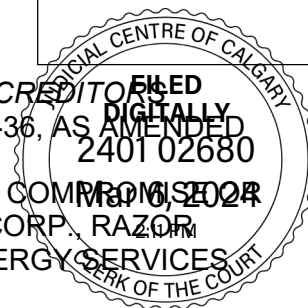


COURT FILE NUMBER 2401-02680
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

Clerk's Stamp

APPLICANTS IN THE MATTER OF THE COMPANIES' CREDITORS' ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED, 2401 02680
AND IN THE MATTER OF THE PLAN OF COMPROMISE, REORGANIZATION AND ARRANGEMENT OF RAZOR ENERGY CORP., RAZOR HOLDINGS GP CORP., AND BLADE ENERGY SERVICES CORP.



DOCUMENT **AFFIDAVIT #3 OF DOUG BAILEY**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
McCarthy Tétrault LLP
4000, 421 – 7th Avenue SW
Calgary, AB T2P 4K9
Attention: Sean Collins / Pantelis Kyriakakis / Nathan Stewart
Tel: 403-260-3531 / 3536 / 3534
Fax: 403-260-3501
Email: scollins@mccarthy.ca / pkyriakakis@mccarthy.ca / nstewart@mccarthy.ca

AFFIDAVIT #3 OF DOUG BAILEY
Sworn on March 6, 2024

I, Doug Bailey, of the City of Calgary, of the Province of Alberta, **SWEAR AND SAY THAT:**

1. I am the CEO of Razor Energy Corp. ("**Razor Energy**"), Razor Holdings GP Corp. ("**Razor Holdings**"), and Blade Energy Services Corp. ("**Blade**", Razor Energy, Blade, and Razor Holdings are collectively referred to as, the "**Applicants**"). Razor Energy is the sole limited partner, and Razor Holdings is the sole general partner, of Razor Royalties Limited Partnership ("**Razor Royalties LP**", and collectively with the Applicants, the "**Razor Entities**"). I am also a member of the board of directors of, each of, Razor Energy, Razor Holdings, and Blade. I have reviewed the books and records prepared and maintained by the Razor Entities, in the ordinary course of business, including business and operational information and the most recently available annual audited and unaudited financial statements. I have personal knowledge of the facts and matters sworn to in this Affidavit, except where information was received from someone else or some other source of information, as identified herein. Where the information contained herein was received from another source, I believe such information to be true.

Clerk's Stamp

COURT FILE NUMBER 2401-02680
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

APPLICANTS IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF RAZOR ENERGY CORP., RAZOR HOLDINGS GP CORP., AND BLADE ENERGY SERVICES CORP.

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2. On February 20, 2024, I swore an affidavit (the “**Initial Affidavit**”), filed in the within proceedings (the “**CCAA Proceedings**”). On February 28, 2024, I swore an affidavit (the “**Second Affidavit**”), filed in the CCAA Proceedings. Among other things, the Initial Affidavit and the Second Affidavit describe: (i) the background with respect to the Razor Entities’ assets, liabilities, and operations; and, (ii) details concerning the relief sought in connection with the initial CCAA application, returnable on February 28, 2024 (the “**Initial Application**”) and the Comeback Application. Capitalized terms used in this affidavit (this “**Affidavit**”), but not otherwise defined, shall have the meanings ascribed to such terms in the Second Affidavit.

Background

3. I am authorized to swear this Affidavit in response to the Alberta Petroleum Marketing Commission’s (“**APMC**”) Application, served on March 5, 2024, seeking, among other relief, an Order: (i) directing Razor Energy to deliver, on or before March 12, 2024, additional crude oil to make up for the portion of Razor Energy’s pre-filing January production, that was not paid; (ii) determining that, by virtue of section 11.1 of the CCAA, the Stay granted in the CCAA Proceedings does not apply to the March 1, 2024 direction of APMC (the “**Direction**”), directing Razor Energy, to pay, in kind, an amount equal to Razor Energy’s pre-filing missed January production (collectively, the “**APMC Relief**”).
4. APMC claims that, if the APMC Relief is not heard, at the Comeback Application, APMC will be prejudiced due to Razor Energy not having sufficient production, going forward, to satisfy the Direction, in the event APMC is successful.

Forecasted Crude Oil Volumes for March 2024

5. Razor Energy’s total forecasted production, for the month of March 2024 is 4078.3 m³ of crude oil (the “**Forecast March 2024 Crude Oil Production**”).
6. The Forecast March 2024 Crude Oil Production, is broken down as follows:
 - (a) 293 m³ of crude oil, is forecasted in connection with Razor Energy’s production to be delivered to the Hays Terminal (the “**Forecast March 2024 Hays Production**”);
 - (b) 1590 m³ of crude oil, is forecasted in connection with Razor Energy’s production to be delivered to the Peace Pipeline (the “**Forecast March 2024 Peace Pipeline Production**”);

- (c) 2010.3 m³ of crude oil, is forecasted in connection with Razor Energy's production to be delivered to the Pembina Swan Hills Pipeline (the "**Forecast March 2024 Pembina Production**"); and,
- (d) 185 m³ of crude oil, is forecasted in connection with Razor Energy's production to be delivered to the West Drumheller Terminal (the "**Forecast March 2024 Drumheller Production**").

Attached hereto and marked as **Exhibit "A"**, to this, my Affidavit, is a true copy of a screenshot of the Forecast March 2024 Crude Oil Production.

- 7. In accordance with the Second Cash Flow Forecast, Razor Energy is forecasted to pay post filing amounts owed to APMC.
- 8. The vast majority of the Forecast March 2024 Hays Production and the Forecast March 2024 Drumheller Production arise under freehold interests. Only a small portion or percentage of the Forecast March 2024 Hays Production and the Forecast March 2024 Drumheller Production would be subject to a Crown royalty interest, payable to APMC.
- 9. With respect to the Forecast March 2024 Peace Pipeline Production and the Forecast March 2024 Pembina Production, Razor Energy's forecasted nomination, accounts for and includes the nomination, to and in favour of APMC, for and on behalf of the Crown's royalty interest in the corresponding minerals. Specifically,
 - (a) 430 m³ of the 1590 m³ of the Forecast March 2024 Peace Pipeline Production, is currently forecasted to be nominated to APMC; and,
 - (b) 505 m³ of the 2010.3 m³ of the Forecast March 2024 Pembina Production, is currently forecasted to be nominated to APMC.

Attached hereto and marked as **Exhibits "B"**, **"C"**, and **"D"**, to this, my Affidavit, are true copies of the screenshots of the forecasted nominations, in connection with the Forecast March 2024 Peace Pipeline Production and the Forecast March 2024 Pembina Production.

Conclusion

10. I make this Affidavit in response to SPMC's application.

SWORN BEFORE ME in the City of)
Calgary, in the Province of Alberta, this 6th)
day of March, 2024.)


_____)
A Commissioner for Oaths in and for the)
Province of Alberta)

Lindsay Nguyen
Student-At-Law


_____)
DOUG BAILEY

This is Exhibit "A" referred to in the Affidavit #3 of Doug Bailey
sworn before me this 6th day of March, 2024.



A Commissioner for Oaths in and for the Province of Alberta

Lindsay Nguyen
Student-At-Law

Production Month
March 2024

Form As & Splits (Selected 0 of 6) - filtered

4078.3 m

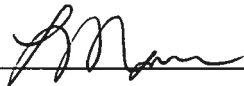
Refresh NOT status="Revise" Advanced Save Grid View Grid Options Export

Open Speed Dial Social or Register Submit Update Template Form As Import Form As Template Split Import Splits More

<input type="checkbox"/>		Number	Total	Product T...	Stream	Status	From Facility	From Location	From Code	To Facility	To Location
To Facility: Hays Terminal (2 items)											
<input type="checkbox"/>		A2403-02898	93.0	Crude Oil	CRD	Accepted	Ltl Chin Coulee 104-06-01-0...	104/06-01-008-15W4	ABBT0144707	Hays Terminal	100/09-24-01-
<input type="checkbox"/>		A2403-02902	200.0	Crude Oil	CRD	Accepted	Pcp Badger Battery No. 1	102/13-19-016-17W4	ABBT0900019	Hays Terminal	100/09-24-01-
To Facility: Peace Pipeline (1 item)											
<input type="checkbox"/>		A2403-05480	1590.0	Crude Oil	MSO	Accepted	Amoco Kaybob Triassic Unit ...	100/03-24-062-20W5	ABBT5140017	Peace Pipeline	100/13-07-06-
To Facility: Pembina Swan Hills Pipeline (2 items)											
<input type="checkbox"/>		A2403-05481R1	967.5	Crude Oil	CRD	Accepted	Pci Swan Hills Bty 10-32	102/10-32-067-09W5	ABBT8870076	Pembina Swan Hills Pipeline	100/02-09-05-
<input type="checkbox"/>		A2403-05479R2	1042.6	Crude Oil	CRD	Accepted	South Swan Hills Blending F...	100/03-19-065-10W5	ABTM0089085	Pembina Swan Hills Pipeline	100/02-09-05-
To Facility: West Drumheller Terminal (1 item)											
<input type="checkbox"/>		A2403-02905	185.0	Crude Oil	CRD	Accepted	Tarragon Jumpbush 14-13	100/14-13-020-20W4	ABBT5060001	West Drumheller Terminal	100/11-01-03-

- Home
- Dashboard
- Operational Notifications
- Crude Oil Transportation System (COTS)
- Form As & Splits
- Form Bs
- Working Interest Splits
- Non-Operated Working Interests
- Volumetrics
- Liquids Transportation System (LTS)
- Raw Gas Form As
- Liquids Producer Splits
- Volumetric Reports (PDX)
- Producer Feedback Reports
- Producer Activity Reports
- Truck Tickets

This is Exhibit "B" referred to in the Affidavit #3 of Doug Bailey
sworn before me this 6th day of March, 2024.

A handwritten signature in black ink, appearing to read 'Lindsay Nguyen', is written over a solid horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

Lindsay Nguyen
Student-At-Law

- Save
- Revise
- Template
- Print
- Email
- History
- Guidelines
- Ext. Email

Forecast Volumes

Delivery Details

Contact Details

Forecast Volumes

Associated Files

Comments

Forecast Volumes (Editing 1 of 2)

+ Shipper
✗ Delete
🖨 WIO Splits
🔗 Help

Shipper ^	Code	Crude Oil	Seg. Cond.	Total	WIO		
Crown (APMC)	OPMC	430.0		430.0	✓	📄	▶
Shell Trading Canada	A0DD	1160.0		1160.0	✓	📄	▶
		1590.0	0.0	1590.0			

Shipper:

Shipper Code:

Crude Oil:

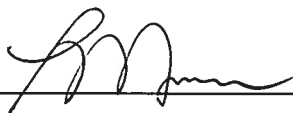
Seg Cond:

Forecast Total (m3):

Comments

\$445.60	1,827.4	1,590.0
Par Price (Medium)	COLC Capability	Total

This is Exhibit "C" referred to in the Affidavit #3 of Doug Bailey
sworn before me this 6th day of March, 2024.

A handwritten signature in black ink, appearing to read 'Lindsay Nguyen', written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

Lindsay Nguyen
Student-At-Law

Forecast Volumes

- Save
- Revise
- Template
- Print
- Email
- History
- Guidelines
- Ext. Email

- Delivery Details
- Contact Details
- Forecast Volumes
- Associated Files
- Comments

NOTE Deviation Explanation [Show Details](#)

Forecast Volumes (Editing 1 of 3)

- + Shipper
- ✖ Delete
- 🖨 WIO Splits
- 🔗 Help

Shipper ^	Code	Crude Oil	Seg. Cond.	Total WIO		
Canada Imperial Oil Limited	A6KB	557.5		557.5	✔	▶
Crown (APMC)	0PMC	220.0		220.0	✔	▶
Trafigura Canada Limited	A8M5	190.0		190.0	✔	▶
		967.5	0.0	967.5		

Shipper:

Shipper Code:

Crude Oil:

Seg Cond:

Forecast Total (m3):

Comments:

\$496.51 | 1,395.8 | 967.5
 Par Price (Light) | COLC Capability | Total

This is Exhibit "D" referred to in the Affidavit #3 of Doug Bailey
sworn before me this 6th day of March, 2024.

A handwritten signature in black ink, appearing to read 'Lindsay Nguyen', written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

Lindsay Nguyen
Student-At-Law

Forecast Volumes

- Save
- Revise
- Template
- Print
- Email
- History
- Guidelines
- Ext. Email

Delivery Details

Contact Details

Forecast Volumes

Associated Files

Comments

Forecast Volumes (Editing 1 of 3)

Shipper ^	Code	Crude Oil	Seg. Cond.	Total	WIO		
Canada Imperial Oil Limited	A6KB	757.8		757.8	✓		▶
Crown (APMC)	OPMC	285.0		285.0	✓		▶
Trafigura Canada Limited	A8M5	0.0	0.0	0.0	✓		▶
		1042.8	0.0	1042.8			

Shipper:

 Shipper Code:

 Crude Oil:

 Seg Cond:

 Forecast Total (m3):

Comments

\$496.51	2,801.3	1,042.8
Par Price (Light)	COLC Capability	Total