

Osler, Hoskin & Harcourt LLP  
Suite 2500, TransCanada Tower  
450 – 1<sup>st</sup> Street S.W.  
Calgary, Alberta, Canada T2P 5H1  
403.260.7000 MAIN  
403.260.7024 FACSIMILE

OSLER

Calgary

August 28, 2018

Toronto

Randal Van de Mosselaer  
Direct Dial: 403.260.7060  
[rvandemosselaer@osler.com](mailto:rvandemosselaer@osler.com)  
Out Matter No. 1184923

Montréal

Ottawa

**SENT BY ELECTRONIC MAIL ([Keely.Cameron@aer.ca](mailto:Keely.Cameron@aer.ca))**

Vancouver

Alberta Energy Regulator  
Suite 1000, 250 – 5th Street SW  
Calgary, Alberta T2P 0R4

New York

Attention: Keely Cameron

Dear Sir:

**Re: Renunciation of certain assets by FTI Consulting Canada Inc. (“FTI”) in its capacity as Court Appointed Receiver of Scollard Energy Inc. (“Scollard”)**

We refer to our letter of June 13, 2018, your email of June 18, 2018, and our subsequent telephone call of July 30, 2018. Capitalized terms used in this letter and not otherwise defined shall have the same meaning as in our June 13, 2018 letter.

In your June 18, 2018 email and during our July 30, 2018 telephone conversation you had sought the Receiver’s position with respect to various Scollard pipelines and facilities, and had also sought certain information with respect to Scollard remaining assets. We are pleased herewith to provide the requested information.

Facilities

Enclosed herewith as Schedule “A” is a list of 26 facilities licensed to Scollard as per AER’s records. As we indicated during our July 30 telephone conversation, some of these facilities would be included in sales transactions to third parties which have been approved by the Court. (Details of those sales can be found in the Receiver’s Report which can be found on its web site: <http://cfcanada.fticonsulting.com/Scollard>.)

Enclosed herewith as Schedule “B” is a list of 33 facilities which, according to Scollard’s records, are the Scollard-licensed facilities. This list contains all of the facilities shown on Schedule “A”, as well as 7 additional facilities. (The discrepancy between Schedule “A” and Schedule “B” is explained by the fact that Schedule “A” does not include five abandoned facilities and two facilities which were sold through the Receivership process.)

Accordingly, of the facilities listed in both Schedule “A” and Schedule “B”, the Receiver is only concerned with those 12 facilities identified on Schedule “B” with a “Disclaim” comment under the “Receiver’s Comments” column on the right side of the listing (the

“Remaining Facilities”). Accordingly, the Receiver does hereby, effective immediately, and in accordance with, *inter alia*, the Receiver’s authority at law, including under section 14.06(4)(c), of the *Bankruptcy and Insolvency Act* (Canada), give notice to the AER that it has abandoned, renounced, disposed of and released any and all interests which Scollard had as at the date of the Receiver’s appointment in those Remaining Facilities.

## Pipelines

Enclosed as Schedule “C” is a list of 65 pipelines licensed to Scollard as per AER’s records. As we indicated during our July 30 telephone conversation, some of these pipelines would have been included in sales transactions to third parties which have been approved by the Court.

Enclosed as Schedule “D” is a list of 65 pipeline licenses according to Scollard’s records, with details on various lines associated with each license (where applicable). In some cases, purchasers were assigned only certain lines associated with a license, while Scollard retained other lines associated with that same license. (For example, Avila purchased lines 1, 2 and 3 associated with license P40065, but lines 4 and 6 associated with license remained with the Scollard estate.) In such a case, the Receiver has no authority to and does not purport hereby to disclaim any interest in a license to the extent that such license and the associated line have been transferred to a third party. The only pipelines with which the Receiver is concerned are those lines and licenses (to the extent the license is associated with such lines) identified on Schedule “D” with a “Disclaim” comment under the “Receiver’s Comments” column on the right side of the listing (the “Remaining Pipelines”).

Accordingly, the Receiver does hereby, effective immediately, and in accordance with, *inter alia*, the Receiver’s authority at law, including under section 14.06(4)(c), of the *Bankruptcy and Insolvency Act* (Canada), give notice to the AER that it has abandoned, renounced, disposed of and released any and all interests which Scollard had as at the date of the Receiver’s appointment in those Remaining Pipelines.

## Working Interest Partners

Unfortunately there does not appear to be an efficient method by which the Receiver is able to provide you with a list of the working interest partners on the Remaining Facilities and the Remaining Pipelines. We believe that the AER has access to such information in the abstracts for the Remaining Facilities and Remaining Pipelines.

## Known Issues

There are no known issues on any of the Remaining Facilities or Remaining Pipelines.

## Contact Information for Scollard Operator

As requested, the contact information for Scollard's Operator is as follows:

Doug Anderson  
403-845-4180 – Office  
403-844-1200 – Cell  
Energy Optimization Services  
[dranderson1@xplornet.com](mailto:dranderson1@xplornet.com)

## Non-operated Properties

The various properties in which Scollard held a non-operated working interest are listed in the well abstract attached hereto as Schedule "E". The Receiver does hereby, effective immediately, and in accordance with, *inter alia*, the Receiver's authority at law, including under section 14.06(4)(c), of the *Bankruptcy and Insolvency Act (Canada)*, give notice to the AER that it has abandoned, renounced, disposed of and released any and all interests which Scollard had as at the date of the Receiver's appointment in these non-operated working interests, to the extent that the Receiver has not sold those interests to a third party.

We have copied both the OWA and Alberta Energy on this letter for their information and files.

We trust the foregoing is satisfactory but would invite you to contact the writer if you should require anything further.

Yours truly,



for Randal Van de Mosselaer  
RSV:ep

cc: Receiver

Orphan Well Association  
Attn: Lars De Pauw, M.Sc., P.Eng., Executive Director  
[lars.depauw@orphanwell.ca](mailto:lars.depauw@orphanwell.ca)

Alberta Justice and Solicitor General  
Attn: Piyush (Peter) Mittal  
[peter.mittal@gov.ab.ca](mailto:peter.mittal@gov.ab.ca)