

**Section 5.9 – Disclosure Schedule – Compliance with Laws**

NONE

**Section 7.2 – Disclosure Schedule – Operations Prior to Closing Date**

NONE

**SCHEDULE C**  
**EXCLUDED ASSETS**

The Oil and Gas Assets shall not include, and there is excepted, reserved and excluded from the transaction contemplated hereby, the following (collectively, the "**Excluded Assets**"):

- (a) the Purchase Price delivered to Seller pursuant to this Agreement;
- (b) all cash and cash equivalents, including checks, commercial paper, treasury bills, certificates of deposit, bank accounts and other bank deposits as of the Closing Date, in each case, excluding the Suspense Funds;
- (c) all trade credits, accounts receivable, note receivables, take or pay amounts receivable, and other receivables attributable to the Oil and Gas Assets with respect to any period of time prior to the Effective Time;
- (d) all Petroleum Substances produced from or attributable to the Working Interests prior to the Effective Time, including marketable Petroleum Substances produced from or attributable to the Working Interests in storage tanks as of the Effective Time, and Petroleum Substances past a custody transfer point at the Effective Time, and all proceeds attributable thereto;
- (e) any shares of capital stock or other equity interest of Seller or any of Seller's Subsidiaries or any securities convertible into, exchangeable or exercisable for shares of capital stock or other equity interest of Seller or any of Seller's Subsidiaries;
- (f) all minute books, stock ledgers, corporate seals and stock certificates of Seller;
- (g) all (i) corporate, financial, Tax and legal records of Seller that relate to Seller's business generally (excepting the same to the extent relating to the Assumed Liabilities and the Oil and Gas Assets) and (ii) books, records and files that relate to any Excluded Assets;
- (h) all rights to any refunds of Taxes (or other related costs or expenses) that are borne by or the responsibility of Seller or attributable to any Tax asset of Seller;
- (i) any refunds due to Seller by a third party for any overpayment of rentals, royalties, excess royalty interests or production payments attributable to the Oil and Gas Assets with respect to any period of time prior to the Effective Time;
- (j) subject to Section 8.7(b), all insurance policies and rights to proceeds thereof;

- (k) all Licences and pending applications therefor to the extent related to any other Excluded Asset or the Excluded Liabilities;
- (l) all claims, refunds, abatements, variances, allocations, causes of action, claims for relief, choses in action, rights of recovery, rights of set-off, rights of indemnity, contribution or recoupment, counter-claims, cross-claims and defenses of any Seller other than those constituting Oil and Gas Assets;
- (m) all rights, claims or causes of action by or in the right of Seller against any current or former director or officer of Seller;
- (n) all claims and causes of action of any Seller (i) arising from acts, omissions, or events, or damage to or destruction of property occurring prior to the Effective Time, or (ii) affecting any of the other Excluded Assets;
- (o) any rights, claims or causes of action of Seller under this Agreement or any other Transaction Document;
- (p) inverted drilling mud inventory maintained by Seller;
- (q) the following contracts, which are Excluded Contracts:
  - (i) Raw Gas Transmission and Treatment Services Agreement dated February 27, 2009 between Westcoast Energy Inc. and Seller, as amended from time to time;
  - (ii) Gas Processing Agreement (Fortune Creek Gas Plant) dated December 23, 2011 between Fortune Creek Gathering and Processing Partnership and Seller, as amended from time to time;
  - (iii) Gathering Agreement (Maxhamish Pipeline) dated December 23, 2011 between Fortune Creek Gathering and Processing Partnership and Seller, as amended from time to time;
  - (iv) Contribution Agreement dated December 23, 2011 with Seller, Fortune Creek Gathering and Processing Partnership and 0927530 B.C. Unlimited Liability Company, as amended from time to time;
  - (v) Partnership Agreement for the Fortune Creek Gathering and Processing Partnership dated as of December 23, 2011 between Seller and 0927530 B.C. Unlimited Liability Company, as amended from time to time;

- (vi) Fort Nelson Office Lease Agreement
- (vii) Calgary downtown office Lease Agreement,
- (viii) Rental Agreement for storage tanks containing inverted drilling mud,
- (ix) All vehicle & quad lease contracts unless agreed by the Buyer, and
- (x) The B.C. monthly lease commitments in the table below:

QRCI File No.	Contract Type	Counterparty	Date
220145001	MONTHLY RENTAL - Medic Shack	Vertex	November 13, 2015
3101	MONTHLY RENTAL - Invert Storage (14) Tanks	Formula Powell	March 1, 2015
Asset #238706	MONTHLY RENTAL - Membrane S T Plant, 8 Man	Clean Harbors	November 13, 2015
1503847556-001	MONTHLY RENTAL - Invert Storage (3) Tanks, Berms, Liner, Mats	Clean Harbors	November 13, 2015

**SCHEDULE D**  
**DEPOSIT ESCROW AGREEMENT**

*Attached*

## DEPOSIT ESCROW AGREEMENT

THIS AGREEMENT is dated the 22nd day of March, 2016,

**BETWEEN:**

**QUICKSILVER RESOURCES CANADA INC.**, a body corporate with its head office located in Calgary, Alberta (hereinafter referred to as the "**Seller**")

- and -

**1069130 B.C. LTD.**, a body corporate with its head office located in Calgary, Alberta (hereinafter referred to as "**Buyer**")

- and -

**BENNETT JONES LLP**, Barristers and Solicitors, having offices in the City of Calgary, in the Province of Alberta (hereinafter referred to as "**Escrow Agent**")

**RECITALS:**

- A. Seller and Buyer have entered into an asset sale agreement dated the date hereof, (the "**Sale Agreement**") providing, *inter alia*, for the sale by Seller to Buyer of the Oil and Gas Assets.
- B. Pursuant to the terms and conditions of the Sale Agreement, Buyer is obligated to place the amount of [REDACTED] (the "**Deposit**") in escrow with Escrow Agent pursuant to the Sale Agreement.
- C. Escrow Agent is willing to hold the Deposit in escrow on behalf of Buyer and Seller subject to the terms and conditions of this Agreement.

**NOW THEREFORE** in consideration of the mutual covenants and conditions herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree as follows:

- 1. **Definitions.** Capitalized terms used and not defined herein (including the recitals hereof) shall have the meanings attributed to them in the Sale Agreement.
- 2. **Appointment.** Seller and Buyer appoint the Escrow Agent to act as escrow agent to hold the Deposit upon and subject to the terms of this Agreement and the Escrow Agent accepts such appointment. Upon receipt of the Deposit from Buyer, the Escrow Agent shall acknowledge, by giving prompt written notice to each of Seller and Buyer of receipt

of the Deposit pursuant to the Sale Agreement, and the Escrow Agent shall hold the Deposit in trust for Seller and Buyer until authorized for release in accordance with the provisions of this Agreement.

3. **Interest.** The Deposit shall be held in escrow by Escrow Agent and invested and deposited in an interest bearing trust account with The Royal Bank of Canada. If any interest is earned on the Deposit which is credited to such investment, the interest shall be dealt with in the same manner as the Deposit. Escrow Agent makes no representation as to the yield available upon the Deposit, shall bear no liability for any failure to achieve the maximum possible yield from the Deposit and shall not be responsible for any failure of The Royal Bank of Canada. The party receiving interest, if any, on the Deposit shall pay all income and other Taxes applicable thereto or exigible thereon.
4. **Disposition of Deposit.** Upon receipt by Escrow Agent of a written direction signed by Buyer and Seller, Escrow Agent is hereby irrevocably authorized and directed to, and shall forthwith, pay the Deposit (or an authorized portion thereof, as applicable) and interest accrued thereon, if any, in accordance with such written direction. Escrow Agent shall have no obligation to make any determination as to the validity of any such direction or any claim made by any party for entitlement to the Deposit and interest accrued thereon. Escrow Agent shall be entitled to continue to hold the Deposit and interest accrued thereon until the earlier of (i) such time as Escrow Agent receives a written direction signed by both Buyer and Seller as contemplated in this Section 4, (ii) Escrow Agent is directed by the Court in accordance with the Approval and Vesting Order as to the disposition of the Deposit and interest accrued thereon, or (iii) Escrow Agent interpleads the Deposit and interest accrued thereon as contemplated in Section 5.
5. **Dispute.** Escrow Agent shall have the right at any time (including without limitation in the event of any dispute in respect of the entitlement of the Deposit) to deposit the Deposit and earned interest thereon, if any, with the Accountant section of the Alberta Court of Queen's Bench in accordance with the Rules of Court respecting interpleader or in such other manner or on such other grounds as such Court may direct. Escrow Agent shall give written notice of any such deposit to Buyer and Seller immediately after such deposit is made.
6. **No Agency.** The parties hereto acknowledge that Escrow Agent is acting solely as escrow agent at their request and for their convenience and Escrow Agent shall not be deemed to be the agent of either Buyer or Seller in respect of the escrow herein referred to. Escrow Agent shall not be liable to either Buyer or Seller for any error in judgement or for any act or omission on its part in respect of the escrow herein referred to unless such error in judgement, act or omission is made, taken or suffered in bad faith or involves gross negligence.
7. **Indemnity.** Buyer and Seller hereby jointly and severally agree to indemnify and hold Escrow Agent harmless from and against all costs, claims (including those from third parties) and expenses, including solicitor's fees and disbursements incurred in connection with or arising from the performance of Escrow Agent's duties or rights hereunder;

provided that this indemnity shall not extend to actions or omissions taken or suffered by Escrow Agent in bad faith or involving gross negligence on the part of Escrow Agent.

8. **Fees.** Buyer and Seller each agrees to pay to Escrow Agent forthwith upon receipt of an invoice therefor one half of Escrow Agent's accounts for time, disbursements and applicable goods and services taxes relating to the performance by Escrow Agent of its duties or rights hereunder or other work incidental to or contemplated pursuant to the terms of this Agreement.
9. **Limitation on Duties.** It is understood and agreed that Escrow Agent's only duties and obligations in respect of the Deposit are expressly set out in this Agreement. Escrow Agent shall have the right to consult with separate counsel of its own choosing (if it deems such consultation advisable) and shall not be liable for any action taken, suffered or omitted to be taken by it if Escrow Agent acts in accordance with the oral or written advice of such counsel. Escrow Agent shall be protected if it acts upon any written communication, notice, certificate or other instrument or document believed by Escrow Agent to be genuine and to be properly given or executed without the necessity of verifying the truth or accuracy of the same or the authority of the person giving or executing the same.
10. **Resignation of Escrow Agent.** Escrow Agent may, at any time, resign its obligations under this Agreement and be discharged from all further duties and liabilities hereunder by giving each of Buyer and Seller at least 10 days' notice in writing of its intention to resign or such shorter notice as Buyer and Seller may accept as sufficient. Buyer and Seller agree that they shall forthwith upon receipt of such notice appoint a new law firm to act in the place and stead of Escrow Agent and if they fail to agree on such appointment, any of Buyer or Seller or Escrow Agent may apply to a Justice of the Alberta Court of Queen's Bench on such notice as such Justice may direct for the appointment of a new escrow agent. Upon any new appointment, the new escrow agent will be vested with the same powers, rights, duties and obligations as if it had been originally named herein as escrow agent and such new escrow agent shall enter into an agreement with Buyer and Seller agreeing to be bound by all of the provisions of this Agreement.
11. **Discharge from Duties.** Upon disposing of the Deposit and interest thereon, if any, in accordance with the provisions of this Agreement, Escrow Agent shall be relieved and discharged from all claims and liabilities relating to the Deposit and interest thereon, if any, and Escrow Agent shall not be subject to any claims made by or on behalf of any party hereto.
12. **No Conflict.** The fact that Escrow Agent is acting as escrow agent under this Agreement shall not in any way prevent it from representing Seller, whether before or after Closing, in connection with the transactions contemplated by the Sale Agreement or in any litigation arising from the Sale Agreement or this Agreement or from representing Seller or any other party in any other capacity or in any other transaction.

13. **Notice.** All notices or other communications given pursuant to this Agreement shall be in writing and shall be either delivered by hand or by electronic mail addressed as follows:

If to Seller, then to: **Quicksilver Resources Canada Inc.**

125, 9<sup>th</sup> Avenue SE  
Calgary, Alberta T2G 0P6

Attention: [●]  
E-mail: [●]

If to Buyer, then to: **1069130 B.C. Ltd.**

1500 – 444 5<sup>th</sup> Avenue SW  
Calgary, Alberta T2P 2T8

Attention: [●]  
Email: [●]

If to Escrow Agent, then to: **Bennett Jones LLP**

4500, 855 – 2<sup>nd</sup> Street SW  
Calgary, AB T2P 4K7

Attention: Donald E. Greenfield, Q.C.  
E-mail: [GreenfieldD@bennettjones.com](mailto:GreenfieldD@bennettjones.com)

Any notice or other communication shall conclusively be deemed to have been given and received on the date on which it was delivered or sent if delivered or sent during normal business hours on a Business Day, and if delivered after normal business hours or on other than a Business Day, shall be deemed to have been given or sent on the next following Business Day. Any party hereto may change its address for notices or other communications by giving notice thereof to the other parties to this Agreement in accordance with this Section.

14. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.
15. **Modification.** This Agreement may only be modified or amended by an agreement in writing signed by all of the parties hereto.
16. **Counterpart.** This Agreement may be executed in one or more counterparts, which so executed will constitute an original and all of which together will constitute one and the same agreement. A signed counterpart provided by way of facsimile or electronic mail will be as binding upon the parties hereto as an originally signed counterpart.

17. **Time.** Time shall be of the essence of this Agreement.
18. **Successors and Assigns.** This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and delivered by their duly authorized representatives, all as of the day and year first above written.

**QUICKSILVER RESOURCES CANADA  
INC.**

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

**1069130 B.C. LTD.**

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

**BENNETT JONES LLP**

Per: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE E**  
**ALLOCATED VALUES**

**Not Used**

**SCHEDULE F**  
**FORM OF GENERAL CONVEYANCE**

**GENERAL CONVEYANCE**

THIS AGREEMENT made as of [●], 2016,

BETWEEN:

**QUICKSILVER RESOURCES CANADA INC.**, a body  
corporate with its head office in Calgary, Alberta (hereinafter  
referred to as "**Seller**")

- and -

[●], a body corporate with its head office located in [●]  
(hereinafter referred to as "**Buyer**")

**WHEREAS:**

- (A) Seller and Buyer entered into an Agreement of Purchase and Sale dated [●], 2016 (the "**Sale Agreement**") with respect to the Assets;
- (B) All of the conditions precedent to the obligations of the parties hereto to close the transactions contemplated by the Sale Agreement have either been fulfilled or waived in the manner provided for waiver in the Sale Agreement;

**NOW THEREFORE** in consideration of the premises hereto and the covenants and agreements in the Sale Agreement and hereinafter set forth and contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

1. Seller hereby sells, assigns, transfers, conveys and sets over to Buyer, and Buyer hereby purchases from Seller, all of the right, title, estate and interest of Seller (whether absolute or contingent, legal or beneficial) in and to the Assets, to have and to hold the same, together with all benefit and advantage to be derived therefrom, absolutely, subject to the terms of the Sale Agreement.
2. The covenants, representations, warranties and indemnities contained in the Sale Agreement are incorporated herein as fully and effectively as if they were set out herein and there shall not be any merger of any covenant, representation, warranty or indemnity contained in the Sale Agreement by virtue of the execution and delivery hereof, any rule of law, equity or statute to the contrary notwithstanding.
3. If any term or provision hereof should conflict with any term or provision of the Sale Agreement, the term and provision of the latter shall prevail and this Conveyance shall at all times be read subject to all terms and conditions of the Sale Agreement.

4. This Conveyance shall, in all respects, be subject to, interpreted, construed and enforced in accordance with and under the laws of the Province of Alberta and applicable laws of Canada and shall, in all respects, be treated as a contract made in the Province of Alberta. The parties hereto irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of or in connection with this Conveyance.
5. This Conveyance shall be binding upon and shall enure to the benefit of each of the parties hereto and their respective administrators, trustees, receivers, successors and assigns.
6. This Conveyance may be executed in counterpart, no one copy of which need be executed by Seller and Buyer. A valid and binding contract shall arise if and when counterpart execution pages are executed and delivered by Seller and Buyer.

*The remainder of this page is intentionally left blank.*

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above written.

**QUICKSILVER  
CANADA INC.**

**RESOURCES**

**[●]**

Per:

\_\_\_\_\_  
[Name]  
[Title]

Per:

\_\_\_\_\_  
[Name]  
[Title]

Per:

\_\_\_\_\_  
[Name]  
[Title]

Per:

\_\_\_\_\_  
[Name]  
[Title]

**SCHEDULE G**  
**FORM OF APPROVAL AND VESTING ORDER**

CLERK'S STAMP

COURT FILE NUMBER                    1601-[●]

COURT                                    COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE                    CALGARY

APPLICANT                            **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 QUICKSILVER**  
**RESOURCES CANADA INC., 0942065 B.C. LTD.**  
**and 0942069 B.C. LTD.**

DOCUMENT                            **ORDER (Approval and Vesting)**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT                            **BENNETT JONES LLP**  
Barristers and Solicitors  
4500 Bankers Hall East  
855 – 2<sup>nd</sup> Street S.W.  
Calgary, Alberta T2P 4K7

Attention: Chris Simard / Kevin Zych  
Tel No.: 403-298-4485 / 416-777-5738  
Fax No.: 403-265-7219 / 416-863-1716  
Client File No.: 39944.88

**DATE ON WHICH ORDER WAS PRONOUNCED:**    [●]

**LOCATION WHERE ORDER WAS PRONOUNCED:** **Calgary**

**NAME OF JUSTICE WHO MADE THIS ORDER:**    [●]

UPON the application of Quicksilver Resources Canada Inc. (the "Applicant", "QRCI" or the "Debtor") for an Order approving the sale transaction (the "Transaction") contemplated by an Asset Purchase Agreement between the Applicant and [●] (the "Purchaser") made as of March ●, 2016 (the "Sale Agreement") and attached as Exhibit "1" to the Affidavit No. [●] of J. David Rushford dated ●, 2016 (the "Rushford Affidavit No. [●]"), filed, and vesting

in the Purchaser the Applicant's right, title and interest in and to the Oil and Gas Assets (as defined in the Sale Agreement and hereinafter the "Purchased Assets"); AND UPON having read the Rushford Affidavit No. [●] and the ● Report of FTI Consulting Canada Inc., the Court-appointed Monitor of the Applicant (the "Monitor"), filed; AND UPON hearing the submissions of counsel for the Applicant, the Monitor, the Purchaser and other interested parties;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.
2. The Transaction is hereby approved, and the Sale Agreement is declared to be commercially reasonable and in the best interests of QRCI and its stakeholders. The execution of the Sale Agreement by QRCI is hereby authorized, ratified, confirmed and approved, with such minor amendments as QRCI may deem necessary. QRCI is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
3. Upon the delivery of a Monitor's Certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "Monitor's Certificate"), all of QRCI's right, title and interest in and to the Purchased Assets shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing:
  - (a) any Encumbrances or Charges (as created by and defined in the Initial Order of the Honourable Justice [●] dated [●] and any other Orders granted in this Action);

(b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act*, the [●] *Act*, the [●] *Act* or any other personal, mineral or real property registry system; and

(c) those Claims listed in Schedule "B" hereto;

(all of which are collectively referred to as the "Encumbrances") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. Upon the delivery of the Monitor's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, and upon registration in the British Columbia, Ministry of Natural Gas Development, Upstream Development Division, Tenure and Geoscience Branch (the "Registrar") is hereby authorized, requested, and directed to cancel the existing Certificates of Title or Crown leases for the Lands (as defined and set out in Schedule "B" hereto) and the Registrar is hereby directed to enter the Purchaser as the owner and/or lessee of the mines and minerals comprising the Purchased Assets (as defined in the Sale Agreement) (the "Real or Mineral Property"), and is hereby directed to delete and expunge from title to the Real or Mineral Property all of the real property Claims listed in Schedule "C" hereto. The Registrar is directed to issue new Certificates of Title or Crown leases for the Lands in the name of the Purchaser (or its nominee) and to register such transfers, discharges, discharge statements of conveyances, as may be required to convey clear title to the Lands to the Purchaser (or its nominee), which Certificates of Title shall be subject only to those encumbrances (the "Permitted Encumbrances") listed on Schedule "D" hereto
5. This Order shall be registered by the Registrar notwithstanding the requirements of section [●] of the [●] *Act* and notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.
6. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Monitor's Certificate all Claims and

Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

7. The Purchaser (and its nominee, if any) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against QRCI.
8. The Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Purchased Assets and, to the extent that any such persons remains in possession or control of any of the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
9. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Debtor.
10. The Monitor shall file with the Court a copy of the Monitor's Certificate, concurrent with the delivery thereof to the Purchaser.
11. Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* and section 20(e) of the *Alberta Personal Information Protection Act*, QRCI is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees, including personal information of those employees listed in the Sale Agreement. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.
12. Notwithstanding:
  - (a) the pendency of these proceedings;

- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of QRCI and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the QRCI;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of QRCI and shall not be void or voidable by creditors of QRCI, nor shall it constitute nor be deemed to be a transaction at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

- 13. The Debtor, the Purchaser (or its nominee), the Monitor and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
- 14. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist QRCI, the Monitor and their agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to QRCI and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist QRCI and the Monitor and their agents in carrying out the terms of this Order.

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J.C.Q.B.A

**SCHEDULE "A"**  
**FORM OF MONITOR'S CERTIFICATE**

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF  
ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANT

**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  
QUICKSILVER RESOURCES CANADA  
INC., 0942065 B.C. LTD. and 0942069 B.C.  
LTD.**

DOCUMENT

**MONITOR'S CERTIFICATE**

ADDRESS FOR SERVICE  
AND CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

**BENNETT JONES LLP**  
Barristers and Solicitors  
4500 Bankers Hall East  
855 – 2<sup>nd</sup> Street S.W.  
Calgary, Alberta T2P 4K7

Attention: Chris Simard / Kevin Zych  
Tel No.: 403-298-4485 / 416-777-5738  
Fax No.: 403-265-7219 / 416-863-1716  
Client File No.: 39944.88

**RECITALS**

- A. Pursuant to an Order of the Honourable **[Mr./Madam]** Justice **[Name]** of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "Court") dated **[Date of Order]**, FTI Consulting Canada Inc. was appointed as the monitor (the "Monitor") of the undertaking, property and assets of the applicants in this Action, including Quicksilver Resources Canada Inc. (the latter of which is hereinafter referred to as the "Debtor").

- B. Pursuant to an Order of the Court dated **[Date]**, the Court approved the Asset Purchase and Agreement made as of March ●, 2016 (the “Sale Agreement”) between the Debtor and [●] (the “Purchaser”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article X of the Sale Agreement have been satisfied or waived by QRCI and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Monitor.
- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

**THE MONITOR CERTIFIES** the following:

1. The Purchaser (or its nominee) has paid and QRCI has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article X of the Sale Agreement have been satisfied or waived by QRCI and the Purchaser (or its nominee);
3. The Transaction has been completed to the satisfaction of the Monitor; and
4. This Certificate was delivered by the Monitor at **[Time]** on **[Date]**.

**FTI Consulting Inc., in its capacity  
as Monitor of Quicksilver  
Resources Canada Inc., 0942065  
B.C. Ltd. and 0942069 B.C. Ltd.  
and not in its personal capacity.**

**Per:** \_\_\_\_\_

**Name:**

**Title:**



## SCHEDULE "B"

### "Claims"

#### 1. *Personal Property Security Act (Alberta)*

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Registration Number:	11083138783
Registration Type:	Security Agreement
Registration Date:	2011-Aug-31
Expiry Date:	2021-Aug-31
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	JPMorgan Chase Bank, N.A.
Collateral: General:	All of the debtor's present and after-acquired personal property, tangible and intangible, in each case, of every nature and kind and wherever situate.

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Registration Number:	11083138902
Registration Type:	Land Charge
Registration Date:	2011-Aug-31
Expiry Date:	Current
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	JPMorgan Chase Bank, N.A.

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Registration Number:	12030811764
Registration Type:	Security Agreement
Registration Date:	2012-Mar-08
Expiry Date:	2016-Mar-08
Debtor(s):	McGregor, Robert, William Quicksilver Resources Canada
Secured Party / Parties:	Honda Canada Finance Inc.
Collateral: Serial Number Goods:	2HNYD2H83CH001778 2012 Acura MDX

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Registration Number:	12042011184
Registration Type:	Security Agreement
Registration Date:	2012-Apr-20
Expiry Date:	2017-Apr-20
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	Summit Acceptance Corp.
Collateral: Serial Number Goods:	WAUWFBFR1CA026001 2012 Audi A5

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Registration Number:	12071308342
Registration Type:	Security Agreement
Registration Date:	2012-Jul-13
Expiry Date:	2017-Jul-13
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	Summit Acceptance Corp.
Collateral: Serial Number Goods:	3GTP2WE9CG299302 2012 GMC 1500

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Registration Number:	12092718410
Registration Type:	Security Agreement
Registration Date:	2012-Sep-27
Expiry Date:	2012-Sep-27
Debtor(s):	Quicksilver Resources Inc. ( <i>Inexact Match</i> )
Secured Party / Parties:	JPMorgan Chase Bank, N.A., Toronto Branch
Collateral: General:	1,025,841 Common Shares in the capital of Quicksilver Resources Canada Inc. including (a) all rights, title, powers, privileges, remedies and interests of the debtor as the holder of such shares and under the organizational documents of Quicksilver Resources Canada Inc., (b) all dividends, cash, instruments, rights to subscribe, purchase or sell and all other rights and property from time to time received, receivable or otherwise distributed in respect of or in exchange for such shares, (c) all replacements, additions to and substitutions for any of the property referred to herein, including, without limitation, claims against third parties, (d) the proceeds, interest, profits and other income of or on any of the property referred to herein, (e) all security entitlements in respect of any of the foregoing and (f) all books and records relating to the collateral and any of the property referred to herein.
Proceeds:	goods, inventory, chattel paper, documents of title, instruments, money, intangibles, accounts and investment property (all as defined in the Personal Property Security Act) and insurance proceeds.

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Registration Number:	12111614636
Registration Type:	Security Agreement
Registration Date:	2012-Nov-16
Expiry Date:	2018-Nov-16
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	Summit Acceptance Corp.
Collateral: Serial Number Goods:	1C6RR7NT0DS548784 2013 Dodge 1500
Additional Information:	Lessee Unit #50048

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Registration Number:	13040318479
Registration Type:	Security Agreement
Registration Date:	2013-Apr-03
Expiry Date:	2018-Apr-03
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	Summit Acceptance Corp.
Collateral: Serial Number Goods:	1FTFW1EV0AFC31336 2010 Dodge 1500
Additional Information:	Unit 50207

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Registration Number:	13050638169
Registration Type:	Security Agreement
Registration Date:	2013-May-06
Expiry Date:	2018-May-06
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	Summit Acceptance Corp.
Collateral: Serial Number Goods:	3C6UR5NL8DG555200 2013 Dodge Ram 2500
Additional Information:	Unit 50176

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Registration Number:	13102505698
Registration Type:	Security Agreement
Registration Date:	2013-Oct-25
Expiry Date:	2017-Oct-25
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	Honda Canada Finance Inc.
Collateral: Serial Number Goods:	5FRYD4H86EB503189 2014 Acura

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Registration Number:	14010621414
Registration Type:	Security Agreement
Registration Date:	2014-Jan-06
Expiry Date:	2019-Jan-06
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	Summit Acceptance Corp
Collateral: Serial Number Goods:	3C6TR5DT9EG198754 2014 Dodge Ram 2500

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Registration Number:	14010621481
Registration Type:	Security Agreement
Registration Date:	2014-Jan-06
Expiry Date:	2019-Jan-06
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	Summit Acceptance Corp
Collateral: Serial Number Goods:	3C6TR5DT0EG198755 2014 Dodge Ram 2500

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Registration Number:	14010621541
Registration Type:	Security Agreement
Registration Date:	2014-Jan-06
Expiry Date:	2019-Jan-06
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	Summit Acceptance Corp
Collateral: Serial Number Goods:	3C6TR5DT2EG198756

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Registration Number:	14010621838
Registration Type:	Security Agreement
Registration Date:	2014-Jan-06
Expiry Date:	2019-Jan-06
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	Summit Acceptance Corp
Collateral: Serial Number Goods:	3C7WRNFL1EG135007 2014 Dodge Ram 2500

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Registration Number:	14022133632
Registration Type:	Security Agreement
Registration Date:	2014-Feb-21
Expiry Date:	2020-Feb-21
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	Summit Acceptance Corp
Collateral: Serial Number Goods:	5005EH0613076 2014 Auto Crane 500EH Crane

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Registration Number:	14022133792
Registration Type:	Security Agreement
Registration Date:	2014-Feb-21
Expiry Date:	2020-Feb-21
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	Summit Acceptance Corp
Collateral: Serial Number Goods:	V900126ABL026 2014 VMAC VR70 Underhood

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Registration Number:	14062536222
Registration Type:	Security Agreement
Registration Date:	2014-Jun-25
Expiry Date:	2018-Jun-25
Debtor(s):	Quicksilver Resources Canada Inc. (Inexact Match)
Secured Party / Parties:	Mercedes-Benz Financial Services Canada Corporation Mercedes-Benz Financial
Collateral: Serial Number Goods:	WDDGJ8JB3EG221421 2014 Mercedes-Benz C350C4M
Collateral: General:	All attachments, accessories, additions, alternations, replacements & repairs (whether present or future) to the vehicle collateral. Proceeds: all cash and non-cash proceeds of the vehicle collateral including without limitation proceeds derived directly or indirectly from any dealing with the vehicle collateral or that indemnifies or compensates the debtor (s) for the destruction or damage to or loss of the vehicle collateral. The proceeds may take the form of any or more of the following: goods, documents of title, chattel paper, instruments, money, securities or intangibles. Accordingly, any of the debtor (s) after-acquired personal property may be proceeds and therefore subject to the secured party's security interest.

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Registration Number:	14070441956
Registration Type:	Security Agreement
Registration Date:	2014-Jul-04
Expiry Date:	2020-Jul-04
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	Shaw GMC Chevrolet Buick Inc. Summit Acceptance Corp
Collateral: Serial Number Goods:	3GCUKSECXEG506996 2014 Chev K2500

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Registration Number:	15032033857
Registration Type:	Security Agreement
Registration Date:	2015-Mar-20
Expiry Date:	2017-Mar-20
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	Formula Powell L.P.
Collateral: General:	1 – 400 BBL Tank; s/n #10974 2 – 400 BBL Tank; s/n #15252 3 – 400 BBL Tank; s/n #6926 4 – 400 BBL Tank; s/n #6923 5 – 400 BBL Tank; s/n #6938 6 – 400 BBL Tank; s/n #10914 7 – 400 BBL Tank; s/n #10919 8 – 400 BBL Tank; s/n #8024-8 9 – 400 BBL Tank; s/n #10896 10 – 400 BBL Tank; s/n #10900 11 – 400 BBL Tank; s/n #10971 12 – 400 BBL Tank; s/n #100298 13 – 400 BBL Tank; s/n #6928 14 – 400 BBL Tank; s/n #10972 15 – 400 BBL Tank; s/n #15290 And all attachments, accessories and parts thereof, accessions thereto, replacements, substitutions, additions and improvements and all proceeds in any forms derived directly or indirectly thereof including rights of insurance payments or any other payments as indemnity or compensation for loss or damage to the collateral or proceeds of collateral.

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Registration Number:	15101930884
Registration Type:	Security Agreement
Registration Date:	2015-Oct-19
Expiry Date:	2021-Oct-19
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	Formula Powell L.P.
Collateral: Serial Number Goods:	1FTEW1EG8FKe32171 2015 Ford F150

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## 2. Litigation

### *Judicial Actions (Alberta Province Wide)*

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Action Number:	Q0601 12671
Plaintiff:	Quicksilver Resources CA
Defendant:	Quicksilver Resources CA
Type of Action:	St. of Claim – Accounting
Last Action:	Satisfaction Piece (Oct 16, 2015)

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Action Number:	Q1503 07813
Plaintiff:	Quicksilver Resources CA
Defendant:	Quicksilver Resources CA
Type of Action:	Statement Claim Judgment
Last Action:	Statement of Defence (Jun 23, 2015)

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Action Number:	Q0601 12671
Plaintiff:	Encana Corp.
Defendant:	Quicksilver Resources CA
Type of Action:	St. of Claim – Accounting
Last Action:	Satisfaction Piece (Oct 16, 2015)

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Action Number:	Q0701 08933
Plaintiff:	Quicksilver Resources CA Barnwell of Canada Ltd.
Defendant:	Quicksilver Resources CA
Type of Action:	Statement of Claim Order
Last Action:	Discontinuance C/Claim (Feb 26, 2010)

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Action Number:	Q1101 17577
Plaintiff:	Quicksilver Resources CA
Defendant:	Quicksilver Resources CA
Type of Action:	State Claim – Declaration
Last Action:	Order Consolidate Files 01 (Feb 19, 2015)

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Action Number:	Q1301 08232
Plaintiff:	Edwards, Clifford Edwards-Sawatzky, Beverl*
Defendant:	Quicksilver Resources CA
Type of Action:	Statement Claim – Damages
Last Action:	File Closed (Feb 27, 2015)

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Action Number:	Q1412 00032
Plaintiff:	Craft, Ann
Defendant:	Quicksilver Resources CA
Type of Action:	Statement Claim – Damages
Last Action:	None listed

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Action Number:	Q1501 05036
Plaintiff:	Reiter, Zane Zelta Capital Partners L
Defendant:	Quicksilver Resources CA
Type of Action:	Statement Claim Judgment
Last Action:	Appl Appeal Master Decism (Dec 14, 2015)

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Action Number:	Q1503 07813
Plaintiff:	Her Majesty The Queen, A Minister of Energy
Defendant:	Quicksilver Resources CA
Type of Action:	Statement Claim Judgment
Last Action:	Statement of Defence (Jun 23, 2015)

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**SCHEDULE "C"**

**"Real Property Claims"**

**SCHEDULE "D"**

**"Permitted Encumbrances"**

**SCHEDULE H**  
**FORM OF ASSUMPTION AGREEMENT**

**ASSUMPTION AGREEMENT**

THIS AGREEMENT made as of [●], 2016,

BETWEEN:

**QUICKSILVER RESOURCES CANADA INC.**, a body  
corporate with its head office in Calgary, Alberta (hereinafter  
referred to as "**Seller**")

- and -

[●], a body corporate with its head office located in [●]  
(hereinafter referred to as "**Buyer**")

**WHEREAS:**

- (A) Seller and Buyer entered into an Agreement of Purchase and Sale dated [●], 2016 (the "**Sale Agreement**") with respect to the Oil and Gas Assets;
- (B) All of the conditions precedent to the obligations of the parties hereto to close the transactions contemplated by the Sale Agreement have either been fulfilled or waived in the manner provided for waiver in the Sale Agreement;

**NOW THEREFORE** in consideration of the premises hereto and the covenants and agreements in the Sale Agreement and hereinafter set forth and contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

1. All capitalized terms used in this Agreement and not otherwise defined herein have the meanings ascribed to such terms in the Sale Agreement.
2. The Buyer shall assume and fully perform and discharge each and every one of the Assumed Liabilities as they are or become due in accordance with their respective terms and subject to the respective conditions thereof.
3. The covenants, representations, warranties and indemnities contained in the Sale Agreement are incorporated herein as fully and effectively as if they were set out herein and there shall not be any merger of any covenant, representation, warranty or indemnity contained in the Sale Agreement by virtue of the execution and delivery hereof, any rule of law, equity or statute to the contrary notwithstanding.

4. If any term or provision hereof should conflict with any term or provision of the Sale Agreement, the term and provision of the latter shall prevail and this Agreement shall at all times be read subject to all terms and conditions of the Sale Agreement.
5. Each of the parties hereto shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other party hereto may reasonably require from time to time for the purpose of giving effect to this Agreement and shall use its best efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement.
6. Time shall be of the essence of this Agreement in all respects.
7. This Agreement shall, in all respects, be subject to, interpreted, construed and enforced in accordance with and under the laws of the Province of Alberta and applicable laws of Canada and shall, in all respects, be treated as a contract made in the Province of Alberta. The parties hereto irrevocably attorn and submit to the exclusive jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of or in connection with this Agreement.
8. This Agreement shall be binding upon and shall enure to the benefit of each of the parties hereto and their respective administrators, trustees, receivers, successors and assigns.
9. This Agreement may be executed in counterpart, no one copy of which need be executed by Seller and Buyer. A valid and binding contract shall arise if and when counterpart execution pages are executed and delivered by Seller and Buyer.

*The remainder of this page is intentionally left blank.*

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above written.

**QUICKSILVER                      RESOURCES                      [●]**  
**CANADA INC.**

Per: \_\_\_\_\_  
[Name]  
[Title]

Per: \_\_\_\_\_  
[Name]  
[Title]

Per: \_\_\_\_\_  
[Name]  
[Title]

Per: \_\_\_\_\_  
[Name]  
[Title]

**SCHEDULE I**  
**BCOGC SECURITY AMOUNT ESCROW AGREEMENT**

*Attached*

**BCOGC SECURITY AMOUNT ESCROW AGREEMENT**

THIS AGREEMENT is dated as of the \_\_\_\_ day of \_\_\_\_\_, 2016,

**BETWEEN:**

**QUICKSILVER RESOURCES CANADA INC.**, a body corporate with its head office located in Calgary, Alberta (hereinafter referred to as the "**Seller**")

- and -

**1069130 B.C. LTD.**, a body corporate with its head office located in Calgary, Alberta (hereinafter referred to as "**Buyer**")

- and -

**BENNETT JONES LLP**, Barristers and Solicitors, having offices in the City of Calgary, in the Province of Alberta (hereinafter referred to as "**Escrow Agent**")

**RECITALS:**

- A. Seller and Buyer have entered into an asset sale agreement dated the date hereof, (the "**Sale Agreement**") providing, *inter alia*, for the sale by Seller to Buyer of the Oil and Gas Assets.
- B. At or prior to Closing, Buyer is obligated to deposit or cause to have deposited the amount of [**three million, seven hundred and three thousand, six hundred and twenty**] Canadian dollars (CAD\$[**3,703,620**]) (the "**BCOGC Security Amount**") in escrow with Escrow Agent pursuant to the Sale Agreement.
- C. Escrow Agent is willing to hold the BCOGC Security Amount in escrow on behalf of Buyer and Seller subject to the terms and conditions of this Agreement.

**NOW THEREFORE** in consideration of the mutual covenants and conditions herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto covenant and agree as follows:

- 1. **Definitions.** Capitalized terms used and not defined herein (including the recitals hereof) shall have the meanings attributed to them in the Sale Agreement.
- 2. **Appointment.** Seller and Buyer appoint the Escrow Agent to act as escrow agent to hold the BCOGC Security Amount upon and subject to the terms of this Agreement and the Escrow Agent accepts such appointment. Upon receipt of the BCOGC Security Amount from Buyer, the Escrow Agent shall acknowledge, by giving prompt written notice to

each of Seller and Buyer of receipt of the BCOGC Security Amount pursuant to the Sale Agreement, and the Escrow Agent shall hold the BCOGC Security Amount in trust for Seller and Buyer until authorized for release in accordance with the provisions of this Agreement.

3. **Interest.** The BCOGC Security Amount shall be held in escrow by Escrow Agent and invested and deposited in an interest bearing trust account with The Royal Bank of Canada. If any interest is earned on the BCOGC Security Amount which is credited to such investment, the interest shall be dealt with in the same manner as the BCOGC Security Amount. Escrow Agent makes no representation as to the yield available upon the BCOGC Security Amount, shall bear no liability for any failure to achieve the maximum possible yield from the BCOGC Security Amount and shall not be responsible for any failure of The Royal Bank of Canada. The party receiving interest, if any, on the BCOGC Security Amount shall pay all income and other Taxes applicable thereto or exigible thereon.
4. **Disposition of BCOGC Security Amount.** Upon receipt by Escrow Agent of a written direction signed by Buyer and Seller, Escrow Agent is hereby irrevocably authorized and directed to, and shall forthwith, pay to the BC Oil and Gas Commission the BCOGC Security Amount (or an authorized portion thereof, as applicable) and interest accrued thereon, if any, in accordance with such written direction. Escrow Agent shall have no obligation to make any determination as to the validity of any such direction or any claim made by any party for entitlement to the BCOGC Security Amount and interest accrued thereon. Escrow Agent shall be entitled to continue to hold the BCOGC Security Amount and interest accrued thereon until the earlier of (i) such time as Escrow Agent receives a written direction signed by both Buyer and Seller as contemplated in this Section 4, (ii) Escrow Agent is directed by the Court in accordance with the Approval and Vesting Order as to the disposition of the BCOGC Security Amount and interest accrued thereon, or (iii) Escrow Agent interpleads the BCOGC Security Amount and interest accrued thereon as contemplated in Section 5.
5. **Dispute.** Escrow Agent shall have the right at any time (including without limitation in the event of any dispute in respect of the entitlement of the BCOGC Security Amount) to deposit the BCOGC Security Amount and earned interest thereon, if any, with the Accountant section of the Alberta Court of Queen's Bench in accordance with the Rules of Court respecting interpleader or in such other manner or on such other grounds as such Court may direct. Escrow Agent shall give written notice of any such deposit to Buyer and Seller immediately after such deposit is made.
6. **No Agency.** The parties hereto acknowledge that Escrow Agent is acting solely as escrow agent at their request and for their convenience and Escrow Agent shall not be deemed to be the agent of either Buyer or Seller in respect of the escrow herein referred to. Escrow Agent shall not be liable to either Buyer or Seller for any error in judgement or for any act or omission on its part in respect of the escrow herein referred to unless such error in judgement, act or omission is made, taken or suffered in bad faith or involves gross negligence.

7. **Indemnity.** Buyer and Seller hereby jointly and severally agree to indemnify and hold Escrow Agent harmless from and against all costs, claims (including those from third parties) and expenses, including solicitor's fees and disbursements incurred in connection with or arising from the performance of Escrow Agent's duties or rights hereunder; provided that this indemnity shall not extend to actions or omissions taken or suffered by Escrow Agent in bad faith or involving gross negligence on the part of Escrow Agent.
8. **Fees.** Buyer and Seller each agrees to pay to Escrow Agent forthwith upon receipt of an invoice therefor one half of Escrow Agent's accounts for time, disbursements and applicable goods and services taxes relating to the performance by Escrow Agent of its duties or rights hereunder or other work incidental to or contemplated pursuant to the terms of this Agreement.
9. **Limitation on Duties.** It is understood and agreed that Escrow Agent's only duties and obligations in respect of the BCOGC Security Amount are expressly set out in this Agreement. Escrow Agent shall have the right to consult with separate counsel of its own choosing (if it deems such consultation advisable) and shall not be liable for any action taken, suffered or omitted to be taken by it if Escrow Agent acts in accordance with the oral or written advice of such counsel. Escrow Agent shall be protected if it acts upon any written communication, notice, certificate or other instrument or document believed by Escrow Agent to be genuine and to be properly given or executed without the necessity of verifying the truth or accuracy of the same or the authority of the person giving or executing the same.
10. **Resignation of Escrow Agent.** Escrow Agent may, at any time, resign its obligations under this Agreement and be discharged from all further duties and liabilities hereunder by giving each of Buyer and Seller at least 10 days' notice in writing of its intention to resign or such shorter notice as Buyer and Seller may accept as sufficient. Buyer and Seller agree that they shall forthwith upon receipt of such notice appoint a new law firm to act in the place and stead of Escrow Agent and if they fail to agree on such appointment, any of Buyer or Seller or Escrow Agent may apply to a Justice of the Alberta Court of Queen's Bench on such notice as such Justice may direct for the appointment of a new escrow agent. Upon any new appointment, the new escrow agent will be vested with the same powers, rights, duties and obligations as if it had been originally named herein as escrow agent and such new escrow agent shall enter into an agreement with Buyer and Seller agreeing to be bound by all of the provisions of this Agreement.
11. **Discharge from Duties.** Upon disposing of the BCOGC Security Amount and interest thereon, if any, in accordance with the provisions of this Agreement, Escrow Agent shall be relieved and discharged from all claims and liabilities relating to the BCOGC Security Amount and interest thereon, if any, and Escrow Agent shall not be subject to any claims made by or on behalf of any party hereto.
12. **No Conflict.** The fact that Escrow Agent is acting as escrow agent under this Agreement shall not in any way prevent it from representing Seller, whether before or after Closing, in connection with the transactions contemplated by the Sale Agreement or in any

litigation arising from the Sale Agreement or this Agreement or from representing Seller or any other party in any other capacity or in any other transaction.

13. **Notice.** All notices or other communications given pursuant to this Agreement shall be in writing and shall be either delivered by hand or by electronic mail addressed as follows:

If to Seller, then to: **Quicksilver Resources Canada Inc.**

125, 9<sup>th</sup> Avenue SE  
Calgary, Alberta T2G 0P6

Attention: [●]

E-mail: [●]

If to Buyer, then to: **1069130 B.C. Ltd.**

1500 – 444 5<sup>th</sup> Avenue SW  
Calgary, Alberta T2P 2T8

Attention: [●]

Email: [●]

If to Escrow Agent, then to: **Bennett Jones LLP**

4500, 855 – 2<sup>nd</sup> Street SW  
Calgary, AB T2P 4K7

Attention: Donald E. Greenfield, Q.C.

E-mail: [GreenfieldD@bennettjones.com](mailto:GreenfieldD@bennettjones.com)

Any notice or other communication shall conclusively be deemed to have been given and received on the date on which it was delivered or sent if delivered or sent during normal business hours on a Business Day, and if delivered after normal business hours or on other than a Business Day, shall be deemed to have been given or sent on the next following Business Day. Any party hereto may change its address for notices or other communications by giving notice thereof to the other parties to this Agreement in accordance with this Section.

14. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.
15. **Modification.** This Agreement may only be modified or amended by an agreement in writing signed by all of the parties hereto.

16. **Counterpart.** This Agreement may be executed in one or more counterparts, which so executed will constitute an original and all of which together will constitute one and the same agreement. A signed counterpart provided by way of facsimile or electronic mail will be as binding upon the parties hereto as an originally signed counterpart.
17. **Time.** Time shall be of the essence of this Agreement.
18. **Successors and Assigns.** This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

*[Signature Page Follows]*

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed and delivered by their duly authorized representatives, all as of the day and year first above written.

**QUICKSILVER RESOURCES CANADA  
INC.**

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

**1069130 B.C. LTD.**

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

**BENNETT JONES LLP**

Per: \_\_\_\_\_  
Name:  
Title: