

COURT FILE NO. 2301-16371

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF CANADIAN WESTERN BANK

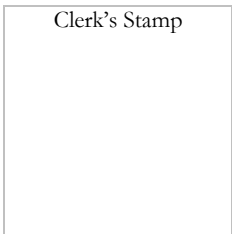
DEFENDANTS WOLVERINE ENERGY AND INFRASTRUCTURE INC., WOLVERINE EQUIPMENT INC., WOLVERINE CONSTRUCTION INC., WOLVERINE MANAGEMENT SERVICES INC., HD NORTHERN EQUIPMENT SALES AND RENTALS INC., HD ENERGY RENTALS LTD., BHW EMPLOYMENT SERVICES INC., FLO-BACK EQUIPMENT INC., LIBERTY ENERGY SERVICES LTD., WESTERN CANADIAN MULCHING LTD. and WOLVERINE GROUP INC.

APPLICANT FTI CONSULTING CANADA INC. in its capacity as Court-appointed Receiver and Manager of the Debtors

DOCUMENT **APPLICATION
(Approval of SISP, Actions, Conduct and Activities of Receiver, Sale of Surplus Assets, Return of Equipment and Restricted Court Access Order)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1

Attention: Kyle Kashuba
Telephone No.: 403.776.3744
Fax No.: 403.776.3800
File No.: 39586-2007



NOTICE TO RESPONDENT(S):

This Application is made against you. You are a Respondent.

You have the right to state your side of this matter before the Master/Justice.

To do so, you must be in Court when the Application is heard as shown below:

Date:	Tuesday, January 23, 2024
Time:	3:00 p.m.
Where:	Calgary Courts Centre, via Webex videoconference
Before Whom:	Mr. Justice P.R. Jeffrey

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. Abridging, if necessary, the time for service of this Application and deeming service to be good and sufficient.
2. An Order in substantially the same form as that attached as Schedule “A” to this Application, providing the following relief:
 - 2.1 declaring that the time for service of the within Application and supporting materials be abridged if necessary, that the Application is properly returnable on the scheduled date and that service of the Application on the service list attached hereto as Schedule “A” is validated and deemed to be good and sufficient, and that further service of the Application be dispensed with;
 - 2.2 approving the previously undertaken and proposed go-forward actions, conduct and activities of the Receiver, and those of the Receiver’s legal counsel, as set out and described in the first report of the Receiver dated January 15, 2024 (the “**First Report**”), including the Sale and Investment Solicitation Process (the “**SISP**”) as described therein;
 - 2.3 approving the Receiver’s request to sell specific assets of the Debtors, individually or in aggregate, in excess of the limitations set forth in the Receivership Order (the “**Surplus Assets**”); and
 - 2.4 providing the Court’s directions regarding the immediate return of certain Equipment (as defined below) by Lefley Honey Company Ltd. (“**Lefley**”) to the Receiver.

3. An Order in substantially the same form as that attached as Schedule “B” to this Application, sealing Confidential Appendix “C” (the “**Confidential Appendix**”) to the First Report, on the Court record.
4. Such further and other relief, advice and directions as counsel may advise and this Honourable Court may deem just and appropriate.

Grounds for making this Application:

Approval of SISP, and Actions, Conduct and Activities of the Receiver

5. Pursuant to a Consent Receivership Order granted on December 8, 2023, as amended on December 22, 2023 (the “**Receivership Order**”), FTI Consulting Canada Inc. was appointed as the receiver and manager (the “**Receiver**”) of the assets, properties and undertakings (collectively, the “**Property**”) of Wolverine Energy and Infrastructure Inc., Wolverine Equipment Inc., Wolverine Construction Inc., HD Energy Rentals Ltd., BHW Employment Services Inc., Flo-Back Equipment Inc., Liberty Energy Services Ltd. and Western Canadian Mulching Ltd. (collectively, the “**Debtors**”).
6. The efforts of the Receiver in relation to the matters discussed and set out in the First Report, including, without limitation, in relation to the Receiver’s efforts made in connection with the currently ongoing SISP respecting certain Property of certain of the Debtors as set out in the First Report, have been or will be duly undertaken as part of the Receiver’s Court-ordered mandate in these proceedings.
7. All of the actions, conduct and activities of the Receiver and its legal counsel during the course of the administration of the within proceedings as reported in the First Report, including with respect to the ongoing SISP, have been reasonable and necessary, and have been validly undertaken in connection with the Receiver’s mandate and obligations in relation to the Debtors’ Property.

Sale of Surplus Assets

8. Pursuant to the Receivership Order, and in particular paragraph 3(l)(ii) of same, the Receiver is authorized to sell, convey, transfer, lease or assign Property or any part or parts thereof out of the ordinary course of business without the approval of this Honourable Court as

long as the transaction individually does not exceed \$250,000 and in aggregate, and the consideration of all such transactions does not exceed \$1.5 million.

9. The Receiver, in consultation with the Debtors' Management, has identified a listing of surplus assets (the "**Surplus Assets**") that are not needed for ongoing operations and, if sold individually, will not detract from the overall recovery of the assets and Property included in the SISP. A listing of the Surplus Assets, including sensitive pricing information in relation to same, is included in Confidential Appendix "C" to the First Report (the "**Confidential Appendix**").
10. The Receiver is seeking authorization from this Honourable Court to enter into sale transactions with respect to the Surplus Assets, to market and sell these assets if offers are received that are in excess of a minimum price. This will serve to vitiate the need for numerous appearances before the Court to have these Surplus Assets sale transactions approved, in the most efficient manner possible.
11. Canadian Western Bank, and Fiera Private Debt Fund V LP and Fiera Private Debt Fund VI LP, as secured lenders (the "**Secured Lenders**") to the Debtors, approve of this sale strategy.

Return of Equipment

12. Upon its appointment, the Receiver came to be aware of a certain party, Lefley, that was and continues to be in possession of two certain pieces of equipment (the "**Equipment**") owned by the Debtors.
13. The Receiver contacted Lefley, and subsequently was in contact with Lefley's legal counsel, to demand the return of the Equipment, in accordance with the terms of the Receivership Order. On December 29, 2023, counsel to the Receiver wrote to counsel to Lefley, to demand the return of the Equipment, failing which an Application would be brought by the Receiver to compel the return of the said Equipment, and that costs would be sought. No response was received to this correspondence.
14. Despite the requests and demands by the Receiver and its counsel, the Equipment remains in the possession of Lefley.

15. An Order compelling the immediate return of the Equipment to the Receiver, by Lefley, on a with costs basis, is reasonable, necessary and appropriate in light of the conduct of Lefley in the circumstances.

Restricted Court Access Order

16. The Confidential Appendix contains confidential information relating to the Surplus Assets, including their descriptions, pricing information and their estimated selling price. If the details of the Confidential Appendix and the assessment of value contained therein were disclosed publicly, such disclosure could materially prejudice the anticipated sale process in respect of these Surplus Assets.
17. The Restricted Court Access Order sought by the Receiver is as narrow as possible and only seeks to maintain the confidentiality of the Confidential Appendix and the commercially sensitive information contained therein. The scope of the proposed order is proportionate and restricted only to what is necessary to protect the Receiver's preliminary analysis and assumptions relied upon in relation thereto. There are no reasonable alternatives to a Restricted Court Access Order that will prevent the risks of disclosure. The benefits of the requested Restricted Court Access Order outweigh the risks.
18. The Secured Lenders approve the collective relief sought by the Receiver in this Application.
19. Such further and other grounds as counsel may advise and this Honourable Court may permit.

Material or evidence to be relied on:

20. All pleadings, proceedings, orders, affidavits, reports and other materials filed in in Alberta Court of King's Bench Action No. 2301-16371.
21. The First Report of the Receiver, filed.
22. The Confidential Appendix to the First Report of the Receiver.
23. The proposed forms of Orders attached as Schedule "A" and Schedule "B" to this Application.

24. The inherent jurisdiction of this Honourable Court to control its own process.
25. Such further and other material and evidence as counsel may advise and this Honourable Court may permit.

Applicable Rules:

26. Rules 1.2, 1.3, 3.2(2)(d), 3.8, 6.47(2) and (f), 11.27 and 13.5 of the *Alberta Rules of Court*, Alta Reg 124/2010.
27. Such further and other Rules as counsel may advise and that this Honourable Court may permit.

Applicable Acts and Regulations:

28. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, the *Judicature Act*, RSA 2000, c J-2, as amended, and such further and other Acts and Regulations as counsel may advise and that this Honourable Court may permit.
29. Such further and other Acts and regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

30. Not applicable.

How the Application is proposed to be heard or considered:

31. Oral submissions by counsel at an Application in Commercial List Chambers scheduled to be heard via Webex videoconference on Tuesday, January 23, 2024 at 3:00 p.m. before the Honourable Mr. Justice P.R. Jeffrey, of the Commercial List.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the Applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want

to take part in this Application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the Application is heard or considered, you must reply by giving reasonable notice of the material to the Applicant.

SCHEDULE "A"
Form of proposed Order
(Approval of SISP, Actions, Conduct and Activities of Receiver, Sale of Surplus Assets,
Return of Equipment)

Clerk's Stamp

COURT FILE NO. 2301-16371

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF CANADIAN WESTERN BANK

DEFENDANTS WOLVERINE ENERGY AND INFRASTRUCTURE INC., WOLVERINE EQUIPMENT INC., WOLVERINE CONSTRUCTION INC., WOLVERINE MANAGEMENT SERVICES INC., HD NORTHERN EQUIPMENT SALES AND RENTALS INC., HD ENERGY RENTALS LTD., BHW EMPLOYMENT SERVICES INC., FLO-BACK EQUIPMENT INC., LIBERTY ENERGY SERVICES LTD., WESTERN CANADIAN MULCHING LTD. and WOLVERINE GROUP INC.

APPLICANT FTI CONSULTING CANADA INC. in its capacity as Court-appointed Receiver and Manager of the Debtors

DOCUMENT **Order
(Approval of SISP, Actions, Conduct and Activities of Receiver, Sale of Surplus Assets, Return of Equipment)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1

Attention: Kyle Kashuba
Telephone No.: +1 403.776.3744
Fax No.: +1 403.776.3800
File No.: 39586-2007

DATE ON WHICH ORDER WAS PRONOUNCED: January 23, 2024

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Mr. Justice P.R. Jeffrey

LOCATION OF HEARING: Calgary Courts Centre, via Webex videoconference

UPON THE APPLICATION of FTI Consulting Canada Inc. in its capacity as the Court-appointed receiver and manager (the “**Receiver**”) of the assets, properties and undertakings (collectively, the “**Property**”) of Wolverine Energy and Infrastructure Inc., Wolverine Equipment Inc., Wolverine Construction Inc., HD Energy Rentals Ltd., BHW Employment Services Inc., Flo-Back Equipment Inc., Liberty Energy Services Ltd. and Western Canadian Mulching Ltd. (collectively, the “**Debtors**”); **AND UPON** having read the Application filed January 15, 2024 and the first report of the Receiver dated January 15, 2024 (the “**First Report**”), and Confidential Appendix “C” to same; **AND UPON** hearing from counsel to the Receiver, counsel to Canadian Western Bank, counsel to Fiera Private Debt Fund V LP and Fiera Private Debt Fund VI LP and from any other interested parties who may be present; **AND UPON** it appearing that all interested and affected parties have been served with notice of this Application;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of the notice of this Application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this Application, and the time for service of this Application is abridged to that actually given.
2. The Receiver’s actions, conduct and activities as set out in the First Report, are hereby approved. In particular, the Sale and Investment Solicitation Process that has been commenced by the Receiver in respect of certain Property of certain of the Debtors, as set out and described in the First Report, is hereby approved.
3. The Receiver’s request to sell specific assets, described and defined in the First Report and the Confidential Appendix (the “**Surplus Assets**”), in excess of the limitations set forth in the Consent Receivership Order granted on December 8, 2023, as amended, is hereby approved.
4. Lefley Honey Company Ltd. (“**Lefley**”) is hereby ordered and directed to, at their sole cost and expense and within 10 days of the date of this Order, deliver possession of the following equipment to the Receiver:
 - (a) a 2011 CMI Hurricane Crawler GBJ14315; and

(b) a 2014 CMI Hurricane Crawler GBJ23218.

5. Lefley is directed to pay costs to the Receiver in respect of this Application, in the amount of \$[] within 10 days of the date of this Order, failing which the Receiver is permitted to bring a further Application to this Court for a Contempt Order.

MISCELLANEOUS

6. The Receiver is at liberty to reapply for further advice, assistance and direction as may be necessary to give full force and effect to, and in carrying out the terms of, this Order.
7. 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.
8. Service of this Order on any party not attending this Application is hereby dispensed with.

Justice of the Court of King's Bench of Alberta

SCHEDULE "B"
Form of proposed Restricted Court Access Order

COURT FILE NO. 2301-16371

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF CANADIAN WESTERN BANK

DEFENDANTS WOLVERINE ENERGY AND INFRASTRUCTURE INC., WOLVERINE EQUIPMENT INC., WOLVERINE CONSTRUCTION INC., WOLVERINE MANAGEMENT SERVICES INC., HD NORTHERN EQUIPMENT SALES AND RENTALS INC., HD ENERGY RENTALS LTD., BHW EMPLOYMENT SERVICES INC., FLO-BACK EQUIPMENT INC., LIBERTY ENERGY SERVICES LTD., WESTERN CANADIAN MULCHING LTD. and WOLVERINE GROUP INC.

APPLICANT FTI CONSULTING CANADA INC. in its capacity as Court-appointed Receiver and Manager of the Debtors

Clerk's Stamp

DOCUMENT RESTRICTED COURT ACCESS ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Torys LLP
4600 Eighth Avenue Place East
525 - Eighth Ave SW
Calgary, AB T2P 1G1

Attention: Kyle Kashuba
Telephone No.: +1 403.776.3744
Fax No.: +1 403.776.3800
File No.: 39586-2007

DATE ON WHICH ORDER WAS PRONOUNCED: January 23, 2024

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Mr. Justice P.R. Jeffrey

LOCATION OF HEARING: Calgary Courts Centre, via Webex videoconference

UPON THE APPLICATION of FTI Consulting Canada Inc. in its capacity as the Court-appointed receiver and manager (the “**Receiver**”) of the assets, properties and undertakings

(collectively, the “**Property**”) of Wolverine Energy and Infrastructure Inc., Wolverine Equipment Inc., Wolverine Construction Inc., HD Energy Rentals Ltd., BHW Employment Services Inc., Flo-Back Equipment Inc., Liberty Energy Services Ltd. and Western Canadian Mulching Ltd. (collectively, the “**Debtors**”); **AND UPON** having read the Application filed January 15, 2024 and the first report of the Receiver dated January 15, 2024 (the “**First Report**”), including Confidential Appendix “C” (the “**Confidential Appendix**”); **AND UPON** hearing from counsel to the Receiver, counsel to Canadian Western Bank, counsel to Fiera Private Debt Fund V LP and Fiera Private Debt Fund VI LP and from any other interested parties who may be present; **AND UPON** it appearing that all interested and affected parties have been served with notice of this Application;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of the notice of this Application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this Application, and the time for service of this Application is abridged to that actually given.
2. The Confidential Appendix shall be sealed on the Court file and shall not form part of the public record, notwithstanding Division 4, Part 6 of the *Alberta Rules of Court*.
3. The Clerk of this Honourable Court shall file the Confidential Appendix in a sealed envelope, and the Confidential Appendix and envelope shall each have attached to them to a notice that sets out the style of cause of these proceedings and states that:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS FILED BY FTI CONSULTING CANADA INC., IN ITS CAPACITY AS COURT-APPOINTED RECEIVER AND MANAGER OF THE DEBTORS, WHICH IS SEALED PURSUANT TO THE RESTRICTED COURT ACCESS ORDER OF THE HONOURABLE MR. JUSTICE P.R. JEFFREY GRANTED JANUARY 23, 2024.

4. Leave is hereby granted to any person, entity or party affected by paragraphs 1 and 2 of this Restricted Court Access Order to apply to this Court for a further Order vacating, substituting, modifying, or varying the terms of this Restricted Court Access Order, with such application to be brought on notice to the Receiver.

5. The Receiver is at liberty to reapply for further advice, assistance and direction as may be necessary to give full force and effect to the terms of this Restricted Court Access Order.
6. The Receiver shall serve by courier, fax transmission, email transmission or ordinary post, a copy of this Restricted Court Access Order on all parties present at this Application and on all parties who are presently on the service list established in these proceedings and such service shall be deemed good and sufficient for all purposes.

Justice of the Court of King's Bench of Alberta