

Form 3-9
(Rule 3-9)

COURT FILE NUMBER Q.B. No. ⁶⁸¹ of 2015

COURT OF QUEEN'S BENCH FOR SASKATCHEWAN

JUDICIAL CENTRE SASKATOON

PLAINTIFF BAKER HUGHES CANADA COMPANY

DEFENDANTS COAST RESOURCES LTD., DEVON CANADA
CORPORATION, WILLIAM JOSEPH HOLTON, DONNA
LYNN HOLTON, PENN WEST PETROLEUM LTD.,
NORTHERN BLIZZARD RESOURCES INC., CRU WELL
SERVICING LTD., ROUNDED ENERGY SERVICES LTD.,
NATIONAL BANK OF CANADA, TRICAN PARTNERSHIP,
and CAL-GAS INC.,

NOTICE TO DEFENDANT

1. The Plaintiff may enter judgment in accordance with this Statement of Claim or the judgment that may be granted pursuant to *The Queen's Bench Rules* unless, in accordance with paragraph 2, you:
 - (a) serve a Statement of Defence on the Plaintiff; and
 - (b) file a copy of it in the office of the Local Registrar of the Court for the Judicial Centre named above.
2. The Statement of Defence must be served and filed within the following period of days after you are served with the Statement of Claim (excluding the day of service):
 - (a) 20 days if you were served in Saskatchewan;
 - (b) 30 days if you were served elsewhere in Canada or in the United States of America;
 - (c) 40 days if you were served outside Canada and the United States of America.
3. In many cases a Defendant may have the trial of the action held at a Judicial Centre other than the one at which the Statement of Claim is issued. Every Defendant should consult a lawyer as to his or her rights.
4. This Statement of Claim is to be served within 6 months from the date on which it is issued.

5. This Statement of Claim is issued at the above-named Judicial Centre on the 27th day of May, 2015.

seal
V. GROFF
DEPUTY LOCAL REGISTRAR

Local Registrar

STATEMENT OF CLAIM

1. The Plaintiff, Baker Hughes Canada Company (“**Baker**”), is a body corporate incorporated pursuant to the laws of the Province of Nova Scotia, and extra-provincially registered in the Province of Saskatchewan to carry on business in said Province.
2. So far as is known to Baker, the Defendant Coast Resources Ltd. (“**Coast**”) is a body corporate incorporated pursuant to the laws of the Province of Saskatchewan, and carrying on business in said Province.
3. So far as is known to Baker, the Defendant Devon Canada Corporation (“**Devon**”), is a corporation incorporated pursuant to the laws of Alberta. Devon is named as a Defendant in this action, pursuant to section 88(2) of the *Builders Lien Act*, and for no other purpose.
4. So far as is known to Baker, William Joseph Holton And Donna Lynn Holton (the “**Holtons**”) are individuals resident in the Province of Saskatchewan. The Holtons are named as Defendants in this action, pursuant to section 88(2) of the *Builders Lien Act*, and for no other purpose.
5. So far as is known to Baker, Penn West Petroleum Ltd (“**Penn West**”) is a corporation incorporated pursuant to the laws of Alberta. Penn West is named as a Defendant in this action, pursuant to section 88(2) of the *Builders Lien Act*, as a party with registered security interests on the Lands (as described below) and for no other purpose.
6. So far as is known to Baker, Northern Blizzard Resources Inc. (“**Blizzard**”) is a corporation incorporated pursuant to the laws of Alberta. Blizzard is named as a Defendant in this action, pursuant to section 88(2) of the *Builders Lien Act*, as a party with registered security interests on the Lands (as described below) and for no other purpose.
7. So far as is known to Baker, Cru Well Servicing Ltd. (“**Cru**”) is a corporation incorporated pursuant to the laws of Saskatchewan. Cru is named as a Defendant in this action, pursuant to section 88(2) of the *Builders Lien Act*, as a party with registered security interests on the Lands (as described below) and for no other purpose.

8. So far as is known to Baker, Rounded Energy Services Ltd. ("**Rounded**") is a corporation incorporated pursuant to the law of Saskatchewan. Rounded is named as a Defendant in this action, pursuant to section 88(2) of the *Builders Lien Act*, as a party with registered security interests on the Lands (as described below) and for no other purpose.
9. So far as is known to Baker, National Bank Of Canada ("**National Bank**") is a federal corporation, extra-provincially registered and carrying on business in Alberta. National Bank is named as a Defendant in this action, pursuant to section 88(2) of the *Builders Lien Act*, as a party with registered security interests on the Lands (as described below) and for no other purpose.
10. So far as is known to Baker, Trican Partnership ("**Trican**") is a corporation incorporated pursuant to the laws of Alberta. Trican is named as a Defendant in this action, pursuant to section 88(2) of the *Builders Lien Act*, as a party with registered security interests on the Lands (as described below) and for no other purpose.
11. So far as is known to Baker, Cal-Gas Inc. ("**Cal-Gas**") is a corporation incorporated pursuant to the laws of Alberta. Cal-Gas is named as a Defendant in this action, pursuant to section 88(2) of the *Builders Lien Act*, as a party with registered security interests on the Lands (as described below) and for no other purpose.

Contract with Coast

12. At all material times hereto Baker was providing services as an oil field equipment supplier, supplying goods and services to Coast in relation to Coast' oil and gas operations.
13. Beginning in or about April 2013, Coast requested that Baker supply Coast with oil-field services and equipment. Baker agreed to do so in consideration of which Coast agreed to pay for such services (the "**Contract**").
14. The terms of the Contract, express or implied, included but are not limited to the following:
 - a. Coast would promptly render payment as and when invoices were issued by Baker;

- b. in accordance with industry standards, payment was due 30 days following receipt of any invoice;
- c. interest would be charged on overdue payments at a rate of 10% per annum, or in the alternative, in accordance with industry standards, at a rate of 24% per annum calculated monthly; and
- d. such further and other terms of the Contract as may be proven at the trial of this action.

15. In accordance with the terms of the Contract, Baker submitted a number of invoices for services rendered and equipment delivered at the instruction of Coast:

<u>Date</u>	<u>Invoice #</u>	<u>Amount</u>
August 13, 2013	0903528521	\$4,809.20
August 21, 2013	0903560219	\$290.00
August 27, 2013	0903580701	\$11,745.80
October 16, 2013	0903778251	\$5,379.01
October 18, 2013	0903788237	\$4,867.50
October 21, 2013	0903792647	\$317.50
October 31, 2013	0903848628	\$6,022.50
November 20, 2013	0903915449	\$290.00
November 28, 2013	0903792647	\$(27.50)

(Hereinafter, collectively the "Invoices")

- 16. The amounts currently owing on the Invoices totals \$33,694.01 (the "Debt"), all of which is a just debt due and payable.
- 17. Baker has repeatedly demanded payment for the Debt, but Coast has neglected, refused, or omitted to pay.

18. Coast' failure to pay the Debt in full is a breach of contract and Baker has suffered damages as a result in the amount of the Debt.
19. In the alternative, Baker has provided goods and services to Coast which goods and services have value and Baker is entitled to reasonable compensation for same. Baker pleads and relies upon the doctrine of *quantum meruit*.

Builder's Lien

20. Devon is the registered owner of all mines and minerals on Certificate of Title 98MW14435G in Mineral Parcel #146053773, Land Description SE-21-35-25-W3. Coast entered into a Petroleum and Natural Gas Lease with Devon on September 10, 2009 (hereinafter referred to as "**Land 1**").
21. The Holton's are the registered owners of Surface Parcel #118620097, Certificate of Title 97S42190, Land Description SE-21-35-25-W3. Coast entered into a lease with the Holtons on February 22, 2010 (hereinafter referred to as "**Land 2**").
22. Land 1 and Land 2 are hereinafter collectively referred to as the "**Lands**".
23. With respect to a portion of the goods or services detailed in the Invoices, Baker provided said goods and services in connection with the drilling and servicing of oil and/or gas wells on the Lands (the "**Work**").
24. Baker's Work on the Lands was furnished in connection with the recovery of oil or natural gas, or both, from the Land, and accordingly attaches to all estates and interests in the mines and minerals. The Work with respect to the liens, discussed below, was last provided on November 28, 2013.
25. By virtue of supplying said work to the Lands, the Lands were improved by at least the value of the work. Baker became entitled to valid builders' liens on the Lands (the "**Liens**"), which liens were registered with the Province of Saskatchewan Land Titles Registry as follows:

Land No.	Date	Amount	Interest No.
Land 1	April 24, 2014	\$33,694.01	166750476
Land 2	April 24, 2014	\$33,694.01	166750397

26. Baker pleads the provisions of the *Builders' Lien Act*, SS 1984-85-86, c B-7.1, and its regulations, as amended.

27. The Plaintiff proposes that the Trial of this action be held at the Court House, in the City of Saskatoon.

Remedy sought:

28. Wherefore the Plaintiff Baker Hughes Canada Company claims from and against the Defendant Coast Resources Ltd.:

- a. Judgment against Coast Resources Ltd. in the sum of \$33,694.01;
- b. Judgment for interest on the sum of \$33,694.01, at the rate of the contractual rate of 10% annum, or alternatively interest pursuant to the *Pre-Judgment Interest Act*, SS 1984-85-86, c P-22.2;
- c. Such further and other relief as the Plaintiff may be entitled under the *Builders' Lien Act*, SS 1984-85-86, c B-7.1;
- d. Costs of this action on a solicitor and its own client basis, or alternatively, costs of this action pursuant to the *Queen's Bench Rules*; and
- e. Such further and other relief as this Honourable Court determines

DATED at Saskatoon in the Province of Saskatchewan, this 27th day of May, 2015.

DLA PIPER (CANADA) LLP

Per: 

Solicitors for the Plaintiff,
Baker Hughes Canada Company

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