

THIS IS EXHIBIT " 24 "

referred to in the Affidavit of

J. David Rushford

Sworn before me this 8th

day of March 2016



**CHRIS SIMARD**  
Barrister and Solicitor

**QUICKSILVER RESOURCES CANADA INC.**

**DEMAND DEBENTURE**

**Agent and Address: JPMORGAN CHASE BANK, N.A. TORONTO BRANCH**  
in its capacity as Administrative Agent as defined below,  
200 Bay Street, Floor 18, ON1-1800  
Toronto, Ontario, Canada M5J 2J2

**Date:** September 6, 2011

**PREAMBLE:**

- A.** Quicksilver Resources Canada Inc., as borrower (the “**Debtor**”), those various financial institutions that are, or may from time to time become, lenders thereunder (the “**Lenders**”), and JPMorgan Chase Bank, N.A., Toronto Branch, as Administrative Agent (the “**Administrative Agent**”) are parties to a Credit Agreement dated as of September 6, 2011 (as such agreement may be amended, increased, extended, supplemented or otherwise modified or restated from time to time, the “**Credit Agreement**”).
- B.** The Debtor has, or may, enter into with, and incur indebtedness to, any Secured Swap Provider pursuant to the terms of any Swap Agreement to which the Debtor and any Secured Swap Provider are parties.
- C.** The Debtor has, or may, enter into with, and incur indebtedness to, Bank Products Providers which provide Bank Products to the Debtor (collectively, the “**Bank Products Agreements**”).
- D.** To secure the payment and performance of the Principal Sum (as hereinafter defined), the Debtor has agreed to grant to the Administrative Agent, for its own benefit and on behalf of the Secured Parties, a Security Interest (as hereinafter defined) over the Collateral (as hereinafter defined) in accordance with the terms of this Demand Debenture (this “**Debenture**”).
- E.** The Secured Parties have agreed to share the security delivered by the Debtor under the Credit Agreement, including, without limitation, this Debenture, in accordance with the terms of the Credit Agreement.
- F.** Capitalized words and phrases used but not otherwise defined in this Debenture will have the meanings set out in the Credit Agreement.

**PROMISE TO PAY**

**1.1** The Debtor, a corporation amalgamated under the laws of Alberta, for value received, hereby acknowledges itself indebted and promises to pay **ON DEMAND** to or to the order of the Administrative Agent for its own benefit and on behalf of the Secured Parties from time to time or any subsequent holder or holders of this Debenture, the Principal Sum set out below in lawful money of Canada at such place as the Administrative Agent, from time to time, may designate by

notice in writing to the Debtor, and to pay interest thereon from the date of demand at the rate set out below in like money at the same place on the last day of each month following demand and, should the Debtor at any time make default in payment of any principal or interest, to pay interest both before and after default and judgment on the amount in default at the same rate in like money at the same place on the same dates.

## PRINCIPAL SUM

2.1 The "Principal Sum" is Cdn. \$1,000,000,000.

## INTEREST RATE

3.1 The "Interest Rate" will be a nominal interest rate equal to 21% per annum.

## SECURITY

4.1 As general and continuing collateral security for the due payment of the Principal Sum, interest and all other monies payable hereunder or from time to time secured hereby and as security for the performance and observance of the covenants and agreements on the part of the Debtor herein contained, the Debtor hereby mortgages and charges to and in favour of the Administrative Agent for and on behalf of the Secured Parties, as and by way of a first floating charge, all of the Debtor's present and after-acquired real property (the "Real Property Collateral") and grants to and in favour of the Administrative Agent for and on behalf of the Secured Parties a first priority security interest in and to 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 (including all right, title and interest that the Debtor now has, may be possessed of, entitled to, or acquire, by way of amalgamation or otherwise, now or at any time hereafter in any present or future personal property), and all proceeds of any of the foregoing in the form of "goods", "chattel paper", "investment property", "documents of title", "instruments", "money" or "intangibles" (as each such term is defined in the *Personal Property Security Act* (Alberta)). In this Debenture, the mortgages, charges and security interests hereby constituted are called the "Security Interest" and the subject matter of the Security Interest, including the Real Property Collateral, is called the "Collateral". Notwithstanding the foregoing, the Collateral shall not include the following (the "Excluded Collateral"): (a) any vehicles or aircraft now or hereafter owned by the Debtor, (b) any drilling rigs, rental equipment or other personal property which may be on any Real Property Collateral for the purpose of drilling a well or for other similar temporary uses, (c) any mobile building or mobile manufactured homes, (d) assets manufactured for sale to third parties to the extent not used by the Debtor in connection with the operating, working or development of the Real Property Collateral or Oil and Gas Properties, (e) cash, including any cash contained in any deposit account, solely to the extent it is derived from Excluded Collateral, securities accounts and commodities accounts, (f) Investments other than Investments in Restricted Subsidiaries, (g) accounts receivable and other contract rights not derived from or specifically pertaining to the Real Property Collateral or Oil and Gas Properties, (h) books and records not pertaining to the Real Property Collateral or Oil and Gas Properties, (i) all intellectual property, patents, trademarks, copyrights, software and other source code not pertaining to the Real Property Collateral or Oil and Gas Properties, and (j) goods (including, without limitation, all inventory and all equipment) not situated upon or arising from the Oil and

Gas Properties. To the extent Collateral includes any cash, including any cash contained in any deposit account, solely to the extent it is subject of a perfected Lien in favor of another Person which Lien is permitted under Section 9.03 of the Credit Agreement, the Agent will (x) release the Security Interest in respect of such cash, and (y) deliver to the Debtor, on the request of the Debtor and at the Debtor's sole cost and expense, a no-interest letter or other document evidencing the release of the Security Interest in respect of the foregoing cash.

**4.2** Until the occurrence and during the continuance of an Event of Default, the Debtor, subject to the terms of and except as provided in the Credit Agreement, the Swap Agreements, the Bank Product Agreements, the Security Instruments, the other Loan Documents and the other documents, instruments and agreements, including any guarantees given by the Debtor, entered into pursuant thereto or in connection therewith from time to time (collectively, the "**Credit Documents**"), may dispose of or deal with the Collateral in the ordinary course of its business and for the purpose of carrying on the same, so that purchasers thereof or parties dealing with the Debtor take title thereto free and clear of the Security Interest. In the event of any such disposition in the ordinary course of business or as permitted by the Credit Agreement, the Administrative Agent will, at the written request of the Debtor which will include a certificate of the Debtor stating that such Collateral is being dealt with or disposed of in accordance with this Section 4.2, release its Security Interest over the Collateral which has been disposed.

**4.3** The Security Interest will not extend or apply to the last day of the term of any lease of real property or agreement therefor, but upon the enforcement of the Security Interest, the Debtor will stand possessed of such last day in trust to assign the same at the direction of the Administrative Agent to any Person acquiring such term.

**4.4** The Debtor confirms that value has been given, that the Debtor has rights in the Collateral (other than any personal property of the Debtor which is acquired after the date of execution of this Debenture), and that the Debtor and the Administrative Agent, for and on behalf of the Secured Parties, have not agreed to postpone the time for attachment of the Security Interest to any of the Collateral. In respect of Collateral which is acquired after the date of execution hereof, the time for attachment will be the time when the Debtor acquires rights or interests in such Collateral.

**4.5** The Administrative Agent is the party entitled to receive all amounts payable hereunder for and on behalf of the Secured Parties and to give a discharge hereof.

**4.6** Without limiting its rights hereunder to crystallize the Security Interest in any other manner, the Administrative Agent, for and on behalf of the Secured Parties, may, subject to and in accordance with Section 8.13(e) of the Credit Agreement, crystallize and fix the Security Interest in respect of all or a portion of the Real Property Collateral by (a) giving notice to the Debtor of, and (b) registering this Debenture, or a caveat, security notice, financing statement or other instrument in respect of this Debenture, at any public registry or other office maintained for the purposes of registering fixed and specific mortgages, liens, pledges, charges, security interests or other encumbrances of any kind and after such crystallization, the Security Interest in respect of such Real Property Collateral that is the subject of the registration will constitute a fixed and specific mortgage, lien, pledge, charge, security interest or other encumbrance of any kind to and in favour of the Administrative Agent, for and on behalf of the Secured Parties, its

successors and assigns, in respect of such Real Property Collateral, and the Debtor will not thereafter dispose of or otherwise deal with such Real Property Collateral without the consent of the Administrative Agent except as otherwise permitted by the Credit Documents. The Debtor will execute such further documents and do all acts reasonably requested by the Administrative Agent to give effect to the foregoing. For the purposes of Section 203(1) of the *Land Title Act* (British Columbia), the floating charge against the Real Property Collateral referred to in Section 4.1 shall become a fixed charge on the Real Property Collateral charged thereby upon the earlier of (a) the Security Interest becoming enforceable against the Real Property Collateral, subject to and in accordance with Section 8.13(e) of the Credit Agreement, and the Administrative Agent giving written notice to the Debtor that such floating charge has become a fixed charge on the undertaking, property and assets of the Debtor, and (b) the occurrence of any other event which, by operation of law, would result in such floating charge becoming a fixed charge on the undertaking, property and assets of the Debtor charged thereby.

**4.7** The Security Interest does not and will not extend to, and the Collateral will not include, any agreement, right, franchise, intellectual property, licence or permit (the “**Contractual Rights**”) to which the Debtor is a party or of which the Debtor has the benefit, to the extent that the creation of the Security Interest would constitute a breach of the terms of or permit any Person to terminate the Contractual Rights, but the Debtor will hold its interest therein in trust for the Administrative Agent to the extent permitted by law and will assign such Contractual Rights to the Administrative Agent forthwith upon obtaining the consent of the other party or parties thereto.

**4.8** Notwithstanding the provisions of this Debenture, (i) the Debtor shall remain liable to perform all of its duties and obligations in regard to the Collateral (including, without limitation, all of its duties and obligations arising under any leases, licenses, permits, reservations, contracts, agreements, instruments, contractual rights and governmental orders, authorizations, licenses and permits now or hereafter pertaining thereto) to the same extent as if this Debenture had not been executed; (ii) the exercise by the Administrative Agent of any of its rights and remedies under or in regard to this Debenture shall not release the Debtor from such duties and obligations; and (iii) the Administrative Agent shall have no liability for such duties and obligations or be accountable for any reason to the Debtor by reason only of the execution and delivery of this Debenture.

**4.9** The Administrative Agent and its successors and assigns shall have and hold the Collateral, together with all tenements, hereditaments and appurtenances thereto, in accordance with the terms of the Credit Documents.

**4.10** To the extent permitted by applicable law, the Security Interest shall not be impaired by any indulgence, moratorium or release which may be granted including, but not limited to, any renewal, extension or modification which may be granted with respect to any secured indebtedness, or any surrender, compromise, release, renewal, extension, exchange or substitution which may be granted in respect of the Collateral, or any part thereof or any interest therein, or any release or indulgence granted to any endorser, guarantor or surety of any of the Principal Sum.

**4.11** The Debtor agrees and acknowledges that the Security Interest and the Collateral are being shared between the Secured Parties in accordance with the terms of the Credit Agreement

and this Debenture is being held by the Administrative Agent or its designee for its own benefit and on behalf of the Secured Parties. All the powers, rights and remedies of the Administrative Agent shall be subject in all respects to the Credit Agreement.

## ENFORCEMENT

**5.1 Remedies.** Subject to Section 5.2 hereof and the terms of the Credit Documents, upon the occurrence and during the continuance of any Event of Default, the Administrative Agent will be entitled to exercise any of the remedies specified below:

- (a) **Receiver.** The Administrative Agent may appoint by instrument in writing one or more receivers, managers or receiver/ manager for the Collateral or the business and undertaking of the Debtor pertaining to the Collateral (the "**Receiver**"). Any such Receiver will have, in addition to any other rights, remedies and powers which a Receiver may have at law, in equity or by statute, the rights and powers set out in clauses (b) through (e) in this Section 5.1. In exercising such rights and powers, any Receiver will act as and for all purposes will be deemed to be the agent of the Debtor and neither the Administrative Agent nor any Secured Party will be responsible for any act or default of any Receiver. The Administrative Agent may remove any Receiver and appoint another from time to time. No Receiver appointed by the Administrative Agent need be appointed by, nor need its appointment be ratified by, or its actions in any way supervised by, a court.
- (b) **Power of Sale.** Any Receiver subject to applicable law may sell, consign, lease or otherwise dispose of any Collateral by public auction, private tender, private contract, lease or deferred payment with or without notice, advertising or any other formality, all of which are hereby waived by the Debtor to the extent the Debtor may lawfully do so. Any Receiver may, at its discretion establish the terms of such disposition, including terms and conditions as to credit, upset, reserve bid or price. All payments made pursuant to such dispositions will be credited against the Principal Sum only as they are actually received. Any Receiver may buy in, rescind or vary any contract for the disposition of any Collateral and may dispose of any Collateral without being answerable for any loss occasioned thereby. Any such disposition may take place whether or not the Receiver has taken possession of the Collateral.
- (c) **Pay Liens and Borrow Money.** Any Receiver may pay any liability secured by any actual or threatened Lien against any Collateral. Any Receiver may borrow money for the maintenance, preservation or protection of any Collateral or for carrying on any of the business or undertaking of the Debtor pertaining to the Collateral and may grant Liens in any Collateral (in priority to the Security Interest or otherwise) as security for the money so borrowed. The Debtor will forthwith upon demand reimburse the Receiver for all such payments and borrowings and such payments and borrowings will be secured hereby and will be added to the money hereby secured and bear interest at the rate set forth in Section 3.1 hereof.

- (d) **Dealing with Collateral.** Any Receiver may seize, collect, realize, dispose of, enforce, release to third parties or otherwise deal with any Collateral in such manner, upon such terms and conditions and at such time as it deems advisable, subject to applicable law, including without limitation:
- (i) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in connection with the Collateral;
  - (ii) to receive, endorse, and collect any drafts or other instruments, documents and chattel paper in connection with Section 5.1(d)(i);
  - (iii) to file any claims or take any action or institute any proceedings which the Administrative Agent may deem to be necessary or desirable for the collection of the Collateral or to enforce compliance with the terms and conditions of any contract or any account; and
  - (iv) to perform the affirmative obligations of the Debtor hereunder (including all obligations of the Debtor pursuant to this Debenture and the Credit Documents.)
- (e) **Carry on Business.** The Administrative Agent or any Receiver may subject to applicable law carry on, or concur in the carrying on of, any or all of the business or undertaking of the Debtor and enter on, occupy and use (without charge by the Debtor) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Debtor.
- (f) **Right to Have Court Appoint a Receiver.** The Administrative Agent may, at any time, apply to a court of competent jurisdiction for the appointment of a Receiver, or other official, who may have powers the same as, greater or lesser than, or otherwise different from, those capable of being granted to a Receiver appointed by the Administrative Agent pursuant to this Debenture.
- (g) **Administrative Agent May Exercise Rights of a Receiver.** In lieu of, or in addition to, exercising its rights, remedies and powers under clauses (a), (f) and (h) of this Section 5.1, the Administrative Agent has, and may exercise, any of the rights and powers which are capable of being granted to a Receiver appointed by the Administrative Agent pursuant to this Debenture.
- (h) **Retention of Collateral.** The Administrative Agent may subject to applicable law elect to retain any Collateral in satisfaction of the Principal Sum. The Administrative Agent may designate any part of the Principal Sum to be satisfied by the retention of particular Collateral which the Administrative Agent considers to have a net realizable value approximating the amount of the designated part of the Principal Sum, in which case only the designated part of the Principal Sum will be deemed to be satisfied by the retention of the particular Collateral.

- (i) **Limitation of Liability.** Neither the Administrative Agent nor any Secured Party will be liable or accountable for any failure to take possession of, seize, collect, realize, dispose of, enforce or otherwise deal with any Collateral and none of them will be bound to institute proceedings for any such purposes or for the purpose of reserving any rights, remedies and powers of the Administrative Agent, the Debtor or any other Person in respect of any Collateral. If any Receiver or the Administrative Agent takes possession of any Collateral, neither the Administrative Agent nor any Receiver will have any liability as a mortgagee in possession or be accountable for anything except actual receipts.
- (j) **Extensions of Time.** Following the occurrence and during the continuance of any Event of Default, the Administrative Agent may grant renewals, extensions of time and other indulgences, accept compositions, grant releases and discharges, and otherwise deal or fail to deal with the Debtor, debtors of the Debtor, guarantors, sureties and others and with any Collateral as the Administrative Agent may see fit, all without prejudice to the liability of the Debtor to the Administrative Agent or the Administrative Agent's rights, remedies and powers under this Debenture or under any other Credit Documents.
- (k) **Validity of Sale.** No Person dealing with the Administrative Agent or any Receiver, or with any officer, employee, agent or solicitor of the Administrative Agent or any Receiver will be concerned to inquire whether the Security Interests have become enforceable, whether the right, remedy or power of the Administrative Agent or the Receiver has become exercisable, whether the Principal Sum remaining outstanding or otherwise as to the proprietary or regularity of any dealing by the Administrative Agent or the Receiver with any Collateral or to see to the application of any money paid to the Administrative Agent or the Receiver, and in the absence of fraud on the part of such Person such dealings will be deemed, as regards such Person, to be within the rights, remedies and powers hereby conferred and to be valid and effective accordingly.
- (l) **Effect of Appointment of Receiver.** As soon as the Administrative Agent takes possession of any Collateral or appoints a Receiver, all powers, functions, rights and privileges of the Debtor including, without limitation, any such powers, functions, rights and privileges which have been delegated to directors, officers of the Debtor or committees with respect to such Collateral will cease, unless specifically continued by the written consent of the Administrative Agent or the Receiver.
- (m) **Time for Payment.** If the Administrative Agent demands payment of the Principal Sum that is payable on demand or if the Principal Sum is otherwise due by maturity or acceleration, it will be deemed reasonable for the Administrative Agent to exercise its remedies immediately if such payment is not made, and any days of grace or any time for payment that might otherwise be required to be afforded to the Debtor at law or in equity is hereby irrevocably waived to the extent that the Debtor may lawfully do so.



- (n) **No Implied Waiver.** The rights of the Secured Parties and the Administrative Agent (whether arising under this Debenture, any other Credit Document, any other agreement or at law or in equity) will not be capable of being waived or varied otherwise than by an express waiver or variation in writing, and in particular any failure to exercise or any delay in exercising any of such rights will not operate as a waiver or variation of that or any other such right; any defective or partial exercise of any of such rights will not preclude any other or further exercise of that or any other such right, and no act or course of conduct or negotiation on the part of any Secured Parties or the Administrative Agent or on its behalf will in any way preclude any Secured Parties or the Administrative Agent from exercising any such right or constitute a suspension or any variation of any such right.
- (o) **Rights Cumulative.** The rights, remedies and powers conferred by this Section 5.1 are in addition to, and not in substitution for, any other rights, remedies or powers that the Administrative Agent or any Secured Party may have under this Debenture, at law, in equity, by or under the *Personal Property Security Act* (Alberta) or by any other statute or agreement. The Administrative Agent may proceed by way of any action, suit or other proceeding at law or in equity and no right, remedy or power of the Administrative Agent or any Secured Party will be exclusive of or dependent on any other. The Administrative Agent or any Secured Party may exercise any of their rights, remedies or powers separately or in combination and at any time.

**5.2 Application of Amounts Received.** The proceeds of realization or enforcement hereunder of or any other amount from time to time received by the Administrative Agent or the Receiver will be applied as set forth in Section 10.02(c) of the Credit Agreement.

**5.3 Realization.** The Administrative Agent will not, nor will it be entitled to, demand payment pursuant hereto or enforce the Security Interest constituted hereunder unless and until the Administrative Agent will be entitled or obligated to do so pursuant to the provisions of the Credit Agreement, but thereafter the Administrative Agent, as agent for the Secured Parties, may at any time exercise and enforce all of the rights and remedies of a holder of this Debenture in accordance with applicable law and subject to the Credit Agreement, as if the Administrative Agent was the absolute owner thereof and any such right or remedy may be exercised separately or in combination with, and will be in addition to and not in substitution for, any other right or remedy of the Administrative Agent however created, provided that the Administrative Agent will not be bound to exercise any such right or remedy.

**5.4 Deliver Possession.** If the Administrative Agent or any Receiver exercises its rights herein to take possession of the Collateral, the Debtor will upon request from the Administrative Agent or any such Receiver, assemble and deliver possession of the Collateral at such place or places as directed by the Administrative Agent or any such Receiver.

**5.5 Release.** If the Administrative Agent receives the balance of the Principal Sum (including, without limitation, all amounts forming part thereof) with interest thereon as set forth in this Debenture and any and all other amounts that are payable to the Administrative Agent on

or in relation to the repayment thereof, then the Administrative Agent will, at the written request and sole expense of the Debtor, reassign and reconvey the Collateral to the Debtor and release the Security Interest.

## WAIVER

6.1 The Debtor hereby covenants and agrees with the Administrative Agent and the Secured Parties that:

- (a) the *Land Contracts (Actions) Act* (Saskatchewan) will have no application to any action as defined therein, with respect to the Credit Documents; and
- (b) the *Limitation of Civil Rights Act* (Saskatchewan) will have no application to:
  - (i) the Credit Documents;
  - (ii) any Lien for the payment of money made, given created or contemplated by the Credit Documents;
  - (iii) any agreement or instrument renewing or extending or collateral to the Credit Documents or renewing or extending or collateral to any Lien referred to or mentioned in subparagraph (b)(ii) of this Section 6.1; or
  - (iv) the rights, powers or remedies of the parties under the Credit Documents or Lien, agreement or instrument referred to or mentioned in subparagraphs (b)(ii) or (b)(iii) of this Section 6.1.

## ATTORNEY IN FACT

7.1 The Debtor hereby irrevocably constitutes and appoints the Administrative Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Debtor and in the name of the Debtor or in its own name, from time to time in the Administrative Agent's reasonable discretion, for the purpose of carrying out the terms of this Debenture, to, upon the occurrence and during the continuance of an Event of Default, take any and all appropriate action and to execute any and all documents and instruments which may be reasonably necessary or desirable to accomplish the purposes of this Debenture and which the Debtor being reasonably required to take or execute has failed to take or execute. The Debtor hereby ratifies all that said attorneys will lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and will be irrevocable until the Principal Sum and all obligations under the Credit Documents have been unconditionally and irrevocably paid and performed in full. The Debtor also authorizes the Administrative Agent, at any time and from time to time, to execute any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral in connection with the sale provided for in Section 5.1(b).

## REPRESENTATIONS

8.1 The Debtor represents and warrants to the Administrative Agent and each of the Secured Parties that the address of the Debtor's chief executive office is One Palliser Square, Suite 2000, 125-9th Avenue, SE, Calgary, Alberta T2G OP8, Canada, and, as of the date hereof, the Debtor carries on business only in the Provinces of Alberta and British Columbia.

## COVENANTS

9.1 The Debtor covenants and agrees with the Agent that:

- (a) **Further Documentation; Pledge of Instruments**. At any time and from time to time, upon the written request of the Administrative Agent, and at the sole expense of the Debtor, the Debtor will promptly and duly execute and deliver such further instruments and documents and take such further action as the Administrative Agent may reasonably request for the purposes of obtaining or preserving the full benefits of this Debenture and of the rights and powers herein granted, including the filing or execution of any financing statements or financing change statements under any applicable law with respect to this Debenture. The Debtor also hereby authorizes the Administrative Agent to file any such financing statement or financing change statement without the signature of the Debtor to the extent permitted by applicable law. Without limiting the generality of the foregoing, the Debtor acknowledges that this Debenture has been prepared based on applicable law and the Debtor agrees that the Administrative Agent will have the right, acting reasonably, to require that this Debenture be amended or supplemented: (i) to reflect any changes in applicable law, whether arising as a result of statutory amendments, court decisions or otherwise; (ii) to facilitate the creation and registration of appropriate security in all appropriate jurisdictions; or (iii) if the Debtor amalgamates with any other Person or enters into any reorganization, in each case in order to confer upon the Administrative Agent the security intended to be created hereby.
- (b) **Further Identification of Collateral**. The Debtor will furnish to the Administrative Agent from time to time such statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Agent may reasonably request, all to the extent necessary to permit the Collateral to be sufficiently described.
- (c) **Notices**. The Debtor will advise the Administrative Agent in writing promptly (and in any event within 10 days following such change) in reasonable detail of (i) any change in the jurisdictions where it carries on business or the chief executive office of the Debtor, or (ii) any change in the name of the Debtor.

## EXPENSES

10.1 The Debtor agrees to pay the Administrative Agent forthwith on demand all reasonable costs, charges and expenses, including, without limitation, all reasonable legal fees (on a solicitor and his own client full indemnity basis), incurred by the Administrative Agent in connection with the administration, recovery or enforcement of payment of any amounts payable hereunder

whether by realization or otherwise. All such sums will be secured hereby and will form part of the Secured Indebtedness.

### **PLEDGE OF DEBENTURE**

**11.1** This Debenture may be assigned, deposited or pledged by the Debtor as security for its present and future obligations. This Debenture will not be deemed to have been redeemed by reason of the account of the Debtor having ceased to be in debt while this Debenture was so assigned, deposited or pledged and no payment will reduce the amount owing or payable under this Debenture unless specifically appropriated to this Debenture by the Administrative Agent at the time of payment.

**11.2** This Debenture is not a negotiable instrument.

### **RECOURSE**

**12.1** The Administrative Agent will not be obliged to exhaust its recourse against the Debtor, any other party or surety or any other security it may hold with respect to the obligations of the Debtor pursuant to this Debenture and the Credit Documents before realizing upon or otherwise dealing with this Debenture in such manner in the Administrative Agent's discretion. The Administrative Agent may grant extensions of time or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Debtor and with other parties, sureties or securities in its discretion, without prejudice to the liability of the Debtor in respect of this Debenture.

### **PRESENTMENT**

**13.1** The Debtor hereby expressly waives demand for payment, presentment, protest and notice of dishonour of this Debenture. Any failure or omission by the Administrative Agent to present this Debenture for payment, protest or provide notice of dishonour will not invalidate or adversely affect in any way any demand for payment or enforcement proceeding taken under this Debenture.

### **DEEMED SATISFACTION**

**14.1** Payment in full to the Administrative Agent or the Secured Parties or any of them of all the Secured Indebtedness (other than the Principal Sum, interest and any other amounts due under this Debenture) will be deemed to be payment in full satisfaction of all amounts due under this Debenture. Notwithstanding the Principal Sum, interest and other monies expressed to be payable or secured hereunder, the obligations payable or secured hereunder shall not exceed the Secured Indebtedness (other than the Principal Sum, interest and any other amounts due under this Debenture).

### **NO LIABILITY**

**15.1** Neither the Administrative Agent nor any of the Secured Parties shall be liable for any error of judgment or act done by any of them in good faith, or be otherwise responsible or accountable under any circumstances whatsoever, except for their gross negligence or wilful

misconduct. The Administrative Agent shall have the right to rely on any instrument, document or signature authorizing or supporting any action taken or proposed to be taken by the Administrative Agent hereunder, believed by the Administrative Agent in good faith to be genuine. All moneys received by the Agent shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent required by applicable law), and the Administrative Agent shall be under no liability for interest on any moneys received by it hereunder. The Debtor hereby ratifies and confirms any and all acts which the Administrative Agent or its successors or substitutes shall do lawfully by virtue hereof.

### **DEBENTURE SECURES REVOLVING LINE**

**16.1** This Debenture secures, among other things, a revolving line of credit up to the amount of the Principal Sum, and both present and future advances, and accordingly the Administrative Agent and Secured Parties shall be entitled to all priorities and advantages conferred pursuant to Section 104 of the *Land Titles Act* (Alberta), Part 3 of the *Land Title Act* (British Columbia) and Part III of the *Land Titles Act* (Saskatchewan) as well as the *Personal Property Security Act* (Alberta), the *Personal Property Security Act* (British Columbia) and the *Personal Property Security Act* (Saskatchewan), as applicable.

### **ENUREMENT AND ASSIGNMENT**

**17.1** The provisions of this Debenture will be binding upon the Debtor and its successors and will enure to the benefit of the Administrative Agent and each Secured Party and their respective successors and assigns. Subject to the terms of the Credit Documents, the Debtor will not assign this Debenture without the Administrative Agent's prior written consent.

### **GOVERNING LAW**

**18.1** This Debenture will be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein, without giving effect to the conflict of law principles thereof. Without prejudice to the ability of the Administrative Agent or any Secured Party to enforce this Debenture in any other proper jurisdiction, the Debtor hereby irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Alberta, or any appellate courts thereof, for the purposes of this Debenture.

### **SEVERABILITY**

**19.1** If any portion of this Debenture or the application thereof to any circumstance will be held invalid or unenforceable by a court of competent jurisdiction from which no further appeal has or is taken, to an extent that does not affect in a fundamental way the operation of this Debenture, the remainder of the provision in question, or its application to any circumstance other than that to which it has been held invalid or unenforceable, and the remainder of this Debenture will not be affected thereby and will be valid and enforceable to the fullest extent permitted by applicable law.

### **CONSENT AND WAIVER**

**20.1** No consent or waiver by the Administrative Agent will be effective unless made in writing and signed by an authorized officer of the Administrative Agent.

#### **NOTICE**

**21.1** Any notice, demand, consent, approval or other communication from the Debtor to the Administrative Agent, or vice versa, will be in writing and will be sufficiently given or made if given in the manner prescribed in the Credit Documents.

#### **INCONSISTENCY**

**22.1** To the extent that there is any inconsistency or ambiguity between the provisions of this Debenture and the Credit Agreement, the provisions of the Credit Agreement will govern to the extent necessary to eliminate such inconsistency or ambiguity.

#### **RECEIPT OF COPY**

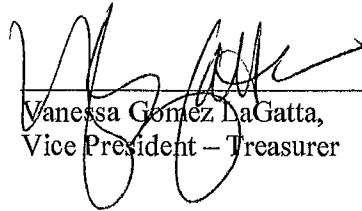
**23.1** The Debtor acknowledges receipt of an executed copy of this Debenture. The Debtor waives the right to receive any amount that it may now or hereafter be entitled to receive (whether by way of damages, fine, penalty, or otherwise) by reason of the failure of the Administrative Agent to deliver to the Debtor a copy of any financing statement or any statement issued by any registry that confirms registration of a financing statement relating to this Debenture.

**[SIGNATURES BEGIN ON FOLLOWING PAGE]**

**THIS DEBENTURE** executed at Calgary, Alberta effective the date first written above.

**QUICKSILVER RESOURCES CANADA INC.**

Per:



\_\_\_\_\_  
Vanessa Gomez DaGatta,  
Vice President – Treasurer

The undersigned hereby acknowledges and consents to this Debenture, and further agrees to the provisions of same.

**ADMINISTRATIVE AGENT:**

**JPMORGAN CHASE BANK, N.A. TORONTO BRANCH**

By:

\_\_\_\_\_  
Michael N. Tam,  
Authorized Officer

**THIS DEBENTURE** executed at Calgary, Alberta effective the date first written above.

**QUICKSILVER RESOURCES CANADA INC.**

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


Vanessa Gomez LaGatta,  
Vice President - Treasurer

The undersigned hereby acknowledges and consents to this Debenture, and further agrees to the provisions of same.

**ADMINISTRATIVE AGENT:**

**JPMORGAN CHASE BANK, N.A. TORONTO BRANCH**

By: \_\_\_\_\_

  
Michael N. Tam,  
Authorized Officer