proper county records, or otherwise within the actual knowledge of the Purchaser or its Affiliates:

- (xiv) any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;
- (xv) 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;
- (xvi) 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;
- (xvii) easements, rights of way, surface leases, 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, to the extent not materially affecting the ownership, operation, and/or use of the Assets;
- (xviii) taxes on Petroleum Substances, except for Income Taxes, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
- (xix) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;
- (xx) materialman's, mechanic's, repairman's employee's, contractors, operator's and other similar liens arising in the ordinary course of business 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 and are inchoate as of the date hereof;



- (xxi) the reservations, limitations, provisos and conditions in any grants or transfers from any Governmental Authority of any of the Lands or interests therein, and statutory exceptions to title;
- (xxii) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;
- (xxiii) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority;
- (xxiv) 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; and
- (xxv) the Southwestern Liens.