

COURT FILE NO.: 1801-06866

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE RECEIVERSHIP OF MUSTANG WELL SERVICES LTD., KKSER ENTERPRISES LTD., COMPLETE OILFIELD MANUFACTURING INC., REACTION OILFIELD SUPPLY (2012) LTD. and MRBD LTD.

APPLICANT ATB FINANCIAL


RESPONDENTS MUSTANG WELL SERVICES LTD., KKSER ENTERPRISES LTD., COMPLETE OILFIELD MANUFACTURING INC., REACTION OILFIELD SUPPLY (2012) LTD. and MRBD LTD.

DOCUMENT **APPROVAL AND VESTING ORDER**

(Sale by Receiver)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Cassels Brock & Blackwell LLP
Suite 3810, 888 3rd Street SW
Calgary, Alberta T2P 5C5
Telephone: (403) 351-2921
Facsimile: (403) 648-1151
File No.45306-7

I hereby certify this to be a true copy
the original order
Dated this 05 day of sept

for Clerk of the Court

Attention: Jeffrey L. Oliver/Danielle Marechal

DATE ON WHICH ORDER WAS PRONOUNCED: September 5, 2018

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Madam Justice
M.H. Hollins

UPON THE APPLICATION by FTI Consulting Canada Inc. ("FTI") in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of Mustang Well Services Ltd., KKSER Enterprises Ltd., Complete Oilfield Manufacturing Inc., Reaction Oilfield Supply (2012) Ltd. and MRBD Ltd. (collectively, the "Debtors") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale



(the "**Sale Agreement**") between the Receiver and 877232 Alberta Ltd. (the "**Purchaser**") dated July 31, 2018, a redacted copy of which is appended to the First Report of the Receiver dated August 27, 2018 (the "**Report**"), and vesting in the Purchaser (or its nominee) the Debtors' 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 May 17, 2018 (the "**Receivership Order**"), the Report and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser, ATB Financial and BDC Capital Inc., 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, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTIONS

2. The Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional 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

3. Upon the 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 Certificate"), all of the Debtors' right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies,

charges, or other 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 by the Receivership Order;
- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and
- (c) those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, caveats, easements and restrictive covenants listed on **Schedule "D"**);

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

4. From and after the closing of the Transaction (including the payment of the purchase price by the Purchaser to the Receiver), the Receiver is authorized to discharge from the Personal Property Registry any claim registered against any of the Personal Property being purchased by the Purchaser, to the extent the security interest is registered against the interest of the Debtors.
5. Upon the delivery of the Receiver's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, the Registrar of Land Titles of Alberta (the "Registrar") is hereby authorized, requested, and directed to cancel the existing Certificate of Title No. 082 114 241 for those lands and premises municipally described as 46358 Sec Hwy 834 Camrose, Alberta T4V 1X4, and legally described as:

Plan 9922651
Lot 3
Excepting thereout all mines and minerals
Area: 1.62 Hectares (4 Acres) more or less

(the "**Lands**")

and to issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee), namely, 877232 Alberta Ltd., and to register such transfers, discharges, discharge statements of conveyances, as may be required to convey clear title to the Lands to the Purchaser (or its nominee), which Certificate of Title shall be subject only to those encumbrances (the "Permitted Encumbrances") listed on **Schedule "D"** hereto.

6. This Order shall be registered by the Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.
7. 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, and from and after the delivery of the Receiver'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.
8. The Purchaser (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtors.
9. The Debtors and all persons who claim by, through or under the Debtors in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Purchased Assets and, to the extent that any such persons remains in possession or control of any of the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
10. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtors, or any person claiming by or through or against the Debtors.

11. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver or the Debtors.
12. The Receiver is to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser (or its nominee).
13. Notwithstanding:
 - (a) the pendency of these proceedings;
 - (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act (Canada)* in respect of the Debtors and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made in respect of the Debtors

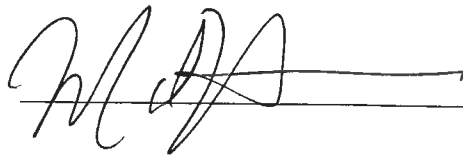
the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act (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.

MISCELLANEOUS MATTERS

14. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
15. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Receiver, as an

officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

16. 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.
17. Service of this Order on any party not attending this application is hereby dispensed with.

A handwritten signature in black ink, appearing to be 'M. J. A.', written over a horizontal line.

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

Schedule "A" to Approval and Vesting Order

Form of Receiver's Certificate

COURT FILE NO.: 1801-06866

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE RECEIVERSHIP OF
MUSTANG WELL SERVICES LTD., KKS
R ENTERPRISES LTD., COMPLETE OILFIELD
MANUFACTURING INC., REACTION OILFIELD
SUPPLY (2012) LTD. and MRBD LTD.

APPLICANT ATB FINANCIAL

RESPONDENTS MUSTANG WELL SERVICES LTD., KKS
R ENTERPRISES LTD., COMPLETE OILFIELD
MANUFACTURING INC., REACTION OILFIELD
SUPPLY (2012) LTD. and MRBD LTD.

DOCUMENT **RECEIVER'S CERTIFICATE**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Cassels Brock & Blackwell LLP
Suite 3810, 888 3rd Street SW
Calgary, Alberta T2P 5C5
Telephone: (403) 351-2921
Facsimile: (403) 648-1151
File No.45306-7

Clerk's Stamp

Attention: Jeffrey L. Oliver/Danielle Marechal

RECITALS

- A. Pursuant to an Order of the Honourable Justice A.D. MacLeod of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated May 17, 2018, FTI Consulting Canada Inc. ("**FTI**") was appointed as the receiver (in such capacity, the "**Receiver**") of the undertaking, property and assets of Mustang Well Services Ltd., KKS R Enterprises Ltd., Complete Oilfield Manufacturing Inc., Reaction Oilfield Supply (2012) Ltd. and MRBD Ltd. (collectively, the "**Debtors**").

- B. Pursuant to an Order of the Court dated September 5, 2018, the Court approved the agreement of purchase and sale made as of July 31, 2018 (the "**Sale Agreement**") between the Receiver and 87232 Alberta Ltd. of ● (the "**Purchaser**") and provided for the vesting in the Purchaser all of the Debtors' 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 7.1 and 7.2 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, terms with initial capitals 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 7.1 and 7.2 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 undertaking, property and assets of Mustang Well Services Ltd., KKSR Enterprises Ltd., Complete Oilfield Manufacturing Inc., Reaction Oilfield Supply (2012) Ltd. and MRBD Ltd., and not in its personal capacity.

Per; _____

Name:

Title:

Schedule "B" to Approval and Vesting Order

Purchased Assets

The Assets are those described in the Sale Agreement, including those assets set out in the attached Schedules.

	HECTARES (4 ACRES) MORE OR LESS			
082 114 241	LEGAL DESCRIPTION PLAN 9922651 LOT 3 EXCEPTING THEREOUT ALL MINES AND MINERALS AREA: 1.62 HECTARES (4 ACRES) MORE OR LESS	182 156 365	27/06/2018	ORDER IN FAVOUR OF - FTI CONSULTING CANADA INC.

Schedule "D" to Approval and Vesting Order

Permitted Encumbrances

LAND TITLE CERTIFICATE NUMBER	LAND TITLES DESCRIPTION	REGISTRATION NUMBER	REGISTRATION DATE	PARTICULARS
082 114 241	LEGAL DESCRIPTION PLAN 9922651 LOT 3 EXCEPTING THEREOUT ALL MINES AND MINERALS AREA: 1.62 HECTARES (4 ACRES) MORE OR LESS	3248UX	16/10/1974	UTILITY RIGHT OF WAY GRANTEE - ANKERTON GAS CO-OP LTD.
082 114 241	LEGAL DESCRIPTION PLAN 9922651 LOT 3 EXCEPTING THEREOUT ALL MINES AND MINERALS AREA: 1.62 HECTARES (4 ACRES) MORE OR LESS	All reservations, exceptions and conditions to which the title to the Lands is subject pursuant to the <i>Land Titles Act (Alberta)</i>		