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COURT FILE NUMBER

2101 14158

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANT

PRICEWATERHOUSECOOPERS INC., IN ITS
CAPACITY AS COURT-APPOINTED
RECEIVER AND MANAGER OF FTI CONSULTING
FINANCE INC., BRIDGING INCOME FUND
LP AND CERTAIN RELATED ENTITIES AND
INVESTMENT FUNDS

RESPONDENTS

CUDA ENERGY INC., CUDA OIL AND GAS
INC., CUDA ENERGY LLC AND JUNEX INC.

DOCUMENT

APPROVAL AND VESTING ORDER
(Sale by Receiver to COPL America Inc.)

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

BENNETT JONES LLP
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DATE ON WHICH ORDER WAS PRONOUNCED: April 29, 2022

LOCATION OF HEARING: Calgary, Alberta

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Justice D.B Nixon

UPON THE APPLICATION by FTI Consulting Canada Inc., in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertakings, property and assets of Cuda Energy LLC. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and **COPL America Inc.** (the "**Purchaser**") dated April 11, 2022, a redacted copy of which is attached to the Second Report of the Receiver dated April 20, 2022 (the "**Second Report**") as Schedule "A", and an unredacted copy of which is attached to the Confidential Supplement to the Second (the "**Confidential Supplement**") as Schedule "A", and vesting in the Purchaser (or its nominee) the

Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**");

AND UPON HAVING READ the Receivership Order dated November 18, 2021 (the "**Receivership Order**"), the Report, the Confidential Supplement and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser, and any other interested parties that may be present, and no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, 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.

DEFINED TERMS

2. All capitalized terms used in this Order but not defined herein shall bear their meanings as defined in the Sale Agreement.

APPROVAL OF TRANSACTION

3. The Transaction is hereby approved and is commercially reasonable, and execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary and the Purchaser approves. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

VESTING OF PROPERTY

4. Upon delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Closing Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets listed in **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgments, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and

whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order;
- (b) those Claims listed in **Schedule "C"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "D"** (collectively, "**Permitted Encumbrances**")),

and for greater certainty, this Court orders that (i) the Environmental Liabilities and Abandonment and Reclamation Obligations, as defined respectively in the Sale Agreement, do not, for the purpose of this Order, constitute Claims; and (ii) all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

- 5. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement.
- 6. 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 Receiver) shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from 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. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order or as against any Receiver's Charge outstanding pursuant to the Receivership Order.
- 7. Except as expressly provided for in the Sale Agreement, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.

8. Upon completion of the Transaction, 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 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 right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the 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 (or its nominee).
9. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by, through or against the Debtor.
10. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.
11. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).

MISCELLANEOUS MATTERS

12. Notwithstanding:
 - (a) the pendency of these proceedings and any declaration of insolvency made herein;
 - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the "*BIA*"), in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;
 - (c) any assignment in bankruptcy made in respect of the Debtor; and
 - (d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser (or its nominee) 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 transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the *BIA* 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 Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction 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 Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Receiver, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order, including, without limitation, in the proceeding filed under chapter 15 of the United States Bankruptcy Code in the United States Bankruptcy Court for the District of Wyoming, Jointly Administered Case No. 21-20484, Case No. 21-20485, Case No. 21-20486 and Case No. 21-20487.
15. Service of this Order shall be deemed good and sufficient by:
 - (a) Serving the same on:
 - (i) the persons listed on the service list created in these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order;
 - (iv) the Purchaser or the Purchaser's solicitors; and
 - (b) Posting a copy of this Order on the Receiver's website at:
<http://cfcanada.fticonsulting.com/cuda>,

and service on any other person is hereby dispensed with.

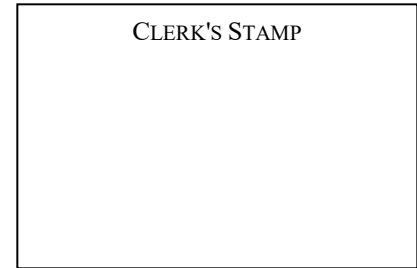
16. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.



Justice of the Court of Queen's Bench of Alberta

SCHEDULE "A"

Form of Receiver's Certificate



COURT FILE NUMBER 2101 14158

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF(S) PRICEWATERHOUSECOOPERS INC., IN ITS CAPACITY AS COURT-APPOINTED RECEIVER AND MANAGER OF BRIDGING FINANCE INC., BRIDGING INCOME FUND LP AND CERTAIN RELATED ENTITIES AND INVESTMENT FUNDS

DEFENDANT(S) CUDA ENERGY INC., CUDA OIL AND GAS INC., CUDA ENERGY LLC AND JUNEX INC.

DOCUMENT

RECEIVER'S CERTIFICATE

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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fisherka@bennettjones.com

RECITALS

A. Pursuant to an Order of the Honourable Justice K.M. Horner of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated November 18, 2021, FTI Consulting Canada Inc. was appointed as the receiver (the "**Receiver**") of the undertakings, property and assets of Cuda Energy, LLC (the "**Debtor**").

- B. Pursuant to an Order of the Court dated April 29, 2022, the Court approved the agreement of purchase and sale made as of April 11, 2022 (the "**Sale Agreement**") between the Receiver and COPL America Inc. (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 Receiver 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 sections 11.1, 11.2 and 11.3 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Receiver 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 sections 11.1, 11.2 and 11.3 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at **[Time]** on **[Date]**.

FTI Consulting Canada Inc., in its capacity as Receiver of the undertakings, property and assets of Cuda Energy LLC., and not in its personal capacity.

Per: _____

Name:

Title:

SCHEDULE "B"

Purchased Assets

The Purchased Assets consist of the Assets (as defined in the Sale Agreement, and each subsequent capitalized term herein having the respective meaning as defined therein), including, without limitation, (i) the Petroleum and Natural Gas Rights; (ii) the Tangibles; and (iii) the Miscellaneous Interests described in the attachments to this Schedule "B".

SCHEDULE "C"

Claims

"**Claim**" means, with capitalized terms having the definitions given to them in the Sale Agreement, unless otherwise defined in this Order, any right, claim, cause of action or complaint of any Person that may be asserted or made in whole or in part against any Vendor, any of their respective Affiliates and their respective Representatives, or the Assets, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right, claim, cause of action or complaint is executory or anticipatory in nature.

SCHEDULE "D"

Permitted Encumbrances

"Permitted Encumbrances" means, with capitalized terms having the definitions given to them in the Sale Agreement, unless otherwise defined in this Order, to the extent disclosed by Vendor to Purchaser (including to the extent identified in Exhibits A, B, or C to the Sale Agreement or otherwise in any diligence materials or other disclosures provided by the Vendor, including the Due Diligence Information) or of record in the proper county records, or otherwise within the actual knowledge of the Purchaser or its Affiliates:

- (xiv) any overriding royalties, net profits interests and other burdens, which are provided for under the Title Documents;
- (xv) the terms and conditions of the Assumed Contracts and the Title Documents, including ROFRs, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
- (xvi) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;
- (xvii) easements, rights of way, surface leases, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables, to the extent not materially affecting the ownership, operation, and/or use of the Assets;
- (xviii) taxes on Petroleum Substances, except for Income Taxes, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;
- (xix) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use or operation of any of the Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of Petroleum Substances;
- (xx) materialman's, mechanic's, repairman's employee's, contractors, operator's and other similar liens arising in the ordinary course of business with respect to the development or operation of any of the Assets, as regards the Vendor's or any Debtor's share of the costs and expenses thereof which are not due or delinquent and are inchoate as of the date hereof;

- (xxi) the reservations, limitations, provisos and conditions in any grants or transfers from any Governmental Authority of any of the Lands or interests therein, and statutory exceptions to title;
- (xxii) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;
- (xxiii) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority;
- (xxiv) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets as regards the Vendor's or any Debtor's share of amounts owing to such public utility, municipality or Governmental Authority which are not due or delinquent as of the date hereof; and
- (xxv) the Southwestern Liens.