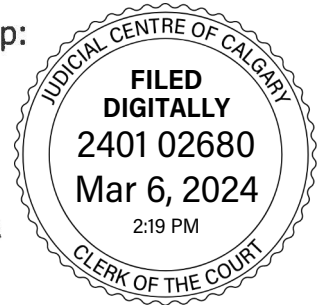


Clerk's Stamp:



COURT FILE NUMBER: 2401-02680

COURT: COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE: CALGARY

APPLICANTS:
**(Respondents on
Application)**

IN THE MATTER OF *THE COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF THE PLAN OF COMPROMISE OR
ARRANGEMENT OF RAZOR ENERGY CORP., RAZOR
HOLDINGS GP CORP., AND BLADE ENERGY SERVICES
CORP.

DOCUMENT:

**AFFIDAVIT #2 OF BRADLEY WEICKER IN
SUPPORT OF APPLICATION OF ALBERTA
PETROLEUM MARKETING COMMISSION**

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

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File No. 2352-00005 WWS

AFFIDAVIT #2 OF BRADLEY WEICKER

Sworn on March 6, 2024.

I, Bradley Weicker, of the City of Calgary, of the Province of Alberta, SWEAR AND SAY
THAT:

1. I am the Marketing Manager of the Alberta Petroleum Marketing Commission (APMC). I have personal knowledge of the facts and matters sworn in this Affidavit, except where information was received from someone else or some other source of information, as identified herein. Where that information contained herein was received from another source, I believe such information to be true.
 2. Under the *Petroleum Marketing Act*, APMC is created and appointed to act as the Crown's agent to receive and market crude oil royalty volumes. APMC's statutory responsibilities include administering various aspects of the *Petroleum Marketing Regulation* related to crude oil royalty forecasting, deliveries and settlements of Crown royalty oil.
 3. In order to manage the logistics of actual deliveries and address the practicalities of crude oil trade cycles, which happen in advance of a delivery month, the legislative framework requires producers to forecast the Crown's royalty share of production for delivery to APMC. The *Petroleum Marketing Regulation* reflects the intention that normal oil industry practice is followed by producers when forecasting Crown volumes, with subsection 16(4) giving APMC the discretion to determine what constitutes normal oil industry practice.
 4. The normal oil industry process for settling forecasts and delivering production can be described as follows:
 - a. Oilfield facility operators provide forecasts of crude oil production (and splits for the Crown) for each delivery month to downstream transporters and terminals to which those volumes will be delivered in accordance with the Crude Oil Logistics Committee (COLC) processes, as adapted and supplemented by practices generally accepted in the Alberta oil and gas industry (Accepted Practice).
 - b. At some point in the process of transacting and handling crude that is bought and sold, the quantities that are to be transacted in a delivery month have to be determined or set (or become "firm") so that the downstream facilities and others can plan their operations for the delivery month appropriately. This is done using processes where Form A production estimates are prepared by field operators and then aggregated into Form C's that are used as the final shipping numbers for the Notices of Shipment on the downstream facilities.
 - c. While the Form A forecasts are changeable for a period in the month preceding the month of delivery, such volumes become definitive (or "firm") per Accepted Practice for a delivery month upon the Form C and related Notice of Shipment document becoming final (subject to downstream
-
-

facility apportionment), such occurring around the tenth day of the month preceding the delivery month.

- d. Once that volume is “firm” (unchangeable) per the above process, it is the volume intended to be transacted. Downstream marketing and transportation commitments (including for APMC) are settled based on these firm volumes in the Notice of Shipment.
 - e. Throughout the delivery month, pipelines, in fact, directly manage shipper obligations and track deliveries to the pipeline within the delivery month using their own draft shipper balance forms and processes.
 - f. Final draft shipper balances are published by the pipelines at the end of the delivery month showing final expected deliveries. Actual final deliveries are determined through Crown royalty production splits which are settled by producers usually between the tenth and twelfth day of the month following the delivery month.
5. According to the records of APMC, Razor Energy settled forecasts in February 2024 reflecting the anticipated delivery of Crown royalty oil in aggregate volumes of only 47 cubic meters for the March 2024 delivery month. Set out below are APMC’s records of all forecasts of Crown royalty oil deliveries for Razor Energy in the March 2024 delivery month, with the Form C forecasts showing the aggregation of Razor Energy’s Form A forecasts for the month.

Bow River South:

Producer	Op Code	Battery Code	LSD or UWI	Original Form C	Facility Stream	From Facility 1 Code	From Facility 1 Name	From Facility 2 Code	From Facility 2 Name	To Pipeline Code	To Pipeline Name	Standard Stream ID
Razor Energy Corp	A7N1	ABBT0144707	100/06-01-008-15W4/00		BRS	ABPL0000113	Bow River River Pipeline South			ABPL0000096	Milk River BRS	
Razor Energy Corp	A7L1	ABBT0900019	100/13-19-016-17W4/00	40.0	BRS	ABTM0000801	Hays Truck Terminal	ABPL0000195	Bow River Hardisty South	ABPL0000096	Milk River BRS	
Razor Energy Corp	A7L1	ABBT0144707	100/06-01-008-15W4/00	5.0	BRS	ABTM0000801	Hays Truck Terminal	ABPL0000195	Bow River Hardisty South	ABPL0000096	Milk River BRS	

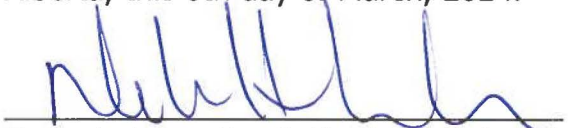
CAL:

Producer	Op Code	Battery Code	LSD or UWI	Original Form C	Facility Stream	From Facility 1 Code	From Facility 1 Name	From Facility 2 Code	From Facility 2 Name	To Pipeline Code	To Pipeline Name	Standard Stream ID
Razor Energy Corp	A7L1	ABB15060001	100/14-13-020-20W4/00	2.0	CAL	ABTM0000835	West Drumheller TT			ABPL0000032	Central Alberta	CAL

- 6. Based on the Razor Energy forecasts reflected in APMC records, Razor Energy is not expected to have enough production in March 2024 to satisfy the current underdelivery balance of 934.8 cubic meters in Crown royalty oil that was caused by the failure of Razor Energy to deliver the Crown’s royalty share of January 2024 production.
- 7. APMC received information from Razor Energy on March 6, 2024 through non-standard channels, and very recently an affidavit, that Razor Energy has recently updated its forecasts to reflect an increased allocation of Crown royalty oil for the March 2024 delivery month; however, APMC has not yet confirmed this information with the pipelines.

8. I make this affidavit in support of the relief sought on behalf of the APMC in the application submitted for filing March 6, 2024.

SWORN BEFORE ME at
the City of Calgary, in the Province of
Alberta, this 6th day of March, 2024.



Commissioner for Oaths in and for the
Province of Alberta



BRADLEY WEICKER

NOLAN HINDMARSH
Barrister & Solicitor