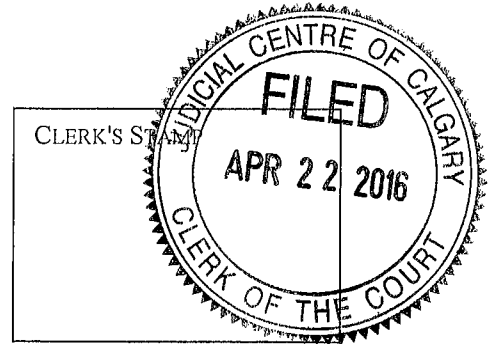


I hereby certify this to be a true copy of
the original order

Dated this 22 day of April 2016

se
for Clerk of the Court



COURT FILE NUMBER 1601-03113

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 - 2nd 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: April 22, 2016

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary

NAME OF JUSTICE WHO MADE THIS ORDER: Mr. Justice C.M. Jones

UPON THE APPLICATION by Quicksilver Resources Canada Inc. (the "**Debtor**") for an Order approving the sale transaction (the "**Transaction**") contemplated by an Asset Purchase Agreement between the Debtor as seller and 1069130 B.C. Ltd. as purchaser made as of March 21, 2016 (the "**Sale Agreement**"), and with respect to which the interest of 1069130 B.C. Ltd. as purchaser was assigned effective March 23, 2016 to Rockyview Resources Inc. (the

"Purchaser"), and attached as Exhibit "1" to the Second Affidavit of Adam Dunayer dated April 12, 2016 (the "Second Dunayer Affidavit"), 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 Second Dunayer Affidavit and the Third Report of FTI Consulting Canada Inc., the Court-appointed Monitor of the Applicant (the "Monitor"), filed, the Confidential Supplement thereto and the Affidavit of Service of Linda Davidson;

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. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

SERVICE

2. 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.

APPROVAL OF TRANSACTION

3. The Sale Agreement is hereby approved in its entirety and is declared to be commercially reasonable and in the best interests of the Debtor and its stakeholders. The Transaction is hereby approved, and the execution of the Sale Agreement by the Debtor is hereby authorized and approved, with such minor amendments as the Debtor may deem necessary. The Debtor is hereby authorized and directed to complete the Transaction, subject to the terms of the Sale Agreement, to perform its obligations under the Sale Agreement and any ancillary documents related thereto, and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Purchased Assets to the Purchaser.

4. Upon the delivery of a Monitor's Certificate to the Purchaser substantially in the form set out in **Schedule "A"** hereto (the "**Monitor's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely, exclusively, entirely and forever in the Purchaser, free and clear of and from any and all rights, claims, titles, interests, prior claims, security interests (whether contractual, statutory, or otherwise), caveats, mortgages, pledges, hypothecs, hypothecations, trusts or deemed or constructive trusts (whether contractual, statutory, or otherwise), liens, executions, judgments, writs of seizure and sale, options, adverse claims, priorities, levies, charges, taxes 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 Mr. Justice D.B. Nixon dated March 8, 2016 and any other Orders granted in this Action);
- (b) all charges, security interests and claims evidenced by registrations pursuant to the *Personal Property Security Act* (British Columbia), the *Land Title Act* (British Columbia) or any other personal, mineral or real property registry system, and those Claims listed in **Schedule "B"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the "Permitted Encumbrances", as such term is defined in the Sale Agreement (the "**Permitted Encumbrances**")); and
- (c) 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;

but for clarity save and except for the Permitted Encumbrances.

5. 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, a Registrar or Registrars under the *Land Title Act* (B.C.), the British Columbia Ministry of Natural Gas Development,

Upstream Development Division, Tenure and Geoscience Branch, the British Columbia Ministry of Agriculture and Lands, FrontCounterBC, the British Columbia Oil and Gas Commission, and all other government ministries and authorities in British Columbia exercising jurisdiction with respect to the Oil and Gas Assets (as defined in the Sale Agreement) are hereby authorized, requested and directed to (in each case, as applicable):

- (i) enter the Purchaser as the owner and/or lessee and/or licensee of the Oil and Gas Assets (as defined in the Sale Agreement) (including the Crown mineral leases listed in **Schedule "B"** hereto);
 - (ii) delete and expunge from the existing title documents respecting the Oil and Gas Assets (as defined in the Sale Agreement) all Encumbrances (including the Claims listed in **Schedule "C"** hereto, but which for clarity excludes the Permitted Encumbrances); and
 - (iii) register such transfers, discharges, discharge statements or conveyances, as may be required to convey clear title to the Oil and Gas Assets (as defined in the Sale Agreement) to the Purchaser, subject only to the Permitted Encumbrances.
6. Nothing in this Order exempts or relieves the Debtor or the Purchaser from obtaining any consents or approvals or giving any notices required under any enactment of the Province of British Columbia or any agreement, license, permit, approval, certificate or other instrument issued under the authority of an enactment of the Province of British Columbia in connection with any transfer or assignment of any of the Oil and Gas Assets as contemplated in the Sale Agreement or this Order or makes any of the Oil and Gas Assets transferable or assignable if any such Oil and Gas Asset is not, by virtue of an enactment of the Province of British Columbia, transferable or assignable. Notwithstanding any other provision of this Order, the vesting in the Purchaser of the Debtor's right, title and interest in and to any of the Oil and Gas Assets that requires any such consent or approval is not effective unless and until such consent or approval is obtained.

7. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets (to be held in an interest bearing trust account by the Monitor) 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.
8. 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 the Debtor.
9. Under no circumstances shall the Purchaser be deemed a successor of or to the Debtor for any Claims of any kind or nature whatsoever against or in the Debtor or the Purchased Assets. Following the Closing, no person with a Claim shall interfere with the Purchaser's title to or use and enjoyment of the Purchased Assets based on or related to such Claim or any actions that the Debtor have taken or may take.
10. The Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from, pursuing, asserting or claiming any and all estate, right, title, interest, royalty, rental and equity of redemption, or Claim in respect of or to the Purchased Assets and, to the extent that any such persons or entities remain in possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser.
11. The Purchaser shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit absolutely without any interference of or by the Debtor, or any person claiming by or through or against the Debtor.

12. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Debtor.
13. The Monitor shall file with the Court a copy of the Monitor's Certificate, concurrent with the delivery thereof to the Purchaser.
14. 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 the Debtor and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made in respect of the Debtor;

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 the Debtor and shall not be void or voidable by creditors of the Debtor, 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.

15. 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.
16. 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 the Debtor, 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 the Debtor

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 the Debtor and the Monitor and their agents in carrying out the terms of this Order.

"C.M. Jones"
J.C.Q.B.A

SCHEDULE "A"
FORM OF MONITOR'S CERTIFICATE

COURT FILE NUMBER 1601-03113

COURT COURT OF QUEEN'S BENCH OF
ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT

Clerk's Stamp

**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 – 2nd 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. Justice D.B. Nixon of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated March 8, 2016, 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 April 22, 2016, the Court approved the Asset Purchase Agreement made as of March 21, 2016 (the "**Sale Agreement**") between the Debtor and 1069130 B.C. Ltd. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Oil and Gas 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 Oil and Gas Assets; (ii) that the conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Debtor 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 the Debtor has received the Purchase Price for the Oil and Gas Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Debtor 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 _____ on _____, 2016.

FTI Consulting Canada 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"

"Crown Mineral Leases"

BC CR LEASES

NO.	LEASE NO.
1	60730
2	60731
3	62405
4	62406
5	62432
6	63311
7	63312
8	63409
9	63410
10	63482
11	64519
12	64534
13	64535
14	64542
15	64543
16	64714
17	64715
18	64716
19	64717
20	64723
21	64729
22	64730

SCHEDULE "C"

"Claims"

1. *Personal Property Security Act (BC)*

Base Registration Number:	330750G
Registration Date:	September 1, 2011
Expiry Date:	September 1, 2021
Debtor(s):	Quicksilver Resources Canada Inc.
Secured Party / Parties:	JPMorgan Chase Bank, N.A. Toronto Branch

2. **Litigation**

Judicial Actions (Alberta Province Wide)

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)

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)

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)

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)

Action Number:	Q0801 16048
Plaintiff:	Quicksilver Resources CA
Defendant:	Quicksilver Resources CA
Type of Action:	State Claim – Declaration
Last Action:	Statement of Defence (Aug 10, 2010)

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)

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)

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

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)

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)
