

COURT FILE NUMBER: 2101-05019

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

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

AND IN THE MATTER OF THE COMPROMISE OR
ARRANGEMENT OF COALSPUR MINES (OPERATIONS)
LTD.

DOCUMENT: **AFFIDAVIT OF JAMES MURPHY**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

OSLER, HOSKIN & HARCOURT LLP
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File Number: 1217428

AFFIDAVIT OF JAMES MURPHY

SWORN AUGUST 2, 2021

I, James Murphy, of the City of Saint Louis, in the State of Missouri, **MAKE OATH
AND SAY THAT:**

1. I am the Chief Financial Officer (“CFO”) of Vista Energy Holdings LLC (“**VE Holdings**”), the parent corporation of Coalspur Mines (Operations) Ltd. (“**Coalspur**”). I have been CFO of VE Holdings since April 2021. As CFO of VE Holdings, I am responsible for overseeing, among other things, all financial planning and analysis, accounting, all tax, treasury and financial reporting, and all day-to-day financial management of Coalspur and the other subsidiaries of VE Holdings. Prior to my role at VE Holdings, I served as Senior Vice President and Chief Accounting Officer at Vista Energy Resources LLC (a related company to VE Holdings) and Senior Vice

President and Chief Accounting Officer at Foresight Energy LP, an Illinois Basin coal producer. I have held several other finance positions at Arch Coal Inc. and Deloitte & Touche LLP. I hold a Bachelor of Science in Accounting from the University of Missouri – Saint Louis, and am a Certified Public Accountant in the State of Missouri.

2. As such, I have personal knowledge of the matters to which I depose in this Affidavit, except where such matters are stated to be based on information and belief, in which case I have stated the source of my information and, in all such cases, I believe such information to be true.

3. Capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Claims Process (as defined below).

4. I swear this Affidavit in support of an application by Coalspur for an order (the “**Claims Process Order**”):

- (a) approving a claims process substantially in the form attached as Schedule “A” to the proposed Claims Process Order for the identification, quantification, and resolution of Claims (as defined in the Claims Process) as against Coalspur and its Directors and Officers (the “**Claims Process**”);
- (b) authorizing Coalspur and FTI Consulting Canada Inc. (the “**Monitor**”) to perform their respective obligations under the Claims Process;
- (c) establishing the Claims Bar Date and the Subsequent Claims Bar Date (as defined below); and
- (d) such further and other relief as counsel may request and this Honourable Court may grant.



A. Background

5. On April 26, 2021 (“**Filing Date**”), Coalspur obtained protection from its creditors under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36 (the “**CCAA**”) pursuant to an Initial Order of this Court (the “**Initial Order**”). The Initial Order was amended and restated and the Amended and Restated Initial Order was granted on May 6, 2021.

6. Coalspur, in consultation with the Monitor and significant stakeholders, is in the process of developing a plan of compromise or arrangement to be voted on by its creditors.

7. In order to determine the amount, status and validity of claims against Coalspur for voting and distribution purposes, Coalspur has developed the Claims Process attached as Schedule “A” to the proposed Claims Process Order to allow for the submission, evaluation and adjudication of claims against it. The Claims Process was developed in consultation with, and is supported by, the Monitor. An overview of the Claims Process is discussed below.

B. Claims Process

(a) *Claims and Noticing*

8. As set out in greater detail in the proposed Claims Process, Coalspur is soliciting the following Claims:

- (a) *Pre-Filing Claims*: any right or claim of any Person against Coalspur and/or its current or former Directors and Officers in connection with any indebtedness, liability or obligation of any kind whatsoever that arose prior to the Filing Date; and



- (b) *Subsequent Claims*: any right or claim of any Person against Coalspur and/or its current or former Directors and Officers which arose after the Filing Date as a result of the disclaimer or resiliation of any contract, lease, employment agreement or other arrangement or agreement by Coalspur after the Filing Date.

9. The following Claims are “Excluded Claims” under the Claims Process and are excluded from its scope:

- (a) any Claim entitled to the benefit of a charge under the Initial Order or otherwise granted by the Court within these CCAA Proceedings;
- (b) any Claim of a current or former Director or Officer of Coalspur for indemnification from Coalspur in relation to a Claim asserted against such Director or Officer under the Claims Process;
- (c) any obligation owed or owing by Coalspur to any Regulator, excluding Royalties; and
- (d) the Claims enumerated in sections 5.1(2) and 19(2) of the CCAA.

10. The proposed Claims Process requires the Monitor to send a letter advising of the Claims Process Order and Claims Process set out therein, and enclosing a Proof of Claim and related instruction letter, to each Creditor listed in Coalspur’s book and records as owed money by Coalspur as at the Filing Date, which obligation remain unpaid in whole or in part (the “**Known Creditors**”).

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11. In addition to the provision of notice to all Known Creditors, in order to ensure that all Persons holding or wishing to assert a Claim against Coalspur receive notice of the Claims Process, the proposed Claims Process Order requires the Monitor to:

- (a) cause the Notice to Creditors to be published in the Globe and Mail, the Calgary Herald, the Edmonton Journal and the Hinton Voice on or prior to August 16, 2021; and
- (b) cause the Claims Package to be posted forthwith after the granting of the Claims Process Order on the Monitor's Website and uploaded to the online filesite established by the Monitor in these CCAA proceedings and hosted on the canada.caselines.com website.

(b) *Claims Bar Dates*

12. Coalspur proposes that any Creditor asserting a Pre-Filing Claim be required to deliver the applicable Proof of Claim form with Coalspur and the Monitor by 5:00 p.m. local time in Calgary, Alberta on September 23, 2021 (the "**Claims Bar Date**").

13. Coalspur proposes that any Person asserting a Subsequent Claim be required to deliver the applicable Proof of Claim form with Coalspur and the Monitor before the later of: (a) 5:00 p.m. local time in Calgary, Alberta on the date which is 15 days after the date on which the agreement in question was disclaimed or resiliated; or (b) the Claims Bar Date (the "**Subsequent Claims Bar Date**").

14. The Claims Bar Date and the Subsequent Claims Bar Date were selected by Coalspur in consultation with the Monitor. Coalspur believes that the Claims Bar Date and the Subsequent Claims Bar Date are reasonable in that they provide sufficient time for potential Creditors to



receive notice of the Claims Process, evaluate any Claims they may have against Coalspur and/or its former or current Directors and Officers, and submit a Proof of Claim in respect of same.

15. The proposed Claims Process Order provides that any Creditor that does not submit a Proof of Claim by the Claims Bar Date or Subsequent Claims Bar Date, as applicable, is: (a) forever barred, estopped and enjoined from asserting or enforcing such Claim against Coalspur and its former or current Directors and Officers; (ii) not permitted to vote at any Meeting on account of such Claim; (iii) not entitled to receive further notice with respect to the Claims Process or these CCAA proceedings with respect to such Claim; and (iv) not permitted to participate in any distributions under any Plan or otherwise on account of such Claim.

(c) *Adjudication of Claims*

16. The Monitor and Coalspur will review each Proof of Claim received by the Claims Bar Date or the Subsequent Claims Bar Date, as applicable. The Monitor, in consultation with Coalspur, will either accept, revise or disallow each Claim. If the Monitor, in consultation with Coalspur, accepts a Claim as specified in a Proof of Claim, the Claim will be a Proven Claim for voting and distribution purposes.

17. If the Monitor, in consultation with Coalspur, determines to revise or disallow a Claim, the Monitor will send a Notice of Revision or Disallowance to the applicable Creditor specifying the details of, and basis for, the revision or disallowance. Any Creditor that wishes to dispute the classification or amount of its Claim as set forth in a Notice of Revision or Disallowance must, by no later than 5:00 p.m. local time in Calgary on the day that is ten (10) Business Days after the date on which the Notice of Revisions or Disallowance is deemed to be received under the Claims Process Order:



- (a) deliver a Notice of Dispute to the Monitor and the Applicant; and
- (b) file and serve an application with the Court supported by an affidavit setting out the basis for the dispute, which application must be returnable within thirty (30) days, or such further or other date as the Court may direct or the Monitor, in consultation with Coalspur, may agree.

18. Any Creditor who fails to deliver a Notice of Dispute and file an application with the Court in accordance with the deadlines set out above will be deemed to accept the classification and amount of its Claim as set out in the applicable Notice of Revision or Disallowance.

19. Either prior to sending a Notice of Revision or Disallowance to a Creditor, or upon receipt of a Notice of Dispute, the Monitor may, in consultation with Coalspur, attempt to consensually resolve the classification and/or amount of a Claim with a Creditor. Any revised Claim submitted by the applicable Creditor reflecting a consensual resolution of the Claim will constitute a Proven Claim for all purposes.

(d) *Summary of Claims Process*

20. As discussed in further detail above and in the Claims Process, key dates for the proposed Claims Process are as follows:

Timeframe	Activity
August 9, 2021	Application for approval of Claims Process Order
August 9-10, 2021	Claims Package posted to Monitor's Website and CaseLines Filesite
August 13, 2021	Claims Package sent to Known Creditors
August 16, 2021	Notice to Creditors published in newspapers



Timeframe	Activity
September 23, 2021	Claims Bar Date
September 23, 2021 or 20 days after the date on which the agreement in question was disclaimed or resiliated	Subsequent Claims Bar Date

21. Coalspur is of the view that the proposed Claims Process is fair and reasonable in the circumstances, appropriately balances competing views, and will facilitate the determination of Claims against Coalspur in a fair, comprehensive, and expeditious manner.

22. The deponent was not physically present before the commissioner, but was linked with the commissioner utilizing video technology and the process described in the *Notice to the Profession and Public: Remote Commissioning of Affidavits for Use in Civil and Family Proceedings During the COVID-19 Pandemic* was utilized.

SWORN BEFORE ME at the City of Calgary, in the Province of Alberta, this 2nd day of August, 2021.

Commissioner for Oaths in and for the Province of Alberta



James Murphy



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B. Claims Process

(a) Claims and Noticing

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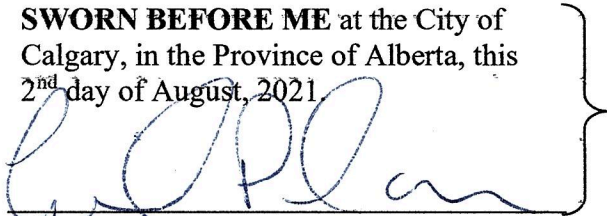
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SWORN BEFORE ME at the City of Calgary, in the Province of Alberta, this 2nd day of August, 2021.



Commissioner for Oaths in and for the Province of Alberta

Emily Poplawski
Barrister and Solicitor

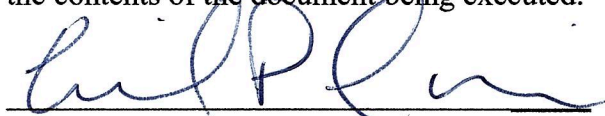
James Murphy



Certificate of Execution

1. I, Emily Paplawski, being a Commissioner for Oaths in and for the Province of Alberta:
 - a. witnessed the signature of James Murphy named in the attached Affidavit, in a single session during which I was able at all times to see and hear the person swearing the Affidavit by two-way videoconferencing;
 - b. saw James Murphy, who, on the basis of the government-issued photo identification shown to me, I reasonably believe to be the person named in the Affidavit, duly sign and execute the Affidavit;
 - c. am reasonably satisfied that this process was necessary because it was impossible or unsafe, for medical reasons, for James Murphy and I to be physically present together; and
 - d. have complied with the requirements established by the Law Society of Alberta with respect to this type of witnessing in effect at the date of the Affidavit.
2. The Affidavit was signed at the City of Calgary, in the Province of Alberta, and I am the subscribing witness thereto.
3. I believe that the person whose signature I witnessed is at least eighteen (18) years of age.
4. I am executing this document separate and apart from any other person.

SWORN BEFORE ME, a Commissioner for Oaths in and for the Province of Alberta, at the City of Calgary, in the Province of Alberta, by two-way videoconferencing with the deponent, who was at the City of Saint Louis, in the State of Missouri this 2nd day of August, 2021, on the basis of evidence provided to me that enabled me to verify the deponent's identity and confirm the contents of the document being executed.



A Commissioner for Oaths in and for Alberta