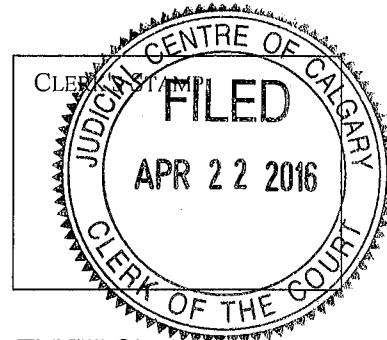


I hereby certify this to be a true copy of
the original order

Dated this 22 day of April

Je
for Clerk of the Court



COURT FILE NUMBER 1601-03113

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANTS **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 of Quicksilver Resources Canada Inc., 0942065 B.C. Ltd. and 0942069 B.C. Ltd. (the "**Applicants**") for an Order approving the sale transaction (the "**Transaction**") contemplated in the Asset Purchase Agreement between 0942065 B.C. Ltd. (as Seller) and 0942069 B.C. Ltd. (as Nominee) (collectively, the "**Debtor**") and 1069130 B.C. Ltd. (the "**Purchaser**") made as of March 22, 2016 (the "**Sale Agreement**") and attached as Exhibit

"2" to the Second Affidavit of Adam Dunayer dated April 12, 2016 (the "**Second Dunayer Affidavit**"), filed, and vesting in 1069130 B.C. Ltd. or its permitted assignees and nominees (each the "**Purchaser**") the Debtor's right, title and interest in and to the Acquired 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 Applicants (the "**Monitor**"), filed; and the Confidential Supplement thereto, and the Affidavit of Service of Linda Davidson;

AND UPON HEARING the submissions of counsel for the Applicants, the Monitor, the Purchaser and other interested parties;

IT IS HEREBY ORDERED AND DECLARED THAT:

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

SERVICE

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.

APPROVAL OF TRANSACTION

2. 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, ratified, confirmed and approved, with such minor amendments as the Debtor and the Purchaser agree are necessary. The Debtor is hereby authorized and directed to complete the Transaction, subject to the terms of the Sale Agreement, to perform their 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 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 the Debtor's right, title and interest in and to the Purchased Assets 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), hypothecs, caveats, hypothecations, mortgages, 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) those charges, security interests and claims evidenced by registrations pursuant to the *Personal Property Security Act* (British Columbia), and those other Claims listed in **Schedule "B"** hereto (all of which are collectively referred to as the "**Encumbrances**"), which shall not include the Permitted Encumbrances, as defined in the Sale Agreement and listed in Schedule "F" of 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.

4. 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 Purchased Assets

as contemplated in the Sale Agreement or this Order or makes any of the Purchased Assets transferable or assignable if any such Purchased 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 Purchased Assets that requires any such consent or approval is not effective unless and until such consent or approval is obtained.

5. 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.
6. The Purchaser shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtors.
7. 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 Debtors have taken or may take.
8. 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 remains 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.

9. 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 Debtors, or any person claiming by or through or against the Applicants.
10. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Applicants, other than the Nominee.
11. The Monitor shall file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof to the Purchaser.

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 the Applicants or either of them and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Applicants or either of them;

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 Applicants and shall not be void or voidable by creditors of the Applicants, 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 Applicants, the Purchaser, 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 the Applicants, 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 Applicants 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 Applicants 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

Clerk's Stamp

APPLICANTS

**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 0942065 B.C. Ltd. and 0942069 B.C. Ltd.

- B. Pursuant to an Order of the Court dated April 22, 2016, the Court approved the Asset Purchase and Agreement made as of March 22, 2016 (the "**Sale Agreement**") between 0942065 B.C. Ltd. (as Seller) and 0942069 B.C. Ltd. (as Nominee) (collectively, 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 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 any 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 has paid and the Debtor has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. Any conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Debtor and the Purchaser;
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"

"Claims"

1. *Personal Property Security Act (British Columbia)*

Base Registration Number:	973496G
Registration Date:	September 27, 2012
Expiry Date:	September 27, 2022
Debtor(s):	0942065 B.C. Ltd.
Secured Party / Parties:	JPMorgan Chase Bank, N.A. Toronto

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)
