

February 19, 2015

To: All Known Creditors of Palliser Oil & Gas Corporation

Palliser Oil & Gas Corporation – In Receivership (“Palliser” or the “Debtor”)

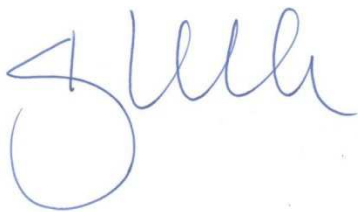
On February 12, 2015, FTI Consulting Canada Inc. was appointed as receiver and manager (the “**Receiver**”) of all the assets, undertakings and properties of the Debtor pursuant to the Order of the Court of Queen’s Bench of Alberta (the “**Receivership Order**”). A copy of the Receivership Order and other public materials in respect of the receivership proceedings are available at the Receiver’s website:

<http://cfcanada.fticonsulting.com/palliser/>

Periodic updates on the progress of the receivership will be posted on the Receiver’s website. The Receiver may be contacted by email at robert.kleebaum@fticonsulting.com or by phone at (587) 999-5516.

Enclosed is a copy of the Receiver’s Notice and Statement provided in accordance with Subsection 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*.

Yours very truly,



FTI Consulting Canada Inc.,
in its capacity as receiver of
Palliser Oil & Gas Corporation
and not in its personal capacity

FORM 87

NOTICE AND STATEMENT OF THE RECEIVER

(Subsection 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*)

IN THE MATTER OF THE RECEIVERSHIP OF

Palliser Oil & Gas Corporation

The Receiver gives notice and declares that:

1. On the 12th day of February, 2015, we, FTI Consulting Canada Inc. became the receiver in respect of the property of the Palliser Oil & Gas Corporation, which is described below (in thousands of Canadian dollars).

Accounts Receivable	\$3,961
Deposits and prepaid expenses	\$325
Property, plant and equipment	\$67,325
Exploration and evaluation assets	\$4,929

Note: the foregoing are the assets and book value as stated in the financial statements of the Debtor as at September 30, 2014. The Receiver has not audited, reviewed, or otherwise attempted to verify the accuracy of the foregoing. The Receiver provides no comment on the realizable value of the assets.

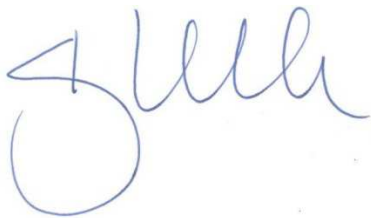
2. We became a receiver by having taken possession and control of the property described above pursuant to the Order of the Court of Queen's Bench of Alberta granted February 12, 2015.
3. The undersigned took possession or control of the property described above on the 12th day of February, 2015.
4. The following information relates to the receivership.

- | | |
|-------------------------------------|---|
| a) Address of the insolvent person: | Bow Valley Square III
Suite 600, 255 – 5 th Avenue SW
Calgary, AB
T2P 3G6 |
| b) Principal line of business: | Oil and gas exploration and
production |

- c) Location of business: Calgary based oil and natural gas company with properties in Alberta and Saskatchewan
- d) Amount owed to each creditor who holds a security on the property described above:
- | | |
|-------------------------|--------------|
| National Bank of Canada | \$41,991,183 |
|-------------------------|--------------|
- e) The list of other creditors and the amount due is listed in Schedule "A" attached hereto.
- f) The intended plan of action of the Receiver during the receivership is to evaluate and execute on the appropriate steps to realize on the assets with a view to maximizing recoveries for all creditors.
- g) Contact person for the Receiver:
- Rob Kleebaum
FTI Consulting Canada Inc.
Suite 720, 440 – 2nd Avenue SW
Calgary, AB
T2P 5E9
- Telephone: (587) 999-5516
Email: robert.kleebaum@fticonsulting.com

Dated at the city of Calgary in the province of Alberta, this 19th day of February, 2015.

FTI Consulting Canada Inc. - Receiver



Deryck Helkaa, CIRP
Senior Managing Director

Schedule A**Palliser Oil & Gas Corporation
Unsecured Creditor Listing as at
All amounts in CDN****February 12, 2015**

Unsecured Creditor	Amount
101126218 SASKATCHEWAN LTD	\$ 151,782.75
1222913 ALBERTA LTD.	\$ 2,655.15
3K OIL SERVICES LTD.	\$ 18,885.22
A.K.O. OILFIELD SERVICES	\$ 13,004.26
ALTITUDE COMMUNICATIONS	\$ 3,645.08
AMIK OILFIELD EQUIPMENT & RENTALS LTD	\$ 47,261.04
APEX DISTRIBUTION INC.	\$ 22,987.36
ARROWWOOD OIL & GAS LTD.	\$ 1,605.35
BAD BOYS WELDING	\$ 20,520.94
BAKER HUGHES BUSINESS SUPPORT SERVICES	\$ 115,676.41
BAYTEX ENERGY LTD.	\$ 2,215.43
BENOIT OILFIELD CONSTRUCTION (1997) LTD.	\$ 11,993.63
BLOOMBERG FINANCE L.P.	\$ 6,300.00
BORDER CITY CONCRETE	\$ 5,061.00
BRIGHTLING EQUIPMENT LTD	\$ 6,745.13
BROADRIDGE	\$ 1,765.43
CAL-IMAGING SPECIALISTS	\$ 1,058.98
CANADIAN NATURAL RESOURCES	\$ 1,751.75
CANADIAN NEWSWIRE GROUP	\$ 9,667.89
CANWEST PROPANE PARTNERSHIP	\$ 138,902.83
CANWEST PROPANE PARTNERSHIP	\$ 20,342.53
CHAMPION TECHNOLOGIES ULC	\$ 18,492.10
CHINOOK ENERGY INC.	\$ 131,732.77
CLASSIC OILFIELD SERVICE LTD.	\$ 8,536.12
CLH ENERGY & IND SERVICE CORP	\$ 57,389.09
CLIFFORD C. SKEATES	\$ 2,624.97
COMPUTERSHARE	\$ 7,035.44
COUNTY OF TWO HILLS NO 21	\$ 11,249.01
COUNTY OF VERMILION RIVER	\$ 217,929.02
CWC WELL SERVICES CORP	\$ 41,209.23
D & E RESOURCES LTD.	\$ 13,037.91
DASH TOOLS INC	\$ 9,662.70
DELOITTE LLP	\$ 2,415.00
DRIVEN ENERGY LTD.	\$ 51,276.81
DUNDEE REALTY MANAGEMENT CORP	\$ 15,125.36
ELAINE CHAUNCEY	\$ 2,655.15
ELLIOTT PETROLEUM 2014 LTD.	\$ 5,020.98
EVOLUTION OILFIELD SERVICES	\$ 5,166.00
FIELDTEK HOLDINGS LTD.	\$ 56,225.93
FLEXPIPE SYSTEMS INC.	\$ 63,560.26
FLINT FLUID HAUL SERVICES	\$ 1,199.30
GARRISON OILWELL SERVICING LTD.	\$ 49,261.28
GOWER & CO. VEGETATION MANAGEMENT INC.	\$ 4,567.50
GRIT INDUSTRIES INC.	\$ 3,045.63
GRUBBY'S TRUCKING LTD	\$ 35,881.13
GUEST CONTROL SYSTEMS	\$ 11,011.17
GUILDONE INC.	\$ 2,059.74
HALLIBURTON GROUP CANADA	\$ 13,630.78
HARTLEY, KEITH	\$ 15,962.00
Hayden, Stephen	\$ 14,250.24
HEAVY CRUDE HAULING	\$ 18,721.34
HIGH CLASS MECHANICAL	\$ 5,024.26
HM ADVANCE TRANSPORT LTD.	\$ 7,079.63
HUNTER RESOURCES LTD.	\$ 3,131.87
HUSKY OIL OPERATIONS LIMITED	\$ 53,784.98
HYDRODIG CANADA INC	\$ 1,339.54
INSIGNIA ENERGY LTD.	\$ 3,643.95

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Palliser Oil & Gas Corporation
Unsecured Creditor Listing as at
All amounts in CDN

February 12, 2015

Unsecured Creditor	Amount
J.J. LAMON INC	\$ 6,521.27
J-GAARD CONTRACTING LTD.	\$ 8,083.98
JOHN LAKE DISPOSAL LTD.	\$ 3,719.10
KELRO PUMP & MECHANICAL LTD	\$ 2,238.85
LIFTING SOLUTIONS INC.	\$ 4,772.65
LINE FINDERS LTD	\$ 1,575.00
LLOYDMINSTER & DISTRICT CO-OP PROPANE	\$ 1,035.27
LO-COST PROPANE	\$ 3,015.60
MAHA ENERGY INC.	\$ 116,048.80
MANITOU FLUSH-BY SERVICES LTD.	\$ 13,712.35
MCEWEN OILFIELD SERVICE LTD.	\$ 3,864.00
MERIDIAN SURVEYS (ALTA) LTD.	\$ 6,914.25
MINISTER OF FINANCE - SASKATCHEWAN	\$ 3,354.10
MINISTER OF FINANCE, PROVINCE OF ALBERTA	\$ 4,269.03
MRC CANADA ULC	\$ 29,689.87
MULTI-CHEM PRODUCTION CHEMICAL	\$ 51,097.86
NATIONAL BANK OF CANADA	\$ 174,870.00
NEWALTA CORPORATION	\$ 67,514.71
NEXEN ENERGY ULC	\$ 1,519.88
NORALTA TECHNOLOGIES INC.	\$ 13,438.53
OIL LIFT TECHNOLOGY INC	\$ 1,250.96
OIL'N'AG	\$ 1,894.10
OMG OWNERS MANAGEMENT GROUP INC.	\$ 47,417.23
OWEN RHINEHART TRUCKING	\$ 1,365.00
PACIFIC TUBULARS LTD.	\$ 12,645.43
PANDELL TECHNOLOGY CORP	\$ 3,139.50
PARADIGM CAPITAL	\$ 10,500.00
PELTON COMPUTER ENTERPRISES LTD.	\$ 25,200.00
PETRONET SYSTEMS LP	\$ 3,455.87
PINE CLIFF ENERGY LTD.	\$ 11,588.94
PIPEMASTER OILFIELD SERVICES	\$ 3,523.63
PITNEYWORKS	\$ 1,471.82
PRAIRIE DOG	\$ 7,655.03
PRECISION CONTRACTORS LTD.	\$ 6,416.81
PURULATOR	\$ 1,110.56
QUEST LOGISTICS LTD	\$ 99,410.34
QUICK PICK WASTE DISPOSAL	\$ 4,997.27
R.M. OF FRENCHMAN BUTTE #501	\$ 20,226.80
R.M. OF MANITOU NO. 442	\$ 320,393.19
R.M. OF TURTLE RIVER NO. 469	\$ 358,937.68
RACKEN ENTERPRISES LTD.	\$ 6,081.61
RAIDER WELL SERVICING LTD	\$ 10,224.38
RANGE ONE OILFIELD SERVICE LTD.	\$ 22,160.25
RECEIVER GENERAL	\$ 4,095.00
RICK AND LORI MCKAY	\$ 1,428.00
RON HANDEL FARM LTD	\$ 10,316.25
ROYAL OILFIELD SERVICES LTD.	\$ 1,968.75
SANDPIPER TRUCK SERVICES LTD.	\$ 38,863.99
SAPONJA,JEFF	\$ 20,606.22
SASKATCHEWAN INDUSTRY & RESOURCES	\$ 2,361,957.54
SCOTT LAND & LEASE LTD.	\$ 5,918.36
SONA-DYNE SERVICES LTD.	\$ 17,901.25
SPROULE	\$ 2,003.40
SPYGLASS RESOURCES CORP.	\$ 14,951.21
T&E OILFIELD SERVICES LTD.	\$ 4,452.00
TERVITA CORPORATION	\$ 53,303.65

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All amounts in CDN

February 12, 2015

Unsecured Creditor		Amount
TINGLEY FARMS LTD.	\$	2,730.00
TNT INSTRUMENTATION INC.	\$	1,206.72
TRICAN PARTNERSHIP	\$	1,177.00
TRIG ENERGY SERVICES	\$	1,753.50
TRYTON TOOL SERVICES	\$	9,084.40
TV WATSON HOLDINGS LTD.	\$	3,073.36
UNCLE JED'S OILFIELD SERVICES	\$	47,696.25
VALOR ENERGY LTD.	\$	2,572.50
W.I.L. CONTRACTING LTD.	\$	1,008.00
WEATHERFORD CANADA PARTNERSHIP	\$	59,841.53
WESTATE RESOURCES INC.	\$	1,965.11
WESTERN HERITAGE	\$	4,957.47
WILLIS INSURANCE	\$	1,350.00
XANADU EXPLORATION LTD.	\$	3,131.87
X-TERRA ENVIRONMENTAL CONSULTING LTD	\$	30,544.50
ZONE 3 BUSINESS SOLUTIONS	\$	1,110.45
		<u>5,777,056.13</u>