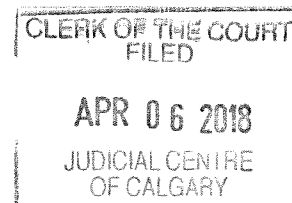


Clerk's stamp:



BANKRUPTCY ESTATE NUMBERS

25-2071993, 25-2071994, 25-2071996

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE

CALGARY

**IN THE MATTER OF THE BANKRUPTCY OF COGI LIMITED PARTNERSHIP, CANADIAN OIL & GAS INTERNATIONAL INC. AND CONSERVE OIL GROUP INC.**

APPLICANT

**MNP LTD., IN ITS CAPACITY AS TRUSTEE OF THE ESTATES OF COGI LIMITED PARTNERSHIP, CANADIAN OIL & GAS INTERNATIONAL INC. AND CONSERVE OIL GROUP INC., BANKRUPTS**

DOCUMENT

**SECOND REPORT OF THE TRUSTEE IN BANKRUPTCY**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Brian Davison, Q.C.  
DLA Piper (Canada) LLP  
Barristers and Solicitors  
1000 250 2 St. S.W.  
Phone: 403-294-3590  
Fax: 403-213-4481

File No.: 16155-00024

## APPENDICES

APPENDIX A	Corporate Searches of COGI Limited Partnership, Canadian Oil & Gas International Inc., and Conserve Oil Group Inc. dated December 21, 2015
APPENDIX B	Corporate Organizational Chart, created by counsel for the Trustee
APPENDIX C	Affidavit of Alexander Gramatzki November 23, 2015, Action No. 1501-12220, Exhibit "M"
APPENDIX D	Management Agreement dated August 23, 2013
APPENDIX E	Retainer Services Agreement dated August 30, 2013
APPENDIX F	Administration Services Agreement dated August 30, 2013
APPENDIX G	Assignment Agreement dated August 30, 2013
APPENDIX H	Corporate Search of Arrow Point Oil & Gas Inc. dated October 22, 2015
APPENDIX I	Corporate Search of Global Advisory Services Inc. dated November 3, 2015
APPENDIX J	Corporate Search of Conserve Oil 9 <sup>th</sup> Corporation dated October 22, 2015
APPENDIX K	Corporate Search of Alberta Energy Solution Ltd. dated October 30, 2015
APPENDIX L	German Organizational Chart, created by counsel for the Trustee
APPENDIX M	Letter from DLA Piper (Canada) LLP to Bauland Inc. dated October 29, 2015
APPENDIX N	Letter from MacPherson Leslie & Tyerman LLP to DLA Piper (Canada) LLP dated November 17, 2015
APPENDIX O	Letter from Bennett Jones LLP to DLA Piper (Canada) LLP dated December 7, 2015
APPENDIX P	Letter from MacPherson Leslie & Tyerman LLP to DLA Piper (Canada) LLP dated February 26, 2016
APPENDIX Q	Confidentiality Agreement between Bauland Inc. and the Trustee dated May 27, 2016
APPENDIX R	Letter from MacPherson Leslie & Tyerman LLP to DLA Piper (Canada) LLP dated September 30, 2016
APPENDIX S	Letter from DLA Piper (Canada) LLP to MLT Aikins LLP dated March 1, 2018, with attached consent order
APPENDIX T	Letter from MLT Aikins LLP to DLA Piper (Canada) LLP dated March 29, 2018

## INTRODUCTION AND BACKGROUND

1. MNP Ltd. ("**MNP**") was appointed as Receiver and Manager (the "**Receiver**") of COGI Limited Partnership ("**COGI LP**"), Canadian Oil & Gas International Inc. ("**COGI Inc.**") and Conserve Oil Group Inc. ("**Conserve**" and collectively "**COGI**" or the "**Company**") pursuant to an October 26, 2015 Court of Queen's Bench of Alberta Order in Action No. 1501-12220 (the "**Receivership Order**"). The Receivership Order granted the Receiver certain powers of control and administration with respect to COGI (the "**COGI Receivership**"). Previous to the Receivership Order, MNP was the Monitor in the COGI LP and COGI Inc. CCAA proceeding in Action No 1501-09807.
2. On December 23, 2015, pursuant to the terms of the Receivership Order, the Receiver filed an assignment in bankruptcy on behalf of COGI LP, COGI Inc. and Conserve (in such capacity, the "**Bankrupt Entities**") and MNP was appointed as Trustee in Bankruptcy for each estate (the "**Trustee**").
3. On January 6, 2016, pursuant to an Order granted in the Receivership Proceedings (the "**COC1 Order**"), MNP was appointed as Receiver and Manager over Conserve Oil 1<sup>st</sup> Corporation ("**COC1**").
4. On March 6, 2018, this Honourable Court granted an Order consolidating the estates of the Bankrupt Entities for the purpose of administration.
5. This is the Trustee's second report to the Court (the "**Second Report**"), which should be read in conjunction with the Trustee's First Report. Capitalized terms not defined in this Second Report are as defined in the Receivership Order. All references to currency are in Canadian dollars unless otherwise stated.
6. In preparing the Second Report and making comments herein, the Trustee has been provided with, and has relied upon, certain unaudited, draft and/or internal financial information of COGI, affidavits and documents filed in Action Nos. 1501-12220, 1501-09807, 1601-0023AC, transcripts and evidence resulting from the examinations of individuals pursuant to s 163 of the Bankruptcy and Insolvency Act ("**BIA**", or "**Act**") the books and records of COGI, and information from other third-party sources (collectively, the "**Information**"). The Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with generally accepted assurance standards or other standards established by the Chartered Professional Accountants of Canada.
7. Copies of the relevant documents relating to these proceedings are available on the Trustee's website at [www.mnpdebt.ca/cogi](http://www.mnpdebt.ca/cogi).

## PURPOSE OF THE REPORT

8. The purpose of the Second Report is to provide this Honourable Court with an update as to activities of the Trustee since the date of the bankruptcy and to seek an order granting the following relief:
  - (a) Ordering that Bauland Inc. ("**Bauland**") forthwith deliver to the Trustee the original forensic image of the Bauland Server (as defined in paragraph 23), for review subject to provisions for privilege and confidentiality of third party records as set out in the proposed form of Order.

## BACKGROUND - CONSERVE AND BAULAND

9. Conserve Oil Corporation is an amalgamation predecessor to Conserve. Conserve's director is listed as David Crombie. At various times, Mr. Crombie was a director of each of the Bankrupt Entities<sup>1</sup>. Yoshiki Nakamura was president of COGI Inc.<sup>2</sup> and Alexander Gramatzki was Vice President of Conserve until September 15, 2015<sup>3</sup>. Alexander Gramatzki is also known as Alexander Hanne.
10. COGI has a complex corporate structure, with various parties and individuals appearing as directors or shareholders of multiple related corporations. A copy of a Corporate Organizational Chart prepared by MNP from corporate searches, versions of which have been attached to previous reports of the Receiver, is attached hereto as **Appendix B**.
11. Conserve is the parent company of COGI Inc. Conserve was responsible for the day to day management of COGI Inc. and COGI LP<sup>4</sup>. The only business of COGI Inc. was to act as General Partner for COGI LP. The limited partners of COGI LP consist of six German Limited Partnerships or *Kommanditgesellschaft* (each a "KG"), as described below. COC1 was at one time a wholly owned subsidiary of Conserve. Pursuant to an agreement June 4, 2014, Conserve sold its shares in COC1 to Big Coulee Resources Ltd. in exchange for 250,000 shares of Treeosco Inc. Mr. Gramatzki was director of Big Coulee Resources Ltd. at the time<sup>5</sup>. Mr. Gramatzki was also a director of Treeosco Inc.
12. At the date of the Receivership Order, COGI was indebted to Alberta Treasury Branches in the amount of approximately \$33,889,000<sup>6</sup>. At the date of bankruptcy, according to the Bankrupt Entities' records, the Bankrupt Entities were indebted to unsecured creditors in the amount of approximately \$13,654,000<sup>7</sup>.
13. Bauland is an Alberta Corporation, incorporated in 2000. Juergen Hanne is the sole director. Alexander Gramatzki was a director of Bauland until July 1, 2015<sup>8</sup>. Juergen Hanne and Alexander Gramatzki are father and son respectively. Alexander Gramatzki and Sebastian Hanne are step brothers<sup>9</sup>.
14. The business and management of COGI were delegated amongst various corporations. Specifically, in August 2013, four agreements were signed:
  - a) Management Agreement between COGI Inc., COGI LP and Conserve effective August 23, 2013;
  - b) Retainer Services Agreement among Bauland, Conserve and Arrow Point Oil & Gas Inc. ("**Arrow Point**") effective August 30, 2013,
  - c) Administration Services Agreement between Oleum Consulto Inc. and COGI Inc. effective August 30, 2013;

<sup>1</sup> Corporate searches – **Appendix A**

<sup>2</sup> Affidavit filed October 1, 2015, Action No. 1501-09807, paragraph 1

<sup>3</sup> Cross-examination of Alexander Gramatzki November 25, 2015, Action No. 1501-00578, page 11

<sup>4</sup> Affidavit of Clayton Martin sworn October 23, 2015, Action No. 1501-12220, paragraphs 8 and 10

<sup>5</sup> Affidavit of Alexander Gramatzki November 23, 2015, Action No. 1501-12220, paragraphs 1 through 7

<sup>6</sup> Affidavit of Clayton Martin sworn October 23, 2015, Action No. 1501-12220, paragraph 25

<sup>7</sup> Statement of Affairs December 22, 2015

<sup>8</sup> Affidavit of Alexander Gramatzki November 23, 2015, Action No. 1501-12220, Exhibit "M" – **Appendix C**

<sup>9</sup> Cross-examination of Alexander Gramatzki November 25, 2015, Action No. 1501-00578, page 4

- d) Assignment Agreement between Oleum Consulto Inc. and Arrow Point effective August 30, 2013.

Copies of these agreements are attached as **Appendices D, E, F and G**. Mr. Gramatzki was the director of Arrow Point at the time of the Receivership<sup>10</sup>. Oleum Consulto is the prior name of Global Advisory Services Inc.<sup>11</sup> Mr. Gramatzki is the director of Global Advisory Services Inc.

15. The Trustee is advised that COGI created eight limited partnerships in Germany for the purpose of raising monies that were invested into oil and gas interests in Canada (the "**KGs**"). The KGs were formed pursuant to the laws of Germany.
16. Six of the KGs were limited partners in COGI LP (the "**KG LPs**")<sup>12</sup> and are listed below:
- (a) POC Eins KG;
  - (b) POC Zwei KG
  - (c) POC Growth KG;
  - (d) POC Growth 2 KG;
  - (e) POC Growth 3 plus KG;
  - (f) POC Natural Gas 1 KG.
17. The remaining two KGs are POC Growth IV KG and POC Oikos KG. So far as is presently known by the Trustee, POC Growth IV KG is the limited partner in the Conserve Oil POC Growth IV Limited Partnership, the general partner of which was Conserve Oil 9<sup>th</sup> Corporation ("**COC9**"), a wholly owned subsidiary of COGI at the time of the Receivership Order. POC Oikos KG is the limited partner of the Alberta Energy Solution Oikos Limited Partnership, the general partner of which is Alberta Energy Solutions Ltd. David Crombie was the Director of both COC9 and Alberta Energy Solution Ltd. according to corporate registry searches. Neither COC9 nor Alberta Energy Solution Ltd. are in receivership. The corporate registry search results are attached as **APPENDICES J and K**.
18. The Trustee is advised by representatives of certain German investors that an approximate total of €335,189,000 was raised in Germany through the KGs. The Trustee was further advised that approximately €77,470,331 was distributed back to the KGs by Conserve and/or COGI (the "**Distributions**").
19. The businesses of the KGs are intertwined, and the Trustee understands that certain administrative, accounting and investor relation functions were performed by the following limited liability German corporations (each a "**GmbH**"):
- (a) POC GmbH;
  - (b) POC Management GmbH
- (collectively, the "**German HoldCos**")

<sup>10</sup> Alberta Corporate Search of Arrow Point Oil & Gas Inc. dated October 22, 2015 – **Appendix H**

<sup>11</sup> Alberta Corporate Search of Global Advisory Services Inc. dated November 3, 2015 – **Appendix I**

<sup>12</sup> Affidavit of David Crombie filed August 25, 2015, Action No. 1501-09807, paragraph 3

20. Conserve, either directly or indirectly, owns the shares of the German HoldCos (the "HoldCo Shares"). In turn, the German HoldCos own all of the outstanding shares of each of the KG's general partners. A copy of the German organizational structure prepared by counsel to the Trustee is attached as **Appendix L**. Until February 22, 2016, Monika Galba was the Managing Director of the German HoldCos.
21. The Trustee has attempted to confirm the amount and the flow of funds from Germany into COGI, Conserve, their subsidiaries and other corporations. The Trustee is reviewing the business and affairs of the Bankrupt Entities, their subsidiaries and COC1 to determine if there are causes of action that may be commenced to recover funds for distribution to creditors.
22. COGI's banking and electronic records reviewed by the Trustee are incomplete. It appears that oil and gas operational accounts were transacted through accounts at Alberta Treasury Branches ("ATB"), while managerial accounts and transfers between Canada and Germany were accomplished through third party wire transfers from one or more Bank of Montreal accounts<sup>13</sup>.
23. The Trustee believes, based on the evidence described below, including evidence obtained through examinations pursuant to s.163 of the BIA (the "**163 Examinations**") that the accounting records relating to the Distributions, and other relevant documents, may be contained in the QuickBooks® records, or other records located on an imaged copy (the "**Imaged Copy**") of a server owned by Bauland (the "**Bauland Server**").
24. The Trustee has reviewed the transcript of the cross-examination of Mr. Crombie dated March 10, 2016 with respect to the appeal of the COC1 Order, during which Mr. Crombie testified that Mr. Juergen Hanne and Mr. Gramatzki were the "mind and management" of all corporations in the Conserve Group<sup>14</sup>.

#### **THE BAULAND SERVER - TRUSTEE'S EFFORTS TO GAIN ACCESS**

25. On the date the Receivership Order was granted, the Receiver attended COGI's offices located on the 4<sup>th</sup> and 5<sup>th</sup> floors of 340-12<sup>th</sup> Avenue SW, Calgary (the "**12<sup>th</sup> Avenue Office**"). As reported in the First Report of the Receiver, the Receiver initially had difficulty accessing the computer records of COGI and was advised that the computer server that contained COGI's books and records was owned by COGI until it was sold to Arrow Point at some point in 2015 (the "**Arrow Point Server**")<sup>15</sup>. Arrow Point had offices and shared space with the COGI at the 12<sup>th</sup> Avenue Office.
26. As a result of investigations made by the Trustee, the Trustee became aware that some Conserve or COGI employees, consultants and agents operated out of another location at 700 4<sup>th</sup> Avenue SW, Calgary, at offices occupied by Bauland (the "**Bauland Office**").
27. By letter dated October 29, 2015, the Trustee wrote to Bauland and advised it of its obligations under the Receivership Order, including its obligation to produce to the Trustee all books, records and documents owned by or relating to the business or affairs of COGI. By letter dated November 17, 2015, the Trustee was advised by counsel for Bauland that Bauland did not have any such records in its possession. Copies of these letters are attached as **Appendices M** and **N**.
28. In or about November of 2015, ATB brought an application to include COC1 in the COGI Receivership. By order dated November 27, 2015, Justice Hawco adjourned that application, but ordered that books and records relating to COC1 be preserved. By letter dated December 7, 2015, Bennett Jones LLP, counsel at the time for COC1, advised the Receiver that electronic records

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<sup>13</sup> Transcript of Section 163 Examinations of Tammy Tolhurst, pages 31, 66, 67 and Roberta Elliott, pages 38, 45, 49

<sup>14</sup> Cross-examination of David William Crombie, Action No. 1601-0023AC, pages 6 to 8

<sup>15</sup> Transcript of Section 163 Examination of Tammy Tolhurst, page 93

relating to COC1 were located on two servers, the Arrow Point Server and the other on the Bauland Server. **Appendix O.**

29. Bennett Jones agreed to keep the Image at its offices until the COC1 receivership application had been decided. The Trustee was advised by Bennett Jones that Mr. Hanne was in agreement with this arrangement, and would assist the Trustee with the document review.
30. By virtue of the COC1 Order, COC1 was added to the COGI Receivership on January 6, 2016. All appeals relating to the COC1 Order were dismissed in Action No.1601-0023AC.
31. By letter dated February 26, 2016, MacPherson Leslie & Tyerman LLP (now MLT Aikins LLP, "MLT"), new counsel for COC1 as well as being counsel for Bauland, advised that MLT was in possession of the Imaged Copy, and that Bauland was not willing to allow the Trustee to review the documents on the Imaged Copy under the arrangement made with Bennett Jones, except under certain conditions to be negotiated. Over the course of the next several months, counsel for the Trustee, DLA Piper (Canada) LLP ("DLA"), and MLT continued to negotiate the terms under which access to the Imaged Copy would be provided. A copy of the February 26, 2016 letter from MLT is attached as **Appendix P.**
32. In April of 2016, counsel for the Trustee conducted the 163 Examinations including those of certain individuals who performed administrative and accounting duties for COGI. The evidence given in those 163 Examinations included the following:
  - (a) Roberta Elliott stated that she worked out of the 12<sup>th</sup> Avenue Office for a period of time, and then moved to the Bauland Office, where she continued to perform bookkeeping on a management level for Conserve and its subsidiaries, including Bank of Montreal account reconciliations and QuickBooks® Accounting Records. Ms. Elliot's evidence was that the QuickBooks® accounting records, and other records relating to her work, were located on the Bauland Server<sup>16</sup>; and
  - (b) Tammy Tolhurst stated that she maintained operational accounting records relating to COGI's oil and gas operations, and that her records were located on the "O" drive of the Arrow Point Server. For a period of time, she also worked in consultation with Mr. Juergen Hanne to prepare some calculations for distributions sent to Germany, and that Roberta Elliott was responsible to make the distributions<sup>17</sup>.
33. The evidence given in the Section 163 examinations, and other evidence reviewed by the Trustee, suggests that the Bauland Server contains information on the business and affairs of the Bankrupt Entities as well as COC1. Further, the information learned so far by the Trustee suggests that the following individuals may have been involved in management and control of the Bankrupt Entities:
  - (a) Juergen Hanne;
  - (b) Alexander Gramatzki;
  - (c) David Crombie;
  - (d) Yoshiki Yakamura;
  - (e) Monika Galba;
  - (f) Juergen Hainzl.

<sup>16</sup> Transcript of Section 163 Examination of Roberta Elliott, pages 6, 15, 44

<sup>17</sup> Transcript of Section 163 Examination of Tammy Tolhurst, pages 4, 5, 67



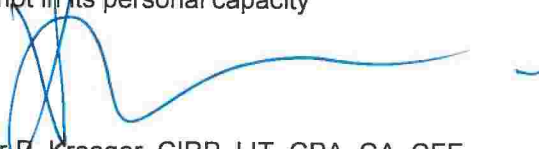
34. On or about May 27, 2016, the Trustee and Bauland entered into a confidentiality agreement ("the **CA**") that governed the terms under which certain information was to be kept confidential and documents would be disclosed to the Trustee. A copy of the CA is attached as **Appendix Q**. On May 30, 2016, two computer discs (the "**CDs**") were delivered to DLA and further documents were to be released on a "rolling basis" going forward.
35. Upon review of the CDs, DLA noted that some folders were empty, and some records had been marked as confidential, but appeared to properly belong to the Bankrupt Entities. Over the course of the next several weeks, counsel for the Trustee and counsel for Bauland continued to discuss the extent of the records covered by the CA and the process for disclosure.
36. On or about July 7, 2016 and July 15, 2016, MLT delivered to DLA two more CDs containing some, but not all, of the requested records.
37. During the course of the summer of 2016, MLT and DLA continued to communicate with respect to the Trustee's request to take possession of the electronic records belonging to, or related to the business or affairs of COGI located on the Bauland server. Bauland maintained various objections to further release of electronic records, including the cost arising from its proposed course of action to review emails before release.
38. On September 30, 2016, Bauland provided the Trustee with a replacement CD, but that CD had further records removed, additional records redacted, and did not contain the email records requested, including a full and complete set of emails for the domains "@conserveoilcorporation.com" and "@coccorporate.com." By separate letter dated the same date, Bauland acknowledged its obligations under the BIA and Receivership Order, but refused to comply with the Trustee's requests for full disclosure subject to the CA, citing "disproportionate" costs involved with reviewing each record. A copy of the September 30, 2016 letter from MLT is attached as **Appendix R**.
39. At this point, the Trustee determined that further negotiations with respect to this matter were unlikely to be fruitful and that an Order of this Court directing Bauland to comply with its obligations under the Receivership Order, COC1 Order and the BIA may be necessary. The Trustee was engaged in a sales process and other operational matters relating to the Receivership. MNP, in its capacity as both Trustee and Receiver, has now determined that disclosure of the records on the Imaged Copy are necessary in order for the Trustee to complete its investigation into these Bankrupt Entities. By letter dated March 1, 2018, DLA wrote a letter to MLT enclosing a draft consent order for review and signature. A copy of the correspondence and draft order is attached as **Appendix S**.
40. Bauland's response dated March 29, 2018 is attached as **Appendix T**.
41. The Trustee makes this report in support of an application for an Order in the form attached to the Notice of Application.



All of which is respectfully submitted this 6<sup>th</sup> day of April, 2018.

MNP Ltd.

In its capacity as the Trustee of the Estates of  
COGI Limited Partnership, Canadian Oil & Gas International Inc.  
and Conserve Oil Group Inc., bankrupts  
And not in its personal capacity

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke, positioned above the name of the signatory.

Victor F. Kroeger, CIRP, LIT, CPA, CA, CFE  
Senior Vice President

# **APPENDIX A**

# Government of Alberta ■ Trade Name / Partnership Search Corporate Registration System

Date of Search: 2015/12/21  
 Time of Search: 11:37 AM  
 Search provided by: DLA PIPER (CANADA) LLP

Service Request No: 24403396  
 Customer Reference No: 16155-00002

**Registration No:** LP17615238  
**Current Business Name:** COGI LIMITED PARTNERSHIP  
**Status of Business Name:** Active  
**Trade Name / Partnership Type:** Limited Partnership  
**Date of Registration:** 2013/07/18 YYYY/MM/DD  
**Home Jurisdiction:** ALBERTA

## Current General Partner:

**Last/Legal Entity Name:** CANADIAN OIL & GAS INTERNATIONAL INC.  
**Street:** 500, 340 - 12TH AVENUE S.W.  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2R 1L5

## Other Information:

## Filing History:

List Date	Type of Filing
2013/07/18	Register Limited Partnership
2013/08/30	Amend Limited Partnership

## Attachments:

Attachment Type	Microfilm Barcode	Date Recorded (YYYY/MM/DD)
Certificate of Limited Partnership (AB)	10000607111675130	2013/07/18
Notice to Amend	10000307116478041	2013/08/30
Notice to Amend	10000107116478042	2013/08/30
Notice to Amend	10000707116478044	2013/08/30

Alberta Registries certifies that the information contained in this search is the most recent information filed in the Register of Corporations.



# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2015/12/21  
Time of Search: 11:36 AM  
Search provided by: DLA PIPER (CANADA) LLP

Service Request Number: 24403383  
Customer Reference Number: 16155-00002

**Corporate Access Number:** 2015110964

**Legal Entity Name:** CANADIAN OIL & GAS INTERNATIONAL INC.

**Legal Entity Status:** Active

**Alberta Corporation Type:** Named Alberta Corporation

**Registration Date:** 2010/01/11 YYYY/MM/DD

## Registered Office:

**Street:** 500, 340 - 12 AVENUE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2R 1L5

## Records Address:

**Street:** 500, 340 - 12 AVENUE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2R 1L5

## Directors:

**Last Name:** CROMBIE  
**First Name:** DAVID  
**Street/Box Number:** 1200, 340 - 12 AVENUE S.W.  
**City:** CALGARY  
**Province:** ALBERTA

**Postal Code:** T2R 1L5  
**Last Name:** NAKAMURA  
**First Name:** YOSHIKI  
**Street/Box Number:** 1200, 340 - 12 AVENUE S.W.  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2R 1L5

**Voting Shareholders:**

**Last Name:** CONSERVE OIL CORPORATION  
**Street:** 500, 340-12 AVE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2R 1L5  
**Percent Of Voting Shares:** 100

**Details From Current Articles:**

**The information in this legal entity table supersedes equivalent electronic attachments**

**Share Structure:** PLEASE SEE THE ATTACHED SCHEDULE OF SHARE STRUCTURE  
**Share Transfers Restrictions:** NO SHARES OF THIS CORPORATION SHALL BE TRANSFERRED WITHOUT THE APPROVAL OF THE DIRECTORS OF THE CORPORATION, AS EVIDENCED BY A RESOLUTION OF THE DIRECTORS OF THE CORPORATION

**Min Number Of Directors:** 1  
**Max Number Of Directors:** 15

**Business Restricted To:** NONE  
**Business Restricted From:** NONE

**Other Provisions:** PLEASE SEE THE ATTACHED SCHEDULE OF OTHER PROVISIONS

**Associated Registrations under the Partnership Act:**

---

<b>Trade Partner Name</b>	<b>Registration Number</b>
COGI LIMITED PARTNERSHIP	LP17615238

**Other Information:**

**Last Annual Return Filed:**

<b>File Year</b>	<b>Date Filed (YYYY/MM/DD)</b>
2014	2014/12/19

**Outstanding Returns:**

Annual returns are outstanding for the 2015 file year(s).

**Filing History:**

<b>List Date (YYYY/MM/DD)</b>	<b>Type of Filing</b>
2010/01/11	Incorporate Alberta Corporation
2011/02/17	Change Address
2014/12/19	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2015/07/28	Name/Structure Change Alberta Corporation

**Attachments:**

<b>Attachment Type</b>	<b>Microfilm Bar Code</b>	<b>Date Recorded (YYYY/MM/DD)</b>
Share Structure	ELECTRONIC	2010/01/11
Other Rules or Provisions	ELECTRONIC	2010/01/11
Share Structure	ELECTRONIC	2015/07/28
Other Rules or Provisions	ELECTRONIC	2015/07/28

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.







# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2015/12/21  
Time of Search: 11:37 AM  
Search provided by: DLA PIPER (CANADA) LLP

Service Request Number: 24403387  
Customer Reference Number: 16155-00002

**Corporate Access Number:** 2118791892

**Legal Entity Name:** CONSERVE OIL GROUP INC.

**Legal Entity Status:** Active  
**Extra-Provincial Type:** Federal Corporation  
**Method of Registration:** Amalgamation  
**Registration Date:** 2015/02/20 YYYY/MM/DD  
**Date Of Formation in Home Jurisdiction:** 2014/11/01 YYYY/MM/DD  
**Home Jurisdiction:** CANADA  
**Home Jurisdiction CAN:** 897338-5

**Primary Attorney:**

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code
CROMBIE	DAVID	W.		500, 340 - 12TH AVENUE, S.W.	CALGARY	ALBERTA	T2R 1L5

**Head Office Address:**

**Street:** 500, 340 - 12TH AVENUE, S.W.  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2R 1L5

**Directors:**

**Last Name:** CROMBIE  
**First Name:** DAVID  
**Middle Name:** W.  
**Street/Box Number:** 500, 340 - 12TH AVENUE, S.W.  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2R 1L5

**Other Information:**

**Amalgamation Predecessors:**

Corporate Access Number	Legal Entity Name
2113446757	CONSERVE OIL CORPORATION

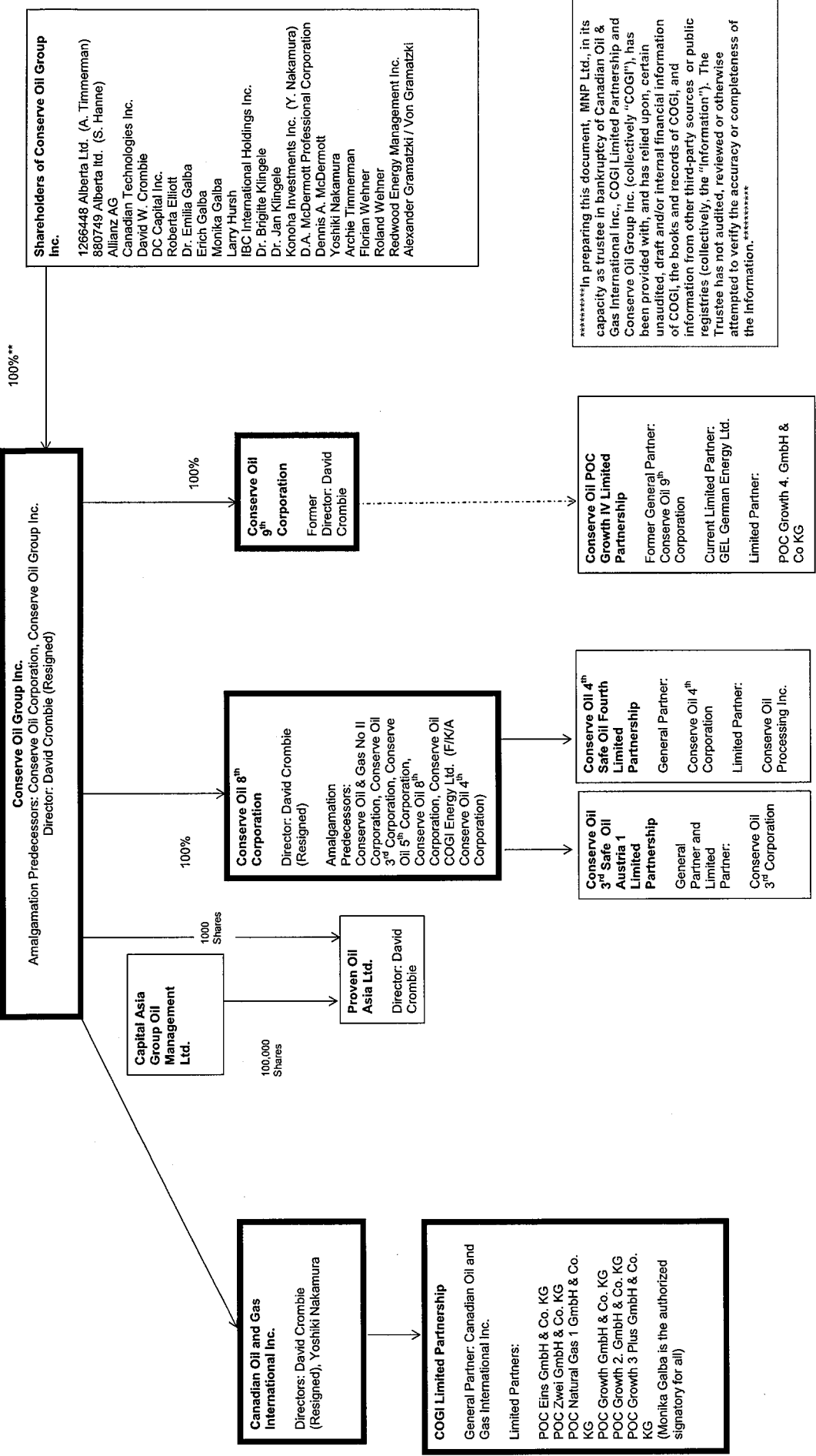
**Filing History:**

List Date (YYYY/MM/DD)	Type of Filing
2015/02/20	Register Extra-Provincial Amalgamation

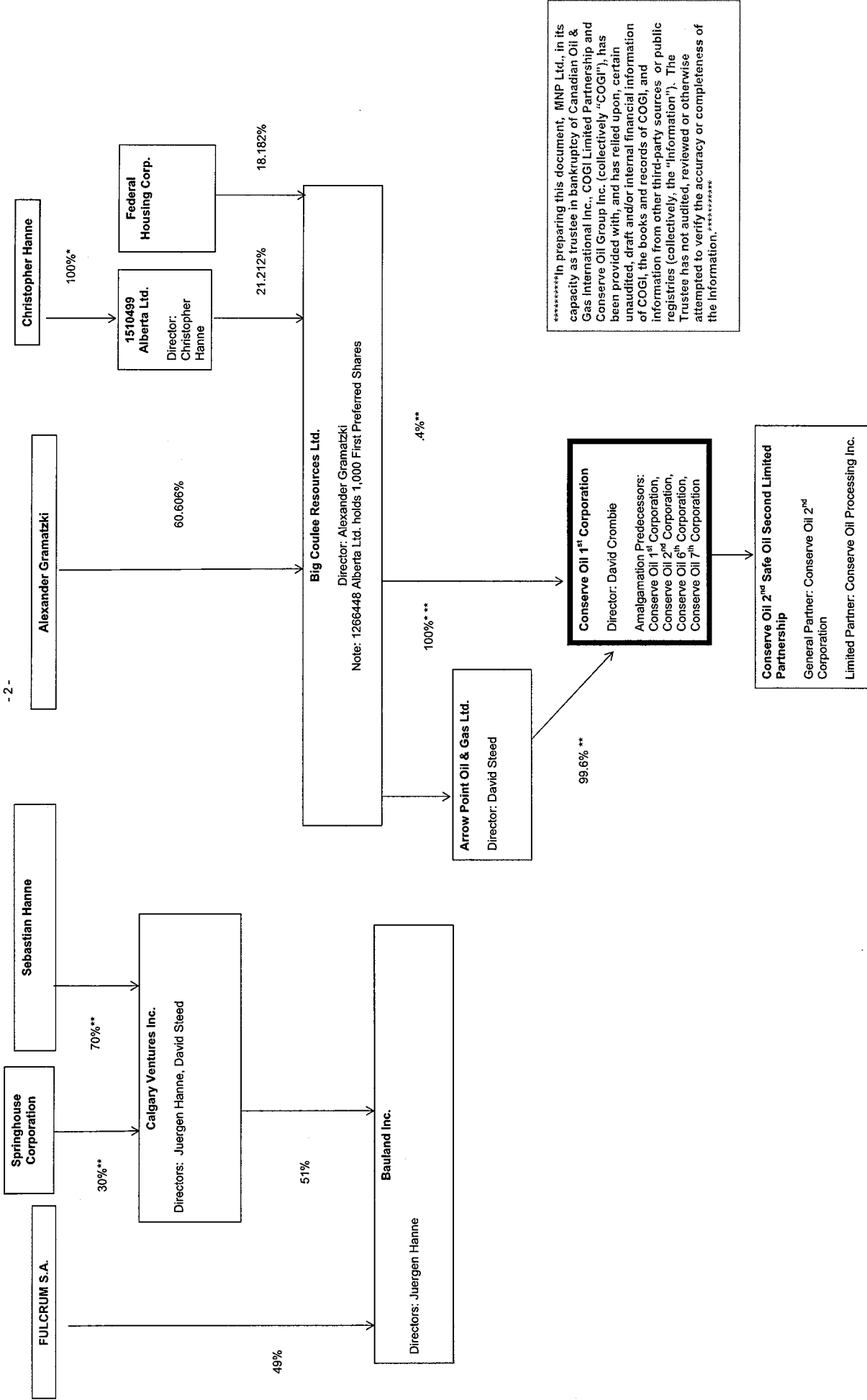
This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



# **APPENDIX B**



\*\*\*\*\*In preparing this document, MNP Ltd., in its capacity as trustee in bankruptcy of Canadian Oil & Gas International Inc., COGI Limited Partnership and Conserve Oil Group Inc. (collectively "COGI"), has been provided with, and has relied upon, certain unaudited, draft and/or internal financial information of COGI, the books and records of COGI, and information from other third-party sources or public registries (collectively, the "information"). The Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information.\*\*\*\*\*



# **APPENDIX C**



**Dean A. Hutchison**

---

**From:** Dean A. Hutchison  
**Sent:** Tuesday, November 10, 2015 1:28 PM  
**To:** 'Fellowes, Karen'  
**Cc:** Ron Hansford  
**Subject:** Alberta Treasury Branches v. COGI Limited Partnership - Action No. 1501-12220  
**Attachments:** November 10, 2015 Letter to Karen Fellowes.pdf; Corp. Registry Documents RE Bauland Inc..pdf; Corp. Registry Documents RE Conserve Oil 1st Corporation.pdf; Corp. Registry Documents RE Calgary Ventures Inc..pdf

**Importance:** High

Ms. Fellowes,

Please find attached Mr. Hansford's letter to you of today's date regarding the above referenced matter, with enclosures.

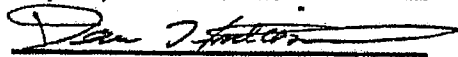
Regards,

**Dean Hutchison**  
Partner  
1600, 520 - 3rd Ave. S.W.  
Calgary, Alberta T2P 0R3  
P: (403) 693-4305  
[Bio](#) | [VCard](#) | [Web](#) | [dhutchison@mlt.com](mailto:dhutchison@mlt.com)

**MLT** Western Canada's Law Firm  
Regina | Saskatoon | Calgary | Edmonton | Vancouver

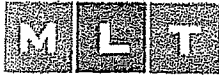
This email including attachments is confidential and legally privileged. If you are not the intended recipient, any redistribution or copying of this message is prohibited. If you have received this email in error please notify us immediately, by return email, and delete this email. If you no longer wish to receive commercial electronic messages from MacPherson Leslie & Tyerman LLP, contact us at [casl@mlt.com](mailto:casl@mlt.com).

THIS IS EXHIBIT "M"  
referred to in the Affidavit of  
Alexander Gromatzki  
Sworn before me this 23<sup>rd</sup>  
day of November, A.D. 2015



A COMMISSIONER FOR OATHS  
In and for the Province of Alberta

**Dean A. Hutchison**  
Barrister & Solicitor



Western Canada's Law Firm

MacPherson Leslie & Tyerman LLP  
1000 - 520 2nd Avenue S.W.  
Calgary Alberta  
Canada T2P 0R3  
T: (403) 693-4300  
F: (403) 509-4349  
www.mtl.com

November 10, 2015

DLA Piper (Canada) LLP  
1000, 250 - 2<sup>nd</sup> Street SW  
Calgary, AB  
T2P 0C1

Ron Hansford  
Direct Line: 403 693-3332  
E-mail: RHansford@mlt.com

Assistant: Tatyana Sandreyana  
Paralegal  
Direct Line: (403) 693-2643  
E-mail: TSandreyana@mlt.com

Attention: Karen Fellowes

Dear Madam:

Re: Alberta Treasury Branches v. COGI Limited Partnership et al  
Action No. 1501-12220

We have recently been retained by Bauland Inc., Calgary Ventures Inc., Big Coulee Resources Inc. and Drumlin Energy Corp. for the purposes of clarifying certain facts as set out in the First Report of the Receiver filed in support of the Application returnable on November 10, 2015 at 2:30 pm in the above referenced matter (the "Application").

In that regard, we can advise as follows:

1. With respect to statements made at paragraph 16 of the First Report of the Receiver, Alex Gramatzki resigned as a director of Bauland Inc. on July 1, 2015 as evidenced by the attached corporate record search;
2. With respect to the "Preliminary Organizational Chart: Conserve Owned Entities" attached to the First Report of the Receiver, it shows Conserve Oil 1<sup>st</sup> Corporation as a wholly owned subsidiary of the Conserve Oil Group Inc. A corporate search of Conserve Oil 1<sup>st</sup> Corporation (copy enclosed) evidences Big Coulee Resources Ltd. as the 100% shareholder of Conserve Oil 1<sup>st</sup> Corporation;
3. With respect to the "Preliminary Organizational Chart: Non-Conserve Owned Entities" attached to the First Report of the Receiver:
  - a. As set out in paragraph 1 above Alexander Gramatzki resigned from Bauland Inc. as director; and
  - b. Alexander Gramatzki ceased to be a director of Calgary Ventures Inc. as evidenced by the enclosed corporate records search.

On behalf of our clients, in light of the documentation contained herein which seeks to provide the Receiver of Conserve Oil Group Inc. with correct information, we request a short



adjournment of the Application to provide us with an opportunity to further review matters and provide the Receiver with further documentation and information to clarify matters regarding the true state of ownership of purported subsidiaries of Conserve Oil Group Inc.

If you have any questions please do not hesitate to contact the undersigned or Dean Hutchison (403.693.4305) of our office.

Yours truly,

**MaePherson Leslie & Tyerman LLP**

Per:

Ron Hansford

HRH tsg  
(w-enc)

cc: Dean Hutchison (MaePherson Leslie & Tyerman LLP)

# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2015/11/10  
Time of Search: 12:37 PM  
Search provided by: MACPHERSON LESLIE & TYERMAN

Service Request Number: 24210344  
Customer Reference Number: 055637-1/HRH

Corporate Access Number: 209009828  
Legal Entity Name: BAULAND INC.

Legal Entity Status: Active  
Alberta Corporation Type: Named Alberta Corporation  
Method of Registration: Amalgamation  
Registration Date: 2000/10/11 YYYY/MM/DD

## Registered Office:

Street: 1600, 520 - 3 AVENUE SW  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2P 0R3

## Records Address:

Street: 1600, 520 - 3 AVENUE SW  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2P 0R3

## Directors:

Last Name: HANNE  
First Name: JUERGEN  
Street/Box Number: 311, 340 - 12 AVENUE SW  
City: CALGARY

11/10/2015

**Other Information:****Amalgamation Predecessors:**

Corporate Access Number	Legal Entity Name
200876043	BAULAND INC.
202041919	CASALTA MANAGEMENT LTD.
204831598	GLENAR CONSULTING & CONSTRUCTION LTD.
202709325	KONZEPTA REAL ESTATE LTD.

**Last Annual Return Filed:**

File Year	Date Filed (YYYY/MM/DD)
2015	2015/11/09

**Filing History:**

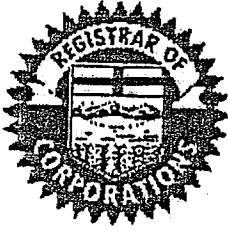
List Date (YYYY/MM/DD)	Type of Filing
2000/10/11	Amalgamate Alberta Corporation
2001/05/17	Name/Structure Change Alberta Corporation
2013/05/31	Change Address
2015/11/05	Change Director / Shareholder
2015/11/09	Enter Annual Returns for Alberta and Extra-Provincial Corp.

**Attachments:**

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2000/10/11
Restrictions on Share Transfers	ELECTRONIC	2000/10/11
Other Rules or Provisions	ELECTRONIC	2000/10/11
Statutory Declaration	10000699000579102	2000/10/11
Amalgamation Agreement	10000499000579099	2000/10/11
Share Structure	ELECTRONIC	2001/05/17

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.

11/10/2015



## Change Director / Shareholder - Proof of Filing

**Alberta Amendment Date: 2015/11/05**

Service Request Number: 24176134  
Corporate Access Number: 209009828  
Legal Entity Name: BAULAND INC.  
Legal Entity Status: Active  
Min Number Of Directors: 1  
Max Number Of Directors: 7

---

This confirms the Directors/Shareholders are amended/updated as of 2015/11/05

---

### Director / Shareholder

Status: Inactive  
Director / Shareholder Type: Director  
Individual / Legal Entity Type: Individual  
Last Name / Legal Entity Name: RONDEAU  
First Name: PAUL  
Middle Name: B.H.  
Street/Box Number: 1200, 340 - 12 AVENUE SW  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2R 1L5  
Appointment Date: 2000/10/11  
Cessation Date: 2003/10/15  
Resident Canadian: Y

Status: Inactive  
Director / Shareholder Type: Director  
Individual / Legal Entity Type: Individual  
Last Name / Legal Entity Name: DELLAVEDOVA  
First Name: ANDRES  
Street/Box Number: 4728, 2533 NORTH CARSON STREET  
City: CARSON CITY  
Province: NEVADA  
Postal Code: 89706  
Appointment Date: 2001/01/02



Cessation Date: 2011/10/06  
Resident Canadian: Y

Status: Inactive  
Director / Shareholder Type: Shareholder  
Individual / Legal Entity Type: Individual  
Last Name / Legal Entity Name: RONDEAU  
First Name: PAUL  
Street/Box Number: 1200, 340 - 12 AVENUE SW  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2R 1L5  
Percent of Voting Shares: 33.3

Status: Active  
Director / Shareholder Type: Shareholder  
Individual / Legal Entity Type: Other  
Last Name / Legal Entity Name: USA INTERNATIONAL CORPORATION  
Street/Box Number: 100 SE 2 STREET, #2315-B  
City: MIAMI  
Province: FLORIDA  
Postal Code: 33131  
Percent of Voting Shares: 49

Status: Inactive  
Director / Shareholder Type: Shareholder  
Individual / Legal Entity Type: Legal Entity  
Corporate Access Number: 209153410  
Last Name / Legal Entity Name: CONTURA CONSULTING LTD.  
Street/Box Number: #302, 602 - 11 AVENUE S.W.  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2R 1J8  
Percent of Voting Shares: 51

Status: Inactive  
Director / Shareholder Type: Shareholder  
Individual / Legal Entity Type: Legal Entity  
Corporate Access Number: 200897452  
Last Name / Legal Entity Name: RONDEAU INC.  
Street/Box Number: 1200, 340 - 12 AVENUE SW

City: CALGARY  
Province: ALBERTA  
Postal Code: T2R 1L5  
Percent of Voting Shares: 33.3

Status: Inactive  
Director / Shareholder Type: Director  
Individual / Legal Entity Type: Individual  
Last Name / Legal Entity Name: HANNE  
First Name: JEURGEN  
Street/Box Number: #302, 602 - 11 AVENUE S.W.  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2R 1J8  
Appointment Date: 2003/10/15  
Cessation Date: 2007/12/30  
Resident Canadian: Y

Status: Inactive  
Director / Shareholder Type: Director  
Individual / Legal Entity Type: Individual  
Last Name / Legal Entity Name: HANNE  
First Name: SEBASTIAN  
Street/Box Number: 302, 602 - 11 AVENUE S.W.  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2R 1J8  
Appointment Date: 2007/12/30  
Cessation Date: 2011/10/06

Status: Active  
Director / Shareholder Type: Shareholder  
Individual / Legal Entity Type: Legal Entity  
Corporate Access Number: 2012894107  
Last Name / Legal Entity Name: CALGARY VENTURES INC.  
Street/Box Number: 7TH FLOOR, 700 - 4TH AVENUE SW  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2P 3J4  
Percent of Voting Shares: 51

**Status:** Inactive  
**Director / Shareholder Type:** Director  
**Individual / Legal Entity Type:** Individual  
**Last Name / Legal Entity Name:** GRAMATZKI  
**First Name:** ALEXANDER  
**Street/Box Number:** 302, 602 - 11TH AVENUE S.W.  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2R 1J8  
**Appointment Date:** 2011/10/06  
**Cessation Date:** 2015/07/01  
**Resident Canadian:** Y

**Status:** Active  
**Director / Shareholder Type:** Director  
**Individual / Legal Entity Type:** Individual  
**Last Name / Legal Entity Name:** HANNE  
**First Name:** JUERGEN  
**Street/Box Number:** 311, 340 - 12 AVENUE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2R 1L5  
**Appointment Date:** 2011/10/06  
**Resident Canadian:** Y

**Attachment**

Attachment Type	Microfilm Bar Code	Date Recorded
Share Structure	ELECTRONIC	2000/10/11
Restrictions on Share Transfers	ELECTRONIC	2000/10/11
Other Rules or Provisions	ELECTRONIC	2000/10/11
Statutory Declaration	10000699000579102	2000/10/11
Amalgamation Agreement	10000499000579099	2000/10/11
Share Structure	ELECTRONIC	2001/05/17

**Registration Authorized By:** JUERGEN HANNE

DIRECTOR

# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2015/11/05  
Time of Search: 08:33 AM  
Search provided by: MACPHERSON LESLIE & TYERMAN

Service Request Number: 24187603  
Customer Reference Number: 58052.3 ts

Corporate Access Number: 2017918026  
Legal Entity Name: CONSERVE OIL 1ST CORPORATION

Legal Entity Status: Active  
Alberta Corporation Type: Named Alberta Corporation  
Method of Registration: Amalgamation  
Registration Date: 2013/12/20 YYYY/MM/DD

## Registered Office:

Street: 500, 340 - 12TH AVENUE SW  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2R 1L5

## Records Address:

Street: 500, 340 - 12TH AVENUE SW  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2R 1L5

## Directors:

Last Name: CROMBIE  
First Name: DAVID  
Middle Name: W.  
Street/Box Number: 500, 340 - 12TH AVENUE SW

City: CALGARY  
Province: ALBERTA  
Postal Code: T2R 1L5

**Voting Shareholders:**

Legal Entity Name: BIG COULEE RESOURCES LTD.  
Corporate Access Number: 2015311463  
Street: 1600 CENTENNIAL PLACE, 520 - 3RD AVENUE S.W.  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2P 0R3  
Percent Of Voting Shares: 100

**Details From Current Articles:**

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ATTACHED SCHEDULE "A"  
Share Transfers: NO SHARES OF THIS CORPORATION SHALL BE TRANSFERRED  
Restrictions: WITHOUT THE APPROVAL OF THE DIRECTORS OF THE CORPORATION,  
AS EVIDENCED BY A RESOLUTION OF THE DIRECTORS OF THE CORPORATION

Min Number Of Directors: 1  
Max Number Of Directors: 15  
Business Restricted To: NONE  
Business Restricted From: NONE  
Other Provisions: SEE ATTACHED SCHEDULE "B"

**Holding Shares In:**

Legal Entity Name
TREEOSCO INC.

**Other Information:**

**Amalgamation Predecessors:**

Corporate Access Number	Legal Entity Name
2014919779	CONSERVE OIL 1ST CORPORATION
2014858951	CONSERVE OIL 2ND CORPORATION
2015532423	CONSERVE OIL 6TH CORPORATION
2015968932	CONSERVE OIL 7TH CORPORATION

**Last Annual Return Filed:**

File Year	Date Filed (YYYY/MM/DD)
2015	2015/11/02

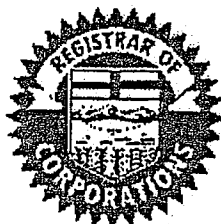
**Filing History:**

List Date (YYYY/MM/DD)	Type of Filing
2013/12/20	Amalgamate Alberta Corporation
2015/11/02	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2015/11/03	Change Director / Shareholder

**Attachments:**

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Amalgamation Agreement	10000507104631144	2013/12/20
Statutory Declaration	10000107104631141	2013/12/20
Share Structure	ELECTRONIC	2013/12/20
Other Rules or Provisions	ELECTRONIC	2013/12/20

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.





# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2015/11/10  
Time of Search: 12:30 PM  
Search provided by: MACPHERSON LESLIE & TYERMAN

Service Request Number: 24210286  
Customer Reference Number: 055637-1/HRH

Corporate Access Number: 2012237398  
Legal Entity Name: CALGARY VENTURES INC.

Legal Entity Status: Amalgamated  
Alberta Corporation Type: Named Alberta Corporation  
Amalgamation Date: 2006/12/31 YYYY/MM/DD  
Registration Date: 2006/02/16 YYYY/MM/DD

## Registered Office:

Street: 1200, 340 - 12TH AVENUE SW  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2R 1L5

## Records Address:

Street: 1200, 340 - 12TH AVENUE SW  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2R 1L5

## Directors:

Last Name: HANNE  
First Name: SEBASTIAN  
Middle Name: SASHA  
Street/Box Number: 1200, 340 - 12TH AVENUE SW

11/10/2015

**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2R 1L5

### Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

**Share Structure:** CLASS "A": COMMON VOTING SHARES - UNLIMITED; CLASS "B":  
 PREFERRED NON-VOTING SHARES - UNLIMITED  
**Share Transfers  
 Restrictions:** NONE  
**Min Number Of  
 Directors:** 1  
**Max Number Of  
 Directors:** 7  
**Business Restricted  
 To:** NONE  
**Business Restricted  
 From:** NONE  
**Other Provisions:** NONE

### Other Information:

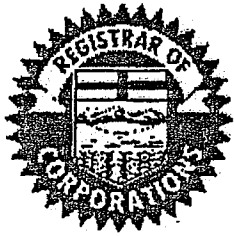
#### Amalgamation Successor:

Corporate Access Number	Legal Entity Name
2012894107	CALGARY VENTURES INC.

#### Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2006/02/16	Incorporate Alberta Corporation
2006/12/31	Amalgamate Alberta Corporation

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



## *Certified Copy*

### **Change Director / Shareholder - Proof of Filing**

**Alberta Amendment Date: 2015/11/04**

**Service Request Number:** 24185774  
**Corporate Access Number:** 2012894107  
**Legal Entity Name:** CALGARY VENTURES INC.  
**Legal Entity Status:** Active  
**Min Number Of Directors:** 1  
**Max Number Of Directors:** 7

---

**This confirms the Directors/Shareholders are amended/updated as of 2015/11/04**

---

#### **Director / Shareholder**

**Status:** Active  
**Director / Shareholder Type:** Director  
**Individual / Legal Entity Type:** Individual  
**Last Name / Legal Entity Name:** HANNE  
**First Name:** SEBASTIAN  
**Street/Box Number:** 244, 104 - 1240 KENSINGTON ROAD NW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2N 3P7  
**Appointment Date:** 2006/12/31  
**Resident Canadian:** Y

**Status:** Active  
**Director / Shareholder Type:** Shareholder  
**Individual / Legal Entity Type:** Individual  
**Last Name / Legal Entity Name:** HANNE  
**First Name:** SEBASTIAN  
**Street/Box Number:** 244, 104 - 1240 KENSINGTON ROAD NW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2N 3P7

11/10/2015

**Percent of Voting Shares:** 100  
**Status:** Inactive  
**Director / Shareholder Type:** Director  
**Individual / Legal Entity Type:** Individual  
**Last Name / Legal Entity Name:** HANNE  
**First Name:** ALEXANDER  
**Street/Box Number:** #302, 602 - 11 AVENUE S.W.  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2R 1J8  
**Appointment Date:** 2008/05/30  
**Cessation Date:** 2015/11/03  
**Resident Canadian:** Y

**Status:** Active  
**Director / Shareholder Type:** Director  
**Individual / Legal Entity Type:** Individual  
**Last Name / Legal Entity Name:** HANNE  
**First Name:** JUERGEN  
**Street/Box Number:** 840, 700 - 4TH AVE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P 3J4  
**Appointment Date:** 2015/11/03  
**Resident Canadian:** Y

---

**Attachment**

Attachment Type	Microfilm Bar Code	Date Recorded
Statutory Declaration	10000806101737152	2006/12/31
Share Structure	ELECTRONIC	2006/12/31
Amalgamation Agreement	10000406101737154	2006/12/31
Other Rules or Provisions	ELECTRONIC	2006/12/31

Registration Authorized By: H. RON HANSFORD  
 SOLICITOR

11/10/2015

# **APPENDIX D**

**MANAGEMENT AGREEMENT**

**CONSERVE OIL CORPORATION**

- and -

**COGI LIMITED PARTNERSHIP**

- and -

**CANADIAN OIL & GAS INTERNATIONAL INC.**

**EFFECTIVE AS OF**

**August 23, 2013**

**MANAGEMENT AGREEMENT**

**THIS AGREEMENT** executed as of and with effect from August 23<sup>rd</sup>, 2013 (the "**Effective Date**"), (this "**Agreement**").

**BETWEEN:**

**CONSERVE OIL CORPORATION**, a body corporate incorporated under the federal laws of Canada (hereinafter called the "**Manager**")

- and -

**COGI LIMITED PARTNERSHIP**, a partnership organized under the laws of the Province of Alberta (hereinafter called the "**Partnership**")

- and -

**CANADIAN OIL & GAS INTERNATIONAL INC.**, a corporation organized under the laws of the Province of Alberta (hereinafter called the "**General Partner**")

**WHEREAS** the Partnership was formed for the purpose of dealing in oil and gas assets and carrying on business incidental thereto;

**AND WHEREAS** the General Partner is permitted under the terms and conditions of the Partnership Agreement, defined herein, to delegate to any person, any power or authority of the General Partner therein;

**AND WHEREAS** the Partnership and the General Partner wish to engage the Manager to provide management services in accordance with this Agreement and the Partnership Agreement;

**AND WHEREAS** the Manager has agreed to provide the Services, defined herein, to the Partnership on and subject to the terms of this Agreement;

**NOW THEREFORE THIS AGREEMENT WITNESSETH THAT** in consideration of the covenants herein contained, the Parties hereby agree as follows:



## ARTICLE 1 INTERPRETATION

### 1.1 Definitions

In this Agreement, including the recitals:

**"Affiliate"** of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, in each case, whether directly or indirectly, and **"control"** and any derivation thereof means the possession, directly or indirectly, (other than in the capacity of an officer, director or employee of a Person) of the power to direct or significantly influence the management, policies or business of a Person whether through the ownership of voting securities or otherwise.

**"Applicable Laws"** means, in relation to any Person, property or circumstance:

- a) statutes (including rules and regulations enacted thereunder);
- b) judgments and orders of courts of competent jurisdiction;
- c) regulations, orders and directives issued by government authorities; and
- d) the terms and conditions of Permits;

which are applicable to such Person, property or circumstance.

**"Assets"** means all of the assets and interests of the Partnership in real and personal property from time to time.

**"Bankruptcy Event"** in relation to a Person shall have occurred and be continuing if:

- a) the Person:
  - i. has instituted proceedings to be adjudicated as a voluntary bankrupt or consented to the filing of a bankruptcy proceeding against it;
  - ii. has filed a petition or answer or consent seeking reorganization, readjustment, arrangement, composition or similar relief under any Canadian federal or provincial bankruptcy law;
  - iii. has consented to the appointment of a receiver, liquidator, trustee or assignee in bankruptcy; or
  - iv. has voluntarily suspended the transaction of its usual business;

- b) a court having jurisdiction has entered a decree or order (that has not been stayed pending an appeal):
  - i. adjudging the Person bankrupt or insolvent, under any applicable bankruptcy law; or
  - ii. for the appointment of a receiver, trustee or assignee in bankruptcy of the Person; or
- c) any proceeding with respect to the Person has been commenced under the *Bankruptcy and Insolvency Act* (Canada) or *Companies' Creditors Arrangement Act* (Canada) or similar legislation relating to a compromise or arrangement with creditors or claimants.

**"Business Day"** means a day other than a Saturday, Sunday or statutory holiday in the Province of Alberta.

**"Credit Agreement"** means the Credit Agreement between COGI Limited Partnership, as borrower, Canadian Oil & Gas International Inc., as general partner, and Alberta Treasury Branch dated August 23, 2013.

**"Crown"** means Her Majesty the Queen in Right of Canada or a Province thereof.

**"GAAP"** means Canadian generally accepted accounting principles as contemplated by the Handbook of the Canadian Institute of Chartered Accountants, applied on a consistent basis, and which incorporates International Financial Reporting Standards as adopted by the Canadian Accounting Standards Board for periods beginning on and after January 1, 2011.

**"GST"** means the goods and services tax required to be paid pursuant to the *Excise Tax Act*, 1985 R.S.C., c. E-15.

**"Hedges"** means swaps, hedges and similar arrangements in respect of commodity prices the purpose of which is to mitigate or eliminate exposure to fluctuations in prices of commodities in respect of the Partnership's Share of Production.

**"Incentive Fee"** means the annual fee payable to the Manger, as determined on a yearly basis with the first eligible year being payable in the first Quarter of 2015, to the Manager in an amount equal to:

- (a) eight hundred thousand dollars (\$800,000), in the event that cash flow from operations of the Partnership under management in accordance with the terms of this Agreement on an annual basis exceeds forty million dollars (\$40,000,000); or

- (b) one million six hundred thousand dollars (\$1,600,000) where cash flow from operations of the Partnership under management in accordance with the terms of this Agreement on an annual basis exceeds forty-four million dollars (\$44,000,000);

**"Management Fees"** means the fees payable to the Manager pursuant to Section 4.1.

**"Oilfield Facilities"** means gas processing plants, gas compression facilities, gas gathering facilities, crude oil batteries, crude oil pipelines and similar facilities in which cleaning, boosting, separating, dehydrating, treating, processing, gathering, collecting, storing, measuring and transporting Petroleum Products, and similar activities, occur.

**"Operator"** means, in relation to an Asset, the Person who is operator thereof pursuant to the applicable Title and Operating Document.

**"Partnership Agreement"** means the COGI Limited Partnership Amended and Restated Partnership Agreement dated August 23<sup>rd</sup>, 2013;

**"Partnership's Share"** means the share for which the Partnership is responsible or to which the Partnership is entitled as an owner of the Assets.

**"Partnership's Share of Production"** means the Partnership's Share of the Petroleum Products produced from the Assets and properties pooled or unitized therewith.

**"Party"** means a party to this Agreement.

**"Permits"** means permits, licenses and approvals or other instruments required by Applicable Laws, including those required under environmental laws.

**"Petroleum Products"** means petroleum, natural gas and related hydrocarbons and mineral resources.

**"Person"** means any individual, corporation, partnership, trust, unincorporated association or other entity however designated or constituted.

**"Reimbursable Expenses"** means, excepting any expenses specifically dealt with otherwise herein, all out of pocket expenses in connection with the performance of the Manager's duties hereunder that are payable to an arms-length Third Party of the Manager and its Affiliates, including:

- a) all costs connected with reports to regulatory authorities;
- b) registration and filing fees;
- c) all reasonable legal and auditing fees and expenses;

- d) fees and charges of banks, investment banks, investment dealers, transfer agents, registrars and regulatory authorities;
- e) all out of pocket expenses in connection with communications between the Manager and the General Partner, including the costs of printing and travel;
- f) all out of pocket expenses in connection with the orderly termination of this Agreement, including the costs of photocopying of records and Title and Operating Documents;
- g) fees and expenses of directors, independent advisors, operators, contractors, consultants, valuers, managers and other agents employed or retained by or at the request of the Partnership, including legal fees, environmental auditing costs, accounting fees and independent engineering costs incurred for acquisition, disposition or corporate evaluation purposes at the request of the Partnership;
- h) amounts paid in respect of Third Party liabilities except to the extent reimbursed by insurance or resulting from the Manager's fraud, willful misconduct, gross negligence or breach of this Agreement;
- i) amounts paid in respect of liabilities and expenses of the Partnership pursuant to the Title and Operating Documents; and
- j) travel and similar out of pocket expenses incurred by the Manager's employees in respect of activities directly related to the Partnership or its business or Assets.

"Services" has the meaning set forth in Section 2.1.

"Tax Act" means the *Income Tax Act* R.S.C. 1985, c.1 (5<sup>th</sup> Supplement) and the Income Tax Application Rules R.S.C. 1985, c.2 (5<sup>th</sup> Supplement), as amended from time to time.

"Third Party" means any Person other than the Manager and the Partnership.

"Title and Operating Documents" means: (i) the contracts and agreements pursuant to which the Partnership derives its interest in the Assets, agreements of purchase and sale, farm-in agreements and unit agreements; (ii) contracts and agreements entered into in the normal course of the oil and gas business in connection with the exploitation of the Assets or the operation of Oilfield Facilities, including operating agreements, farmout agreements, pooling agreements, royalty agreements, common stream agreements, gas processing agreements, gas gathering agreements, agreements for the sale of Petroleum Products, agreements relating to surface rights and agreements for the transportation of Petroleum Products; and (iii) Permits.

## 1.2 Rules of Interpretation

Unless otherwise stated or the context otherwise requires, in this Agreement:

- a) the phrases "**this Agreement**", "**herein**", "**hereby**", "**hereunder**", "**hereof**" and similar expressions refer to this Agreement as a whole (including Schedules and amendments and supplements) and not to any particular Article, Section, Subsection, Paragraph or other provision hereof;
- b) a reference to an Article, Section, Subsection, Paragraph or Schedule is a reference to an Article, Section, Subsection, Paragraph or Schedule to this Agreement;
- c) a reference in a Section to a Subsection is a reference to a Subsection of that Section and a reference in a Subsection to a Paragraph is a reference to a Paragraph of that Subsection;
- d) a reference to an agreement or instrument, including this Agreement, shall be a reference to the agreement or instrument as varied, amended, modified, or supplemented or replaced from time to time;
- e) the terms "**in writing**" or "**written**" include any form of written communication, including printing, typewriting or telecopy;
- f) a reference to a statute, rule, instrument, regulation or any subsidiary legislation is a reference to each of those items as amended or reenacted from time to time and every substitution therefor;
- g) words importing the singular number only shall include the plural and vice versa, and words importing the use of any gender shall include all genders;
- h) "**Dollars**" or "**\$**" mean Canadian currency;
- i) "**including**" and "**includes**" mean "including without limitation" and "includes without limitation", respectively; and
- j) the table of contents and the headings of Articles, Sections, and Subsections are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

### **1.3 Choice of Law**

This Agreement shall be governed by the laws of the Province of Alberta and shall be construed, interpreted and performed in accordance therewith.

### **1.4 Attornment**

Any legal action or proceedings with respect to this Agreement shall be brought in the courts of the Province of Alberta and the courts of appeal therefrom. Each Party hereby

attorns to and accepts for itself, irrevocably and unconditionally, the jurisdiction of such courts.

### **1.5 Severability**

To the extent possible, each provision of this Agreement shall be interpreted in such manner as to be valid, binding and enforceable under Applicable Laws, but if any provision of this Agreement is held to be invalid, void or unenforceable under Applicable Laws, such provision shall be ineffective only to the extent held to be invalid, void or unenforceable, without affecting the remainder of such provision or the remaining provisions of this Agreement.

### **1.6 Actions on Non Business Days**

If any action required by this Agreement is required to be taken on a day which is not a Business Day such action shall be taken on the next following Business Day, except in the case of: (i) any payment required to be made hereunder, in which case such payment shall be made on the immediately preceding Business Day, and (ii) any action which, if delayed until the next following Business Day, could have a material adverse effect on the Partnership's interest in and to one or more of its Assets.

### **1.7 Schedules**

The following schedule is attached hereto and forms part of this Agreement:

Schedule "A"            Services

## **ARTICLE 2 MANAGER'S DUTIES AND THE SERVICES**

### **2.1 Services to be Provided by Manager**

(a) Subject to restrictions and guidelines set forth herein and established by the General Partner and communicated to the Manager from time to time, the Manager shall take all actions that are reasonably necessary for the purposes of providing the Partnership with the services described in further detail in Schedule "A" in respect of the Assets (the "**Services**") and, any other services that are permitted under the governing documents of the Partnership and as may be agreed to in writing by the Partnership and the Manager from time to time.

(b) Without limitation, the Manager shall ensure that the terms and provisions of the Credit Agreement are complied with at all times.

### **2.2 Powers of the Manager**

The Manager shall have full right, power and authority to do and refrain from doing all such things as are necessary or appropriate in order to perform the Services, subject to the restrictions and guidelines set forth herein and established by the General Partner and communicated to the Manager from time to time.

### **2.3 Acquisitions and Dispositions**

With regard to the rights, power and authority of the Manager hereunder:

- a) the General Partner may establish criteria from time to time for acquisitions and dispositions of Assets;
- b) all acquisitions and dispositions of Assets must:
  - (i) be in the best interests of the Partnership;
  - (ii) with respect to dispositions and the proceeds thereof, be no less than the fair market value thereof without the prior written consent of the General Partner;
  - (iii) with respect to acquisitions and the purchase price therefore, be no greater than the fair market value thereof without the prior written consent of the General Partner;
  - (ii) not involve potential reputational risk to the Partnership;
  - (iii) be consistent with any investment criteria established by the Partnership, if and to the extent applicable; and
  - (iv) not breach or convtravene any term or provision of the Credit Agreement.
- c) a capital expenditure which is reasonably estimated by the Manager to equal or exceed one hundred thousand (\$100,000) dollars shall require the prior approval of the General Partner; and
- d) a disposition whose gross sale proceeds are reasonably estimated by the Manager to equal or exceed one hundred thousand (\$100,000) dollars shall require the prior approval of the General Partner.
- e) legal title to the Assets shall be held by the Partnership in the name of the General Partner.

### **2.4 Independent Contractor**

The Manager shall be an independent contractor in relation to its responsibilities hereunder. The number, selection, hours of labour and remuneration of the Manager's

employees shall be determined by the Manager. All employees hired by the Manager from time to time shall be the Manager's employees and not the Partnership's employees.

## **2.5 Third Party Operators**

The Partnership acknowledges that control over certain Assets may be delegated to an Operator which will limit the management and control which the Manager can exercise and that, to the extent in accordance with accepted industry practices, the Manager may not be able to maintain complete records with respect to those particular Assets.

## **2.6 Obligations of the Partnership**

During the term of this Agreement, the Partnership shall hold or cause to be held with a reputable insurance company or companies, insurance policies to provide for protection of the Assets which is at or above Canadian oil and gas industry standards and which will include insurance for property damage and general liability. The Partnership shall furnish evidence of compliance with the foregoing to the Manager at the request of the Manager.

# **ARTICLE 3 THE MANAGER**

## **3.1 Standard of Care**

In performing the Services, the Manager shall and the Manager shall cause its employees, servants, agents and Affiliates to exercise the care, diligence and skill that a prudent person would exercise in performing such Services, applying all relevant knowledge and skill that the Manager possesses and shall in all cases conduct all Services hereunder diligently, in a good and workmanlike manner, in accordance with good oil and natural gas industry manager practice and Applicable Laws.

## **3.2 Manager to Commit Necessary Resources**

The Manager shall hire the employees and advisors and commit the resources required to perform its obligations under this Agreement in accordance with the standard of care specified in Section 3.1.

## **3.3 Delegation**

The Manager may delegate specific aspects of its obligations hereunder to Third Parties, provided that such delegation shall not relieve the Manager of any of its obligations under this Agreement and provided that the Manager shall not delegate a material portion of its obligations hereunder without the prior written approval of the General Partner. Notwithstanding any such delegation, the Partnership shall be entitled to look solely to



the Manager for the performance of the Manager's obligations in relation to this Agreement.

### **3.4 Reliance**

The Manager shall be entitled to rely on statements, advice and opinions of professional advisors who the Manager reasonably believes to be competent to give such advice and on any instrument or other documents reasonably believed by the Manager to be genuine and in force.

### **3.5 Conflicts of Interest**

If in the course of carrying out its duties hereunder, the interests of the Manager or its Affiliates or any of their directors, officers or employees are in conflict with the interests of the Partnership, the Manager shall notify the Partnership of the details of such conflict of interest and, after consulting with the Partnership, shall resolve such conflict in good faith and in a manner that does not contravene the obligations of the Manager to the Partnership pursuant to this Agreement (including, without limitation the Manager's obligations and duties set forth in Section 3.1). The Partnership acknowledges that the Manager also manages interests in oil and gas properties for Third Parties. The Manager will resolve conflicts between its duties to the Partnership and such Third Parties fairly and in good faith on a basis consistent with the objectives of the Partnership and such Third Parties and operating efficiencies provided that in resolving such conflicts, the Manager will not favour or prefer the interests of any other Person over that of the Partnership.

## **ARTICLE 4 MANAGEMENT FEES**

### **4.1 Management Fees**

"Actual Costs" used herein shall mean:

- (i) all reasonable personnel costs for those persons necessary for the proper performance of the Manager's duties hereunder; and
- (ii) all reasonable third-party costs incurred in the proper performance of the Manager's duties hereunder.

Actual Costs shall not include costs incurred as a result of the Manager's error.

- (a) During the term of this Agreement, the Partnership shall pay the Manager as compensation for the provision of the Services a management fee equal to the Manager's Actual Costs plus TEN percent (10%) of the Actual Costs, plus applicable taxes (the "Management Fee"), payable within thirty (30) days of the

Manager invoicing Partnership for same, such invoices to be prepared and delivered by the Manager to the Partnership monthly on the first Business Day of each month. The Manager will be providing services to other entities and therefore the ratio of the total average barrels of oil equivalent under management by the Manager for the Partnership over the total average barrels of oil equivalent under management by the Manager which shall include the total barrels of oil equivalent under management by the Manager for the Partnership multiplied by the Manager's aggregate general and administrative expenses shall be used to determine the allocation of the Actual Costs.

- (b) In addition to the Management Fee payable to the Manager pursuant to Section 4.1(a), the Partnership shall pay to the Manager those Reimbursable Expenses incurred by the Manager in connection with the performance of the Manager's duties hereunder. For any individual Reimbursable Expense which will exceed \$10,000, the Manager shall, if reasonably possible, obtain the approval of the Partnership prior to incurring such Reimbursable Expense.
- (c) During the term of this Agreement, the Manager shall pay and be responsible for all of its day-to-day operating and administrative expenses, including without limitation, expenses incurred for rent, furnishings, utilities, supplies, general marketing, office equipment and other similar overhead expenses and compensation of employees.
- (d) The Manager shall be paid an Incentive Fee depending on the results of the cash flow from operations.

#### 4.2 GST

The Management Fees and other amounts payable hereunder do not include GST. The Partnership shall pay applicable GST thereon, which the Manager shall collect and remit to the appropriate government authorities. Each Party represents that it is a registrant for GST purposes and its registration number for such purposes is:

the Manager	#83215 1674 RT0001
the Partnership	#8009 05937 RT0001

### ARTICLE 5 TERMINATION

#### 5.1 Termination of Agreement

This Agreement shall continue in effect from the Effective Date until terminated in accordance with the following:

- (a) if not terminated earlier in accordance with this Section 5.1, on August 22<sup>nd</sup>, 2021;
- (b) the Partnership provides the Manager with sixty (60) days prior written notice of termination;
- (c) either the Partnership or the Manager provides the other with written notice of termination at any time in the event that a Bankruptcy Event in respect of the other has occurred and is continuing;
- (d) either the Partnership or the Manager (the "**Terminating Party**") provides the other (the "**Defaulting Party**") with written notice of termination at any time in the event that the Defaulting Party has failed to carry out any material obligation hereunder and has not cured such failure, or made good faith efforts to commence to cure such failure, within thirty (30) days of written notice being given to it by the Terminating Party; or
- (e) the Manager provides the Partnership with one hundred twenty days (120) days written notice of termination.

## **5.2 Termination of Agreement - No Release of Liabilities**

Except as provided in Sections 4.2 and Articles 5, 6, 8 and 9, the provisions of this Agreement will be of no further force and effect after termination of this Agreement except that termination of the Agreement will not relieve any Party from any liability or obligation which arose prior to such termination.

## **5.3 Manager's Rights Following Termination**

From and after the termination of this Agreement, the Manager will not be entitled to any further rights hereunder except (i) to be paid all Management Fees accrued hereunder to the termination date; and (ii) any rights it is entitled to under Article 6.

## **5.4 Manager's Obligations on Termination**

From and after the termination of this Agreement the Manager shall:

- a) forthwith pay over to the Partnership any funds collected and held for the Partnership pursuant to this Agreement after deducting any amounts then payable to the Manager pursuant hereto;
- b) as soon as reasonably possible, deliver to the Partnership a full accounting (including a statement showing all payments collected by the Manager and a statement of all funds held by it during the period following the date of the last accounting furnished to the Partnership) and turn over to the Partnership or as the

Partnership may direct in writing, all records and books of account relating to the Assets;

- c) with respect to records pertaining to the Title and Operating Documents, arrange for photocopying of files with respect thereto at the sole cost and expense of the Partnership as soon as reasonably possible and subsequent delivery thereof to the Partnership or to such other location as identified by the Partnership, acting reasonably;
- d) as soon as reasonably possible, deliver to and, where applicable, transfer into the name of the Partnership, or as the Partnership may direct in writing, all property and other assets and documents (including all computerized programs and records) belonging to the Partnership or held on its behalf then in the custody or control of the Manager;
- e) if the Partnership so requests in writing, assign to the Partnership, or such other Person as the Partnership may direct in writing, such contracts, if assignable, as may then be in existence between the Manager and Third Parties in respect of the Assets; and
- f) give such timely notice to Third Parties concerning the termination as reasonably required by the Partnership in writing;

provided that until the Partnership is made a party to a Title and Operating Document, the Manager shall act in good faith in relation to the Partnership's interest thereunder and shall consult with the Partnership prior to making any election or taking any action thereunder which affects the Partnership or its interests.

## ARTICLE 6 LIABILITIES AND INDEMNITIES

### 6.1 Indemnification of the Manager

Subject to Section 6.3, the Partnership shall be liable for and shall indemnify the Manager, its Affiliates, directors, officers, agents and employees (collectively the "**Manager Group**") from and against all losses, claims, damages, liabilities, obligations and reasonable costs and expenses (including legal fees on a solicitor and client basis) (collectively the "**Claims**") incurred by, borne by or asserted against the Manager in any way arising from or related in any manner to the Assets or the services provided by the Manager pursuant to this Agreement, except to the extent arising from the Manager's breach of this Agreement or willful misconduct, fraud or gross negligence committed by the Manager or the Manager Group.

## **6.2 Indemnification of the Partnership**

Subject to Section 6.3 and Section 6.4, the Manager shall be liable for and shall indemnify and save harmless the Partnership, its Affiliates and partners, and their respective directors, officers, agents and employees (collectively the "**Partnership Group**") from and against all Claims incurred by, borne by or asserted against any of them in any way arising from the Manager's breach of this Agreement or willful misconduct, fraud or gross negligence committed by the Manager or any member of the Manager Group.

## **6.3 Exclusion of Consequential Damages**

Nothing in Section 6.1 or Section 6.2 shall be construed so as to require any Party to be liable to or to indemnify the other Party, its Affiliates, shareholders, partners, directors, officers, agents, employees and their respective directors, officers, agents and employees, as applicable, (collectively the other "**Party Group**") in connection with any claims for special, incidental, indirect, consequential, exemplary or punitive damages of such other Party or a member of such other Party Group.

## **6.4 Limitations on Liability of Manager**

Notwithstanding Section 6.2:

- a) the total liability of the Manager under this Agreement will not exceed the amount of the Management Fees paid to the Manager pursuant to this Agreement up to the point in time when it is finally determined that Manager has an obligation to indemnify the Partnership pursuant to Section 6.2; and
- b) the Manager shall have no liability for, and the Partnership shall not be entitled to any claim for liability or indemnity pursuant to Section 6.2 in respect of any claim where the amount of the claim by the Partnership as agreed between the Parties is \$1,000,000 or less;

provided that such limitations on the liability of the Manager shall not apply to any claim or claims by the Partnership relating to any funds or monies held by the Manager or its Affiliates for and on behalf of the Partnership, or result from fraud or willful misconduct of Manager or a member of the Manager Group, which claim or claims shall be recoverable by the Partnership.

**ARTICLE 7  
OTHER MANAGED PROPERTIES**

**7.1 Other Managed Oil and Gas Properties**

The Partnership acknowledges that the Manager manages other oil and gas properties and related assets for Third Parties. Nothing herein shall be construed to prohibit such activity provided that the Manager all all times remains in compliance with the provisions hereof, including without limitation, Articles 3 and 9 herein. The Partnership shall have no share of the fees or interests of the Manager under such other arrangements nor any liability for any of the Manager's obligations to such Third Parties.

**ARTICLE 8  
ACCOUNTING AND AUDITS**

**8.1 Books, Records and Audits**

The Manager shall keep and maintain for the Partnership at the Manager's office in Calgary, Alberta at all times:

- a) books, records and accounts in respect of the business transactions of the Partnership in accordance with GAAP;
- b) to the extent the Manager is actually aware of the business transaction in question, books, records and accounts containing full and complete particulars of all operations, receipts and disbursements on or relating to the Properties and, upon request by the Partnership, provide copies at the Partnership's cost of any of such books, records and accounts; and
- c) the Manager shall arrange for an audit report to be prepared by a nationally recognized accounting firm as directed by the General Partner with respect to the annual financial statements of the Partnership.

The Partnership or its designated representatives, after thirty (30) days' prior written notice to the Manager, shall have the right during normal business hours to cause its independent and external auditor to inspect, review and audit, at the Partnership's expense, the books, records and accounts above-described.

**8.2 Preservation of Records**

To the extent not provided to the Partnership pursuant to Section 5.4, the Manager shall preserve all accounts, books and other documents relevant to its activities hereunder until a period of six (6) years from the date of expiration of this Agreement.

**ARTICLE 9  
REPORTS AND CONFIDENTIALITY**

**9.1 Quarterly and Annual Financial Statements and Production Reports**

The Manager shall provide calendar quarterly and annual financial statements and summary of operations of the Assets to the Partnership and such other reports as the General Partner and the Manager agree upon from time to time.

**9.2 Confidentiality**

- a) The Manager shall keep confidential during the term of this Agreement and a period of six (6) years thereafter all information related, directly or indirectly, to the services provided by the Manager pursuant to this Agreement and operations occurring in respect of the Assets, including all books, records, files, accounts and other information pertaining to the Assets, together with all analyses, compilations, studies or other documents which contain information from or otherwise reflect such books, records, files, accounts or other information.
- b) Subsection 9.2(a) shall not apply to the Manger in respect of information that (i) was in the public domain prior to its receipt by the Manager pursuant hereto; (ii) becomes part of the public domain after such receipt through no act or omission on the part of the Manager, its employees, agents or representatives or (iii) the Manager is required to disclose by Applicable Laws, regulatory authorities, stock exchanges, securities commissions or similar requirements.

**ARTICLE 10  
NOTICES**

**10.1 Giving and Deemed Receipt of Notices**

Whether or not so stipulated herein, each notice, communication or statement (herein called a "notice") required or permitted hereunder shall be in writing. A notice may be served:

- a) by delivering it to the Party to whom it is being given at that Party's address for notices hereunder, during normal business hours of the addressee on a Business Day. Such notice shall be deemed received by the addressee when actually delivered as aforesaid; or
- b) by telecopier (or by any other telephonic or electronic method by which a written and recorded message may be sent) directed to the Party to whom it is being given at that Party's telecopy number for notices hereunder or any other applicable address. Such notices shall be deemed received by the addressee thereof (i) when actually received by it, if sent within the normal working hours of a Business Day,

or (ii) otherwise, at the commencement of the next ensuing Business Day following transmission thereof.

## 10.2 Addresses

The address and telecopy number for notices hereunder of each of the Parties shall be as follows:

a) the Partnership:

**COGI LIMITED PARTNERSHIP**

Suite 500, 340 12<sup>th</sup> Avenue SW

Calgary AB T2R 0H5

Facsimile: 403.269.1633

Attention: Yoshiki Nakamura

b) the General Partner:

**CANADIAN OIL & GAS INTERNATIONAL INC.**

Suite 500, 340 12<sup>th</sup> Avenue SW

Calgary AB T2R 0H5

Facsimile: 403.269.1633

Attention: Yoshiki Nakamura

c) the Manager:

**CONSERVE OIL CORPORATION**

Suite 500, 340 12<sup>th</sup> Avenue SW

Calgary AB T2R 0H5

Facsimile: 403.269.1633

Attention: Yoshiki Nakamura

## 10.3 Change of Address

A Party may change its address or fax number for notices hereunder by notice to the other Party.



**ARTICLE 11  
MISCELLANEOUS**

**11.1 Assignment**

No Party shall dispose of its interest in this Agreement without the prior written consent of the other Party which consent may be withheld in the sole and unfettered discretion of such other Party.

**11.2 Inurement**

Subject to Section 11.1, this Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

**11.3 Waivers in Writing**

No waiver by a Party of any breach of any of the covenants, conditions and provisions herein contained shall be effective or be binding on the other Party unless such waiver is expressed in writing and any waiver so expressed shall not limit or affect the waiving Party's rights with respect to any other or future breach.

**11.4 Time of Essence**

Time is of the essence in this Agreement.

**11.5 No Partnership**

Nothing herein shall be construed as creating a partnership, joint venture or similar arrangement, and no Party shall have any partnership or similar rights or liabilities hereunder or in connection herewith.

**11.6 Amendments**

No amendment, alteration or variation of this Agreement or any of its terms or provisions shall be binding upon the Parties unless made in writing and signed by the duly authorized representatives of each of the Parties.

**11.7 Partnership Agreement**

This Agreement is subject to the terms of the Partnership Agreement. In the event of any conflict or inconsistency between the terms of this Agreement and the Partnership Agreement, the terms of the Partnership Agreement shall prevail to the extent of such conflict or inconsistency.

**11.8 Entire Agreement**

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and this Agreement cancels and supersedes any prior understandings and agreements between the Parties hereto with respect to the subject matter hereof.

**11.9 Counterparts**

This Agreement may be executed in any number of counterparts with the same effect as if all signatories to the counterparts had signed one document, provided that neither Party is bound to this Agreement until both Parties have executed a counterpart. All such counterparts will together constitute and be construed as one instrument. For avoidance of doubt, a signed counterpart provided by way of facsimile transmission, e-mail transmission of Adobe Acrobat PDF files, or other electronic means will be as binding upon the Parties as an originally signed counterpart.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed as of and with effect from the date first written above.

**CONSERVE OIL CORPORATION**

**CANADIAN OIL & GAS  
INTERNATIONAL INC.**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name: David W. Crombie  
Title: Director

**COGI LIMITED PARTNERSHIP by its  
General Partner CANADIAN OIL &  
GAS INTERNATIONAL INC.**

By: \_\_\_\_\_  
Name: David W. Crombie  
Title: Director

## **SCHEDULE "A" SERVICES**

The following represents a description of services that will be provided by the Manager or an Affiliate thereof to the Partnership in respect of the Assets. Subject always to the terms of the Agreement and the restrictions and guidelines established by the General Partner from time to time, the Manager or an Affiliate thereof shall:

### **I. General Operation of the Partnership's Assets**

Be responsible for providing general operation services to the Partnership's business including, without limitation, the operation of the Assets;

### **II. Operation and Title to Assets**

- (a) Manage the day-to-day operations with respect to its Assets.
- (b) Use reasonable efforts, to the extent it is able to do so under the applicable Title and Operating Documents, to cause all operations in relation to the Assets to be conducted, in accordance with good oilfield practices, Applicable Laws and applicable Title and Operating Documents.
- (c) Negotiate and enter into such operating contracts, property leases, equipment leases and other undertakings as are required or desirable in the ordinary course of business to operate the Partnership, including, without limitation, contracts for vehicles, electricity, gas, telephone, cleaning, maintenance, security, real property leases and other services and equipment that the Manager from time to time considers appropriate.
- (d) Carry out all agreements entered into by the Partnership.
- (e) Monitor the operation of the Assets operated by any Third Party in accordance with standard industry practices.
- (f) Use reasonable efforts to maintain the Partnership's title to the Assets.
- (g) Arrange, complete and supervise all repairs, maintenance and alterations to the Assets.
- (h) Keep the Partnership appraised of the activities of the Operators of the Assets.
- (i) Provide drafting support on the negotiation and execution of Title and Operating Documents and amendments thereof necessary or advisable in connection with the ownership, operation and development of the Assets, as may be requested by the Partnership.

- (j) Use reasonable efforts to cause the Partnership to comply with its obligations under the Title and Operating Documents and Applicable Laws pertaining to the Assets.
- (k) Receive all correspondence relating to the Assets on behalf of the Partnership, update the Partnership in respect of material issues thereon and provide copies thereof to the Partnership upon request.
- (l) Keep and maintain such accounting records as relate to the operation, maintenance and management of the Assets as the Partnership may require and make available to the Partnership's accountants any information and materials as may be required by them for the purpose of the preparation of financial statements for the Assets.
- (m) Maintain custody of and administer all land records and documents necessary in connection with the Assets, including setting up and maintaining of document and correspondence files, land files and rental records in paper and electronic form.
- (n) Prepare and file upon approval of the Partnership on behalf of the Partnership all applications for incentives and all other filings with government authorities required to be made by the Partnership pursuant to Applicable Laws in relation to the ownership, operation or development of the Assets.
- (o) Provide operational and technical input as and when requested by Partnership from time to time in relation to items (a)-(n) above.

### **III. Financial Services & Records**

- (a) Receive all revenues from the Assets under the following terms and conditions:
  - (i) such revenue, when in possession of Manager or an Affiliate thereof, shall be trust funds held by Manager or an Affiliate thereof for and on behalf of the Partnership;
  - (ii) out of such revenues, pay all liabilities of the Partnership then due and owing.
- (b) On a monthly basis, deposit all net revenues derived from the procedure set forth in item III(a) above into a bank account designated by the Partnership.
- (c) Use all reasonable efforts to collect and remit GST that the Partnership is obligated to collect and remit under Applicable Laws and prepare and file all GST returns that the Partnership is required to file under Applicable Laws.
- (d) To the extent not calculated and paid pursuant to item III(a) above, calculate and promptly notify the Partnership of any amounts to be paid by the Partnership in

respect of liabilities relating to rentals, royalties and similar matters and all property, severance, municipal and similar taxes in respect of the Assets, operations pertaining thereto and the Petroleum Products produced therefrom required to be paid pursuant to the Title and Operating Documents or Applicable Laws.

- (e) As required by the Partnership, provide assistance to the Partnership with respect to preparation and submission of all production accounting and other forms required by regulatory authorities or pursuant to any agreement relating to the Assets to which the Partnership is party or bound.
- (f) Keep and maintain for the Partnership at the Manager's office in Calgary, Alberta at all times books, records and accounts in accordance with the terms of the Agreement.
- (g) Provide the Partnership with financial statements in accordance with a schedule to be agreed to by the Partnership and the Manager. The content and format of the monthly operating reports shall be developed and agreed to by the Manager and the Partnership and shall be consistent with currently available accounting data.
- (h) Provide, or cause to be provided, a monthly production report, acceptable in format to the Partnership acting reasonably, showing for each month:
  - (i) sales of Petroleum Products produced from or allocated to the Assets, net of freehold, Crown, or overriding royalties, and the aggregate amount received in respect of all such sales;
  - (ii) the gross quantity of Petroleum Products produced from the Assets to which the Partnership was entitled after deduction of all freehold, Crown and overriding royalties;
  - (iii) to the extent revenue and reports are received from Operators of the Assets for the processing, gathering, storage, production and transportation of Petroleum Products by Oilfield Facilities; and
  - (iv) amounts actually paid in respect of operating and capital costs incurred in the production of Petroleum Products from the Assets and the aggregate of all such amounts actually paid.
- (i) Provide calendar quarterly and annual reports of the cash flow from the Assets to the Partnership and such other reports as the Partnership may reasonably request from time to time.

#### **IV. Provision of Staff**

Determine appropriate staffing levels, selection, employment, training and termination of employment, determine salary and wages, supervision, direction, training and assign duties to the Staff. For the purposes of this Agreement "Staff" means all persons employed by the Manager and the Partnership at or for the direct benefit of, or performing the Services.

#### **IV. Marketing, Purchasing and Selling**

- (a) Subject to any restrictions expressly set forth in the Agreement, develop, operate and dispose of any and all Assets.
- (b) Plan, prepare, conduct and contract all marketing with respect to the Partnership, including the development of a long term strategy to assist the Partnership to achieve its profitability targets as established by the Partnership from time to time.
- (c) Develop appropriate policies and supervise and oversee the acquisition of all goods, supplies and services which in the ordinary course of business are required or desirable to properly maintain and operate the Partnership.
- (d) Arrange for the sale of the Partnership's Share of Production.
- (e) The Manager or an Affiliate thereof shall use all reasonable efforts to obtain timely payment of production revenues and other revenues relating to the Assets but shall not have any liability to the Partnership to the extent that it fails to collect them, provided it makes reasonable efforts to do so.
- (f) The Partnership shall provide the Manager or an Affiliate thereof with all reasonable assistance, including providing notice to Third Parties, so as to enable the Manager or an Affiliate thereof to market the Partnership's share of production of Petroleum Products from the Assets on the Partnership's behalf.
- (g) The Manager or an Affiliate thereof shall not enter into any Hedges without the written consent of the Partnership.

#### **V. Policies**

Develop and oversee of the implementation of all operating policies and standards in respect of the Partnership.

#### **IX. Other Services**

- (a) Execute any and all deeds, documents and instruments and to all acts as may be necessary or desirable to carry out the intent and purpose of the Agreement.
- (b) Provide such other services as requested by the General Partner from time to time.

**X. Provision and Standard of Services**

- (a) Serve the Partnership faithfully and to the best of its ability during the term of the Agreement and make its employees, or such other person as may be agreed to by the parties hereto, available at all reasonable times necessary in order to perform the Services.
- (b) Carry out all lawful orders and directions given to it by the Partnership within the scope of the Services and obey and carry out and cause its employees, agents and servants to obey and carry out the general working policies and follow the established procedures of the Partnership.
- (c) In the performance of this Agreement, comply with all Applicable Laws.

The nature and character of the Services may be changed from time to time, with the mutual agreement of the parties in writing.

# **APPENDIX E**



**RETAINER SERVICES AGREEMENT**

**ARROW POINT OIL & GAS INC**

**- and -**

**BAULAND INC.**

**- and -**

**CONSERVE OIL CORPORATION**

**EFFECTIVE AS OF**

**August 30, 2013**

**RETAINER SERVICES AGREEMENT**

**THIS AGREEMENT** is made effective the 30 day of August, 2013

**AMONG:**

**ARROW POINT OIL & GAS INC.**, a corporation organized under the laws of the Province of Alberta (hereinafter called "**Arrow Point**")

- and -

**BAULAND INC.**, a corporation organized under the laws of the Province of Alberta (hereinafter called "**Bauland**")

- and -

**CONSERVE OIL CORPORATION**, a corporation organized under the laws of the Province of Alberta (hereinafter called "**Conserve**")

**WHEREAS** Pursuant to an Assignment Agreement to an Administration Service Agreement dated August 30, 2013 (the "**Service Agreement**") Arrow Point is to provide certain services pursuant to that agreement and shall receive payment of an Managerial Fee as therein defined;

**AND WHEREAS** each of Bauland and Conserve have certain specific expertise which Arrow Point may need from time to time in order for Arrow Point to properly discharge it obligations under the Service Agreement (the "**Retainer Services**");

**AND WHEREAS** Bauland and Conserve each have agreed to provide the Retainer Services upon and subject to the terms of this Agreement;

**NOW, THEREFORE, THIS AGREEMENT WITNESSES** that for good and valuable consideration, the receipt of which is acknowledged, and in consideration of the covenants and agreements contained in this Agreement, the parties mutually agree as follows:

**ARTICLE 1  
INTERPRETATION**

**1.1 Definitions**

In this Agreement

- (a) "**Agreement**" means this agreement and the Schedules attached to this agreement, as amended from time to time.
- (b) "**Applicable Laws**" means, in relation to any Person, transaction or event, all applicable provisions of laws, statutes, rules, regulations, official directives, published guidelines, standards, codes of practice and orders of and the terms of all judgments, orders and decrees issued by any Governmental Authority by which such Person is bound or having application to the transaction or event in question.
- (c) "**Bauland Retainer Fee**" has the meaning set forth in Section 3.1(a).

- (d) **"Business Day"** means any day other than a Saturday, Sunday, or statutory holiday in Calgary, Alberta.
- (e) **"Conserve Retainer Fee"** has the meaning set forth in Section 3.1(a).
- (f) **"Employee"** means a director, officer, employee or consultant of either Bauland or Conserve as the case may be;
- (g) **"Governmental Authority"** means, in relation to any Person, transaction or event, any: (i) federal, provincial, state, municipal or local Authorized body (whether administrative, legislative, executive or otherwise), both domestic and foreign; (ii) agency, authority, commission, bureau, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government; (iii) court, tribunal, arbitrator, commission or body exercising judicial, quasi-judicial, administrative or similar functions; and (iv) other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including securities exchanges, in each case having jurisdiction over such Person, transaction or event.
- (h) **"Party"** means a party to this Agreement, its successors and permitted assigns.
- (i) **"Person"** includes an individual, a general or limited partnership, a corporation, a trust, a joint venture, an unincorporated organization, a sole proprietorship, a firm, an entity, a body corporate, a union, a government or any department or agency thereof and the heirs, executors, administrators or other legal representatives of an individual.
- (j) **"Retainer Fees"** means the Bauland Retainer Fee and the Conserve Retainer Fee together;
- (k) **"Retainer Services"** means the services more particularly described in Schedule A.
- (l) **"Term"** has the meaning set forth in Section 6.1.

## 1.2 Extended Meanings

In this Agreement:

- (a) words importing the singular number include the plural and vice versa;
- (b) words importing the masculine gender include the feminine and neuter genders;
- (c) if a word is defined in this Agreement, a derivative of that word shall have a corresponding meaning;
- (d) the terms "herein", "hereby", "hereof", "hereunder", "hereto" and similar expressions mean or refer to this Agreement and not to any particular provision of this Agreement;
- (e) the use of the word "include" or "including" shall be deemed to include "include, without limitation", or "including, without limitation", as applicable;
- (f) references to any Person include such Person's permitted successors and assigns, and references to a Person in a particular capacity excludes such Person in any other capacity or individually;

- (g) references to any Applicable Law means such Applicable Law as amended, modified, codified, replaced or re-enacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder and references to any section or other provision of any Applicable Law means that provision of such Applicable Law from time to time in effect and constituting the substantive amendment, modification, codification, replacement or re-enactment of such section or other provisions;
- (h) references to Articles, Sections, Subsections or Schedules refer to articles, sections, subsections or schedules of this Agreement;
- (i) headings and the table of contents are not to be considered part of this Agreement and are included solely for convenience of reference and are not intended to be full or accurate descriptions of the contents hereof;
- (j) unless expressly otherwise provided, accounting terms will be construed and interpreted, and accounting determinations and computations will be made, in accordance with GAAP;
- (k) all dollar amounts referred to in this Agreement are in Canadian dollars, unless otherwise indicated herein;
- (l) payments are to be made in immediately available funds;
- (m) unless otherwise indicated, references to the time of day or date mean the local time of date in Calgary, Alberta; and
- (n) where any payment or calculation is to be made, or any other action is to be taken, on or as of a day that is not a Business Day, the payment or calculation is to be made, or the other action is to be taken, as applicable, on or as of the next following Business Day, unless such next following Business Day falls in the next calendar month, in which event the payment or calculation is to be made, or the other action is to be taken, as applicable, on or as of the immediately preceding Business Day.

### **1.3 Schedules**

The following schedules are attached hereto and form a part of this Agreement.

#### **Schedule A Retainer Services**

## **ARTICLE 2 RETAINER SERVICES**

### **2.1 Engagement**

Arrow Point hereby engages each of Bauland and Conserve to provide the Retainer Services to Arrow Point in consideration for the Retainer Fees, upon and subject to the terms and conditions of this Agreement.

### **2.2 Performance of Services**

In carrying out the Retainer Services, each of Bauland and Conserve agree that all Retainer Services rendered by it pursuant to this Agreement will be provided in accordance with prudent, recognized operating practices, methods and acts, in a workmanlike fashion and in accordance with good oil and gas industry practices, the requirements and business practices from time to time prescribed or directed by any Governmental Authority and in compliance with all Applicable Laws.

### **2.3 Employees**

Each of Bauland and Conserve agree to provide the Retainer Services, as required from time to time and shall provide such number of experienced Employees as required who will be dedicated to providing the Retainer Services to Arrow Point under this Agreement for the Term.

### **2.4 Independent Contractor**

In performing the Retainer Services, each of Bauland and Conserve agree that they are an independent contractor and are not, and shall not be construed as, an agent, partner or joint venture partner of Arrow Point. Each of Bauland and Conserve acknowledge that with respect to its Employees that provide the Retainer Services, each of Bauland and Conserve will be responsible for all aspects arising out of the employer-employee relationship between it and each such Employee, including without limitation, the provision of supervision, responsibility for hiring, dismissal, discipline, direction and control of such Employee, the payment of salary, the withholding and remittance of taxes, pension plan contributions, unemployment insurance, health care, workers' compensation and any other premiums and amounts generally payable by the employer in respect of such Employee.

### **2.5 Suspension of Performance**

In addition to any rights and remedies that each of Bauland and Conserve may have at law, in equity or under this Agreement, each of Bauland and Conserve or either of them shall be entitled to suspend performance of its obligations under this Agreement if Arrow Point defaults in the payment of any monetary obligations to either Bauland or Conserve and fails to rectify such default within 30 days of receipt of notice thereof.

### **2.6 Suspension of Agreement by Arrow Point**

Arrow Point shall be entitled, on providing written notice to each of Bauland and Conserve, to temporarily suspend operation of this Agreement and payment of the Retainer Fees during any period that Arrow Point in its absolute discretion determines is necessary. During the suspension period, Arrow Point shall not be responsible for paying any amounts under this Agreement and such suspension shall not extend the term of this Agreement.

### **2.7 Progress Meetings**

Each of Bauland and Conserve shall be available to meet with Arrow Point on a bi-weekly or monthly basis, or otherwise as required, to review requirements under the Service Agreement, to discuss issues arising in connection therewith, and to clarify the scope of Retainer Services requested and timelines and expectations for performance thereof.

## **ARTICLE 3 REMUNERATION AND REIMBURSEMENT**

### **3.1 General**

Arrow Point shall receive under the Service Agreement a Managerial Fee (the "**Managerial Fee**") as therein defined which is payable to Arrow Point under the terms of that agreement in four (4) equal quarterly installments on or about the first day of January, April, July and October (the "**Quarterly Installments**"). In consideration for the provision of Retainer Services under this Agreement, Arrow Point agrees to pay to each of Bauland and Conserve as follows:

- (a) Arrow Point shall pay to Bauland Thirty (30%) percent of each Quarterly Installment within thirty (30) days of receipt by Arrow Point of each Quarterly Installment (the "**Bauland Retainer Fee**") provided that this Agreement is not suspended by Arrow Point pursuant to Section 2.6.
- (b) Arrow Point shall pay to Conserve Fifty (50%) percent of each Quarterly Installment within thirty (30) days of receipt by Arrow Point of each Quarterly Installment (the "**Conserve Retainer Fee**") provided that this Agreement is not suspended by Arrow Point pursuant to Section 2.6.
- (c) Each of Bauland and Conserve acknowledge and agree that each shall be responsible for all of its respective day-to-day operating and administrative expenses, including without limitation, expenses incurred for rent, furnishings, utilities, supplies, general marketing, office equipment and other similar overhead expenses and compensation of employees.

### **3.2 Taxes**

The amounts referred to in this Agreement are exclusive of goods and services, value added, sales use or other similar taxes or levies payable in any jurisdiction or to any authority whatsoever in connection with the provision of the Retainer Services. Arrow Point shall pay all such taxes to each of Bauland and Conserve as the case may be at the time and in the manner prescribed by the applicable tax legislation.

## **ARTICLE 4 LIABILITY AND INDEMNITY**

### **4.1 Liability and Indemnity Obligations of Arrow Point**

Arrow Point shall indemnify and save each of Bauland and Conserve, and each of their respective directors, officers, agents and Employees harmless from and against all actions, causes of action, proceedings, claims, demands, losses, costs, damages and expenses whatsoever, that may be brought against any of them or that any of them may suffer, sustain, pay or incur, as a direct result of the Retainer Services except to the extent caused by the gross negligence or wilful misconduct of Bauland or Conserve, as the case may be, in the performance of each of their respective obligations under this Agreement.

### **4.2 Liability and Indemnity Obligations of Bauland**

Bauland shall indemnify and save Arrow Point and Conserve, and each of their respective directors, officers, agents and employees harmless from and against all actions, causes of action, proceedings, claims, demands, losses, costs, damages and expenses whatsoever, that may be brought against any of them or that any of them may suffer, sustain, pay or incur, to the extent caused by the gross negligence or wilful misconduct of Bauland in the performance of its obligations under this Agreement.

### **4.3 Liability and Indemnity Obligations of Conserve**

Conserve shall indemnify and save Arrow Point and Bauland, and each of their respective directors, officers, agents and employees harmless from and against all actions, causes of action, proceedings, claims, demands, losses, costs, damages and expenses whatsoever, that may be brought against any of them or that any of them may suffer, sustain, pay or incur, to the extent caused by the gross negligence or wilful misconduct of Conserve in the performance of its obligations under this Agreement.

**ARTICLE 5  
ASSIGNMENT**

**5.1 Assignment by Arrow Point**

Arrow Point shall be entitled to assign or sell its interest in this Agreement without the prior written consent of either Bauland or Conserve.

**5.2 Assignment by Bauland or Conserve**

In view of the services and expertise to be provided by Bauland or Conserve under this Agreement, neither Bauland nor Conserve may assign this Agreement to any person (other than an affiliate and other than any assignment in consequence of a merger, reorganization, plan of arrangement, amalgamation or similar restructuring with another Person) without Arrow Point's prior written consent, not to be unreasonably withheld.

**ARTICLE 6  
TERM AND TERMINATION**

**6.1 Term**

Subject to early termination, as provided herein, this Agreement shall remain in effect for as long as the Service Agreement remains in effect (the "Term").

**6.2 Early Termination**

This Agreement may be terminated prior to the expiry of the Term:

- (a) in the event of a material default on the part of any Party and the failure by such defaulting Party to remedy such breach after having been provided with fifteen (15) days' written notice of the default; or
- (b) in the absence of default, by providing the other Parties sixty (60) days' written notice of its intention to terminate.

**6.3 Survival**

Notwithstanding termination of this Agreement at the expiry of the Term, or otherwise as a result of early termination pursuant to Section 6.2, any and all rights, remedies, powers, obligations (including payment obligations) or other liabilities of the Parties arising under this Agreement or otherwise, at law or in equity as a result of a breach by the Parties of their obligations under this Agreement, that accrued prior to the termination of this Agreement shall survive termination of this Agreement and the provisions of this Agreement necessary to enable a Party to enforce its rights and remedies in respect thereof, shall also survive termination of this Agreement for that purpose.

**ARTICLE 7  
COMMUNICATIONS**

**7.1 Notices**

Any notice, request, consent or communication required to be given hereunder (collectively referred to as "Notice") shall be given in writing and delivered personally, by registered mail, commercial courier or fax to the address or fax number for service of the Parties indicated below. Notice in person, by courier or fax shall be deemed to be received on the date of receipt. Each Party may change its address for Notice by Notice given in accordance with this section.

- (a) to Arrow Point:

**Arrow Point Oil & Gas Ltd**  
203, 1320 - 16<sup>th</sup> Ave SW  
Calgary, AB T3C 3S6  
Attention: Vice President  
Fax: (403) 930-0454

- (b) to Bauland:

**Bauland Inc.**  
c/o 500, 340 -12<sup>th</sup> Ave SW  
Calgary, AB T2R 1L5  
Attention: President  
Fax: (403) 269-1633

- (c) to Conserve: :

**Conserve Oil Corporation**  
500, 340 -12<sup>th</sup> Ave SW  
Calgary, AB T2R 1L5  
Attention: David Crombie  
Fax: (403) 269-1633

## **7.2 Confidentiality**

- a) All information disclosed between the Parties pertaining to the Parties or to the subject-matter of this Agreement, shall be kept confidential during the term of this Agreement and a period of six (6) years thereafter. All information related, directly or indirectly, to the Services provided by Oleum pursuant to this Agreement including all books, records, files, accounts and other information together with all analyses, compilations, studies or other documents which contain information from or otherwise reflect such books, records, files, accounts or other information.
- b) Subsection 7.2(a) shall not apply to information that (i) was in the public domain prior to its receipt; (ii) becomes part of the public domain after such receipt through no act or omission on the part of the disclosing party, its employees, agents or representatives or (iii) the disclosing party is required to disclose by Applicable Laws, regulatory authorities, stock exchanges, securities commissions or similar requirements.

## **ARTICLE 8 MISCELLANEOUS**

### **8.1 Costs and Expenses**

Except as specifically provided herein, all legal and other costs and expenses incurred by a Party in connection with this Agreement and the transactions contemplated hereby will be paid by the Party that incurred the same.

### **8.2 Further Assurances**

The Parties will execute and deliver such further instruments, papers and documents, and shall do such further acts and things as may reasonably be necessary or as may reasonably be requested for the purpose of carrying out the provisions of this Agreement.



### **8.3 Entire Agreement**

This Agreement constitute the entire agreement of the Parties and there are no collateral or other statements, understandings, covenants, agreements, representations or warranties, written or oral, relating to the subject matter of this Agreement. This Agreement supersede all prior agreements, understandings, negotiations and discussions, whether written or oral, between the Parties relating to the subject matter hereof or thereof.

### **8.4 Survival**

The expiry or termination of this Agreement will not discharge or release Party from any of its liabilities or obligations accrued at the time of such expiry or termination or from any of its liabilities or obligations that expressly continue beyond or arising out of such expiry or termination of this Agreement.

### **8.5 Severability**

If any provision of this Agreement is determined to be invalid or unenforceable under the laws of the Province of Alberta, or the laws of Canada applicable therein, or under any Applicable Laws or the terms and provisions of any Authorizations, the remainder of this Agreement, or the application of the provisions of this Agreement to Persons or circumstances other than those to which it is held invalid or unenforceable, will not be affected thereby.

### **8.6 Waiver**

- (a) No waiver by any party of any default by the other party in the performance of any provision, condition or requirement herein shall be deemed to be a waiver of, or in any manner release such Party from performance of, any other provision, condition or requirement herein, nor shall such waiver be deemed to be a waiver of, or in any manner a release of, such party from future performance of the same provision, condition or requirement.
- (b) Any delay in exercising or failure to exercise any right, remedy, power or privilege hereunder on the part of any Party shall not operate as a waiver thereof nor impair the exercise of any such right, remedy, power or privilege or any other right, remedy, power or privilege accruing to such party thereafter.
- (c) The failure of a Party to perform its obligations hereunder shall not release the other party from the performance of its obligations.

### **8.7 Amendment**

This Agreement may not be varied or amended in its terms otherwise than by an instrument in writing dated subsequent to the date hereof, executed by duly authorized representatives of the Parties.

### **8.8 Time**

Time shall be of the essence hereof.

### **8.9 Governing Law**

This Agreement (and any dispute, controversy, proceedings or claim of whatever nature arising out of or in any way relating to this Agreement or its formation) will be governed by and construed in accordance with the laws in force in the Province of Alberta.

**8.10 Enurement**

This Agreement shall enure to the benefit of and be binding upon the Parties hereto and, to the extent permitted hereunder, their successors and assigns.

**8.11 Counterpart and Facsimile Execution**

This Agreement may be executed in any number of counterparts with the same effect as if all Parties had signed the same document. All of the counterparts will for all purposes constitute one agreement, binding on the Parties, notwithstanding that all Parties are not signatories to the same counterpart. A faxed copy, photocopy or electronic version of this Agreement delivered in permanent document format (".pdf") executed by a Party in counterpart or otherwise will constitute a properly executed, delivered and binding agreement or counterpart of the executing Party.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first set out above.

**ARROW POINT OIL & GAS LTD.**

Per: *A. Gamm*

**BAULAND INC.**

Per: *D. Hance*

**CONSERVE OIL CORPORATION**

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

**Schedule A**  
**RETAINER SERVICES**

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The "Retainer Services" include the following services, as requested from time to time by Arrow Point in writing:

- (a) prepare for Arrow Point's consideration and approval a list of expected obligations and requirements to provide the necessary services under the Service Agreement;
- (b) identify and prepare for Arrow Point's consideration and approval a list of and timeline for the achievement of all applicable milestones expected in the provision of the necessary services under the Service Agreement;
- (c) advise Arrow Point as to what is required to achieve the milestones in a timely manner;
- (d) subject to Arrow Point's direction and approval, obtain quotes for the procuring of necessary services to provide the services under the Service Agreement;
- (e) such other services as may be agreed to by the Parties from time to time.

# **APPENDIX F**

**ADMINISTRATION SERVICE AGREEMENT**

**CANADIAN OIL & GAS INTERNATIONAL INC.**

**- and -**

**OLEUM CONSULTO INC.**

**EFFECTIVE AS OF**

**August 30, 2013**

**ADMINISTRATION SERVICE AGREEMENT**

**THIS AGREEMENT** executed as of and with effect from August 30<sup>th</sup>, 2013 (the "**Effective Date**"), (this "**Agreement**").

**BETWEEN:**

**CANADIAN OIL & GAS INTERNATIONAL INC.**, a corporation organized under the laws of the Province of Alberta (hereinafter called "**COGI**")

- and -

**OLEUM CONSULTO INC.**, a corporation organized under the laws of the Province of Alberta (hereinafter called "**Oleum**")

**WHEREAS** COGI entered into an Amended and Restated Limited Partnership Agreement dated August 30, 2013 (the "**Partnership Agreement**") to continue the establishment of the COGI Limited Partnership (the "**Limited Partnership**") in accordance with the terms thereof and continued as the general partner of the Limited Partnership;

**AND WHEREAS** COGI as the general partner of the Limited Partnership is permitted under the terms and conditions of the Partnership Agreement to delegate to any person, any power or authority of the General Partner therein;

**AND WHEREAS** COGI wishes to engage Oleum to assist it in the administration obligations COGI has with respect to the Limited Partnership;

**AND WHEREAS** Oleum has agreed to provide to COGI the administrative assistance as further set out in Schedule "1" hereto, subject to the terms of this Agreement;

**NOW THEREFORE THIS AGREEMENT WITNESSETH THAT** in consideration of the covenants herein contained, the Parties hereby agree as follows:

**ARTICLE 1  
INTERPRETATION**

**1.1 Definitions**

In this Agreement, including the recitals:

**"Administration Fees"** means the fees payable to Oleum pursuant to Section 4.1.

**"Affiliate"** of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, in each case, whether directly or indirectly, and "**control**" and any derivation thereof means the possession, directly or indirectly, (other than in the capacity of an officer, director or employee of a Person) of the power to direct or significantly influence the management, policies or business of a Person whether through the ownership of voting securities or otherwise.

**"Applicable Laws"** means, in relation to any Person, property or circumstance:

- a) statutes (including rules and regulations enacted thereunder);
- b) judgments and orders of courts of competent jurisdiction;
- c) regulations, orders and directives issued by government authorities; and
- d) the terms and conditions of Permits;

which are applicable to such Person, property or circumstance.

**"Bankruptcy Event"** in relation to a Person shall have occurred and be continuing if:

- a) the Person:
  - i. has instituted proceedings to be adjudicated as a voluntary bankrupt or consented to the filing of a bankruptcy proceeding against it;
  - ii. has filed a petition or answer or consent seeking reorganization, readjustment, arrangement, composition or similar relief under any Canadian federal or provincial bankruptcy law;
  - iii. has consented to the appointment of a receiver, liquidator, trustee or assignee in bankruptcy; or
  - iv. has voluntarily suspended the transaction of its usual business;
- b) a court having jurisdiction has entered a decree or order (that has not been stayed pending an appeal):
  - i. adjudging the Person bankrupt or insolvent, under any applicable bankruptcy law; or
  - ii. for the appointment of a receiver, trustee or assignee in bankruptcy of the Person; or
- c) any proceeding with respect to the Person has been commenced under the *Bankruptcy and Insolvency Act (Canada)* or *Companies' Creditors Arrangement Act (Canada)* or similar legislation relating to a compromise or arrangement with creditors or claimants.

**"Business Day"** means a day other than a Saturday, Sunday or statutory holiday in the Province of Alberta.

**"GAAP"** means Canadian generally accepted accounting principles as contemplated by the Handbook of the Canadian Institute of Chartered Accountants, applied on a consistent basis, and which incorporates International Financial Reporting Standards as adopted by the Canadian Accounting Standards Board for periods beginning on and after January 1, 2011.

**"GST"** means the goods and services tax required to be paid pursuant to the *Excise Tax Act*, 1985 R.S.C., c. E-15.

**"Partnership Agreement"** means the COGI Limited Partnership Amended and Restated Limited Partnership Agreement dated August 30<sup>th</sup>, 2013;

**"Party"** means a party to this Agreement.

**"Person"** means any individual, corporation, partnership, trust, unincorporated association or other entity however designated or constituted.

**"Services"** has the meaning set forth in Section 2.1.

"Tax Act" means the *Income Tax Act* R.S.C. 1985, c.1 (5<sup>th</sup> Supplement) and the *Income Tax Application Rules* R.S.C. 1985, c.2 (5<sup>th</sup> Supplement), as amended from time to time.

"Third Party" means any Person other than Oleum and COGI.

## 1.2 Rules of Interpretation

Unless otherwise stated or the context otherwise requires, in this Agreement:

- a) the phrases "**this Agreement**", "**herein**", "**hereby**", "**hereunder**", "**hereof**" and similar expressions refer to this Agreement as a whole (including Schedules and amendments and supplements) and not to any particular Article, Section, Subsection, Paragraph or other provision hereof;
- b) a reference to an Article, Section, Subsection, Paragraph or Schedule is a reference to an Article, Section, Subsection, Paragraph or Schedule to this Agreement;
- c) a reference in a Section to a Subsection is a reference to a Subsection of that Section and a reference in a Subsection to a Paragraph is a reference to a Paragraph of that Subsection;
- d) a reference to an agreement or instrument, including this Agreement, shall be a reference to the agreement or instrument as varied, amended, modified, or supplemented or replaced from time to time;
- e) the terms "**in writing**" or "**written**" include any form of written communication, including printing, typewriting or telecopy;
- f) a reference to a statute, rule, instrument, regulation or any subsidiary legislation is a reference to each of those items as amended or reenacted from time to time and every substitution therefor;
- g) words importing the singular number only shall include the plural and vice versa, and words importing the use of any gender shall include all genders;
- h) "**Dollars**" or "**\$**" mean Canadian currency;
- i) "**including**" and "**includes**" mean "including without limitation" and "includes without limitation", respectively; and
- j) the table of contents and the headings of Articles, Sections, and Subsections are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

## 1.3 Choice of Law

This Agreement shall be governed by the laws of the Province of Alberta and shall be construed, interpreted and performed in accordance therewith.

## 1.4 Attornment

Any legal action or proceedings with respect to this Agreement shall be brought in the courts of the Province of Alberta and the courts of appeal therefrom. Each Party hereby attorns to and accepts for itself, irrevocably and unconditionally, the jurisdiction of such courts.



**1.5 Severability**

To the extent possible, each provision of this Agreement shall be interpreted in such manner as to be valid, binding and enforceable under Applicable Laws, but if any provision of this Agreement is held to be invalid, void or unenforceable under Applicable Laws, such provision shall be ineffective only to the extent held to be invalid, void or unenforceable, without affecting the remainder of such provision or the remaining provisions of this Agreement.

**1.6 Actions on Non Business Days**

If any action required by this Agreement is required to be taken on a day which is not a Business Day such action shall be taken on the next following Business Day, except in the case of: (i) any payment required to be made hereunder, in which case such payment shall be made on the immediately preceding Business Day, and (ii) any action which, if delayed until the next following Business Day, could have a material adverse effect on the Partnership's interest in and to one or more of its Assets.

**1.7 Schedules**

The following schedule is attached hereto and forms part of this Agreement:

Schedule "1" Administration Services

**ARTICLE 2  
DUTIES AND SERVICES**

**2.1 Services to be Provided by Oleum**

Subject to restrictions and guidelines set forth herein and established by COGI as general partner of the Limited Partnership and communicated to Oleum from time to time, Oleum shall take all actions that are reasonably necessary for the purposes of providing COGI with the administration support and services described in further detail in Schedule "1" (the "**Services**") and such other services that are requested of Oleum by COGI from time to time which are consistent with the governing documents of the Limited Partnership and as may be agreed to in writing by the parties hereto.

**2.2 Authority of Oleum**

Oleum shall have full right, power and authority to do and refrain from doing all such things as are necessary or appropriate in order to perform the Services, subject to the restrictions and guidelines set forth herein and established by COGI and communicated to Oleum from time to time.

**2.3 Independent Contractor**

Oleum shall be an independent contractor in relation to its responsibilities hereunder. The number, selection, hours of labour and remuneration of Oleum's employees shall be determined by Oleum. All employees hired by Oleum from time to time shall be Oleum's employees and not COGI's employees.

**ARTICLE 3  
PERFORMANCE OF SERVICES**

**3.1 Standard of Care**

In performing the Services, Oleum shall and Oleum shall cause its employees, servants, agents and Affiliates to exercise the care, diligence and skill that a prudent person would exercise in performing such Services, applying all relevant knowledge and skill that Oleum possesses and shall in all cases conduct all Services hereunder diligently, in a good and workmanlike manner, in accordance with generally accepted industry practice and Applicable Laws.

**3.2 Obligation**

Oleum shall hire the employees and advisors and commit the resources required to perform its obligations under this Agreement in accordance with the standard of care specified in Section 3.1.

**3.3 Delegation**

Oleum may, without prior consent of COGI, delegate all or specific aspects of its obligations hereunder to an agent, Affiliate or Third Party, provided that such delegation shall not relieve Oleum of any of its obligations under this Agreement. Notwithstanding any such delegation, COGI shall be entitled to look solely to Oleum for the performance of Oleum's obligations in relation to this Agreement.

**3.4 Reliance**

Oleum shall be entitled to rely on statements, advice and opinions of professional advisors who Oleum reasonably believes to be competent to give such advice and on any instrument or other documents reasonably believed by Oleum to be genuine and in force.

**3.5 Conflicts of Interest**

If in the course of carrying out its duties hereunder, the interests of Oleum or its Affiliates or any of their directors, officers or employees are in conflict with the interests of COGI, Oleum shall notify COGI of the details of such conflict of interest and, after consulting with COGI, shall resolve such conflict in good faith and in a manner that does not contravene the obligations of Oleum to COGI pursuant to this Agreement (including, without limitation Oleum's obligations and duties set forth in Section 3.1). COGI acknowledges that Oleum may also provide administrative services for Third Parties. Oleum will resolve conflicts between its duties to COGI and such Third Parties fairly and in good faith on a basis consistent with the objectives of COGI.

**ARTICLE 4  
ADMINISTRATION FEES**

**4.1 Administration Fee**

- a) During the term of this Agreement, COGI shall pay Oleum as compensation for the provision of the Services an administration fee equal to One Million Six Hundred and Fifty Thousand (\$1,650,000.00) Dollars (the "**Administration Fee**"). COGI acknowledges and agrees that the Administration Fee shall be paid to Oleum in four (4) equal quarterly installments not later than the second business day following the first day of January, April, July and October.

- b) During the term of this Agreement, Oleum shall pay and be responsible for all of its day-to-day operating and administrative expenses, including without limitation, expenses incurred for rent, furnishings, utilities, supplies, general marketing, office equipment and other similar overhead expenses and compensation of employees.

#### **4.2 GST**

The Administration Fee is exclusive of GST. COGI shall pay applicable GST thereon.

### **ARTICLE 5 TERMINATION**

#### **5.1 Termination of Agreement**

This Agreement shall continue in effect from the Effective Date until terminated in accordance with the following:

- a) upon termination of the Limited Partnership as contemplated in accordance with paragraph 2.4 of the Partnership Agreement;
- b) if not terminated earlier in accordance with this Section 5.1(a), on August 30, 2021;
- c) COGI provides Oleum with sixty (60) days prior written notice of termination;
- d) either COGI or Oleum provides the other with written notice of termination at any time in the event that a Bankruptcy Event in respect of the other has occurred and is continuing;
- e) either COGI or Oleum (the "**Terminating Party**") provides the other (the "**Defaulting Party**") with written notice of termination at any time in the event that the Defaulting Party has failed to carry out any material obligation hereunder and has not cured such failure, or made good faith efforts to commence to cure such failure, within thirty (30) days of written notice being given to it by the Terminating Party; or
- f) Oleum provides COGI with one hundred twenty days (120) days written notice of termination.

#### **5.2 Termination of Agreement - No Release of Liabilities**

Except as provided in Sections 4.2 and Articles 5, 6, 7 and 8, the provisions of this Agreement will be of no further force and effect after termination of this Agreement except that termination of the Agreement will not relieve any Party from any liability or obligation which arose prior to such termination.

#### **5.3 Oleum's Rights Following Termination**

From and after the termination of this Agreement, Oleum will not be entitled to any further rights hereunder except (i) to be paid all Administration Fee accrued hereunder to the termination date; and (ii) any rights it is entitled to under Article 6.

#### **5.4 Oleum's Obligations on Termination**

From and after the termination of this Agreement Oleum shall;

- a) turn over to COGI or as COGI may direct in writing, all records and books of account relating to the Services and
- b) as soon as reasonably possible, deliver to and, where applicable, transfer into the name of COGI, or as COGI may direct in writing, all property and other assets and documents (including all computerized programs and records) belonging to COGI or held on its behalf then in the custody or control of Oleum;
- c) if COGI so requests in writing, assign to COGI, or such other Person as COGI may direct in writing, such contracts, if assignable, as may then be in existence between Oleum and Third Parties in respect of the Services; and
- d) give such timely notice to Third Parties concerning the termination as reasonably required by COGI in writing;

provided that until COGI is made a party to a contract, Oleum shall act in good faith in relation to COGI's interest thereunder and shall consult with COGI prior to making any election or taking any action thereunder which affects COGI or its interests.

## **ARTICLE 6 LIABILITIES AND INDEMNITIES**

### **6.1 Indemnification of Oleum**

Subject to Section 6.3, COGI shall be liable for and shall indemnify Oleum, its Affiliates, directors, officers, agents and employees (collectively the "**Oleum Group**") from and against all losses, claims, damages, liabilities, obligations and reasonable costs and expenses (including legal fees on a solicitor and client basis) (collectively the "**Claims**") incurred by, borne by or asserted against Oleum in any way arising from or related in any manner to the Services provided by Oleum pursuant to this Agreement, except to the extent arising from Oleum's breach of this Agreement or willful misconduct, fraud or gross negligence committed by Oleum or Oleum Group.

### **6.2 Indemnification of COGI**

Subject to Section 6.3 and Section 6.4, Oleum shall be liable for and shall indemnify and save harmless COGI, its Affiliates and partners, and their respective directors, officers, agents and employees (collectively the "**COGI Group**") from and against all Claims incurred by, borne by or asserted against any of them in any way arising from Oleum's breach of this Agreement or willful misconduct, fraud or gross negligence committed by Oleum or any member of Oleum Group.

### **6.3 Exclusion of Consequential Damages**

Nothing in Section 6.1 or Section 6.2 shall be construed so as to require any Party to be liable to or to indemnify the other Party, its Affiliates, shareholders, partners, directors, officers, agents, employees and their respective directors, officers, agents and employees, as applicable, (collectively the other "**Party Group**") in connection with any claims for special, incidental, indirect, consequential, exemplary or punitive damages of such other Party or a member of such other Party Group.

#### **6.4 Limitations on Liability of Oleum**

Notwithstanding Section 6.2:

- a) the total liability of Oleum under this Agreement will not exceed the amount of the Administration Fee paid to Oleum pursuant to this Agreement up to the point in time when it is finally determined that Oleum has an obligation to indemnify COGI pursuant to Section 6.2; and
- b) Oleum shall have no liability for, and COGI shall not be entitled to any claim for liability or indemnity pursuant to Section 6.2 in respect of any claim where the amount of the claim by COGI as agreed between the Parties is \$1,000,000 or less;

provided that such limitations on the liability of Oleum shall not apply to any claim or claims by COGI relating to any funds or monies held by Oleum or its Affiliates for and on behalf of COGI, or result from fraud or willful misconduct of Oleum or a member of Oleum Group, which claim or claims shall be recoverable by COGI.

### **ARTICLE 7 ACCOUNTING AND AUDITS**

#### **7.1 Books, Records and Audits**

Oleum shall keep and maintain for COGI at Oleum's office in Calgary, Alberta at all times:

- a) books, records and accounts containing full and complete particulars of all administrative activities, receipts and disbursements on or relating to the Services and, upon request by COGI, provide copies at COGI's cost of any of such books, records and accounts; and
- b) Oleum shall arrange for an audit report to be prepared by a nationally recognized accounting firm as directed by the COGI with respect to the annual financial statements of COGI.

COGI or its designated representatives, after thirty (30) days' prior written notice to Oleum, shall have the right during normal business hours to cause its independent and external auditor to inspect, review and audit, at COGI's expense, the books, records and accounts above-described.

#### **7.2 Preservation of Records**

To the extent not provided to COGI pursuant to Section 5.4, Oleum shall preserve all accounts, books and other documents relevant to its activities hereunder until a period of six (6) years from the date of expiration of this Agreement.

### **ARTICLE 8 REPORTS AND CONFIDENTIALITY**

#### **8.1 Quarterly and Annual Financial Statements and Production Reports**

Oleum shall provide annual financial statements and summary of the Services to COGI and such other reports as COGI and Oleum agree upon from time to time.

## 8.2 Confidentiality

- a) Oleum shall keep confidential during the term of this Agreement and a period of six (6) years thereafter all information related, directly or indirectly, to the Services provided by Oleum pursuant to this Agreement including all books, records, files, accounts and other information together with all analyses, compilations, studies or other documents which contain information from or otherwise reflect such books, records, files, accounts or other information.
- b) Subsection 8.2(a) shall not apply to Oleum in respect of information that (i) was in the public domain prior to its receipt by Oleum pursuant hereto; (ii) becomes part of the public domain after such receipt through no act or omission on the part of Oleum, its employees, agents or representatives or (iii) Oleum is required to disclose by Applicable Laws, regulatory authorities, stock exchanges, securities commissions or similar requirements.

## ARTICLE 9 NOTICES

### 9.1 Giving and Deemed Receipt of Notices

Whether or not so stipulated herein, each notice, communication or statement (herein called a "notice") required or permitted hereunder shall be in writing. A notice may be served:

- a) by delivering it to the Party to whom it is being given at that Party's address for notices hereunder, during normal business hours of the addressee on a Business Day. Such notice shall be deemed received by the addressee when actually delivered as aforesaid; or
- b) by any electronic method by which a written and recorded message may be sent directed to the Party to whom it is being given at that Party's email address or facsimile number for notices hereunder or any other applicable address. Such notices shall be deemed received by the addressee thereof (i) when actually received by it, if sent within the normal working hours of a Business Day, or (ii) otherwise, at the commencement of the next ensuing Business Day following transmission thereof.

### 9.2 Addresses

The mailing address, email address and facsimile number for notices hereunder of each of the Parties shall be as follows:

to COGI: **CANADIAN OIL & GAS INTERNATIONAL INC.**  
Suite 500, 340 - 12<sup>th</sup> Avenue SW  
Calgary AB T2R 0H5  
Facsimile: 403.269.1633  
Attention: Yoshiki Nakamura

to Oleum: **OLEUM CONSULTO INC.**  
Suite 2706, 1111 - 10<sup>th</sup> Street SW  
Calgary, AB T2R 1E5  
Facsimile: 403.269.1633  
Attention: Alexander Gramatzki

**9.3 Change of Address**

A Party may change its addresses or fax number for notices hereunder by notice to the other Party.

**ARTICLE 10  
MISCELLANEOUS**

**10.1 Assignment**

Subject to Section 3.3 hereof, no Party shall dispose of its interest in this Agreement without the prior written consent of the other Party which consent may be withheld in the sole and unfettered discretion of such other Party.

**10.2 Inurement**

Subject to Section 10.1, this Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

**10.3 Waivers in Writing**

No waiver by a Party of any breach of any of the covenants, conditions and provisions herein contained shall be effective or be binding on the other Party unless such waiver is expressed in writing and any waiver so expressed shall not limit or affect the waiving Party's rights with respect to any other or future breach.

**10.4 Time of Essence**

Time is of the essence in this Agreement.

**10.5 No Partnership**

Nothing herein shall be construed as creating a partnership, joint venture or similar arrangement, and no Party shall have any partnership or similar rights or liabilities hereunder or in connection herewith.

**10.6 Amendments**

No amendment, alteration or variation of this Agreement or any of its terms or provisions shall be binding upon the Parties unless made in writing and signed by the duly authorized representatives of each of the Parties.

**10.8 Entire Agreement**

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and this Agreement cancels and supersedes any prior understandings and agreements between the Parties hereto with respect to the subject matter hereof.

**10.9 Counterparts**

This Agreement may be executed in any number of counterparts with the same effect as if all signatories to the counterparts had signed one document, provided that neither Party is bound to this Agreement until both Parties have executed a counterpart. All such counterparts will together constitute and be construed as one instrument. For avoidance of doubt, a signed counterpart

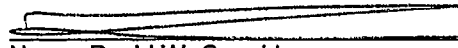
provided by way of facsimile transmission, e-mail transmission of Adobe Acrobat PDF files, or other electronic means will be as binding upon the Parties as an originally signed counterpart.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed as of and with effect from the date first written above.

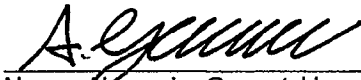
**CANADIAN OIL & GAS INTERNATIONAL INC.**

**OLEUM CONSULTO INC.**

By:

  
Name: David W. Crombie  
Title: Director

By:

  
Name: Alexander Gramatski  
Title: President



**SCHEDULE "1"**

**SERVICES**

Subject always to the terms of the Agreement and the restrictions and guidelines established by COGI from time to time, Oleum shall provide such administrative services as are to be provided by COGI under the Partnership Agreement for and on behalf of COGI except for those services which COGI specifically advises Oleum in writing not to perform.

# **APPENDIX G**

**ASSIGNMENT AGREEMENT**  
to an  
**ADMINISTRATION SERVICE AGREEMENT**

**OLEUM CONSULTO INC.**

- and -

**ARROW POINT OIL & GAS INC.**

**EFFECTIVE AS OF**

**August 30, 2013**

**ASSIGNMENT AGREEMENT  
to an  
ADMINISTRATION SERVICE AGREEMENT**

THIS ASSIGNMENT AGREEMENT is made effective the 30<sup>th</sup> day of August, 2013 (the "Effective Date");

**BETWEEN:**

**OLEUM CONSULTO INC.**, a corporation organized under the laws of  
the Province of Alberta (hereinafter called "Oleum")

- and -

**ARROW POINT OIL & GAS INC.**, a corporation organized under the  
laws of the Province of Alberta (hereinafter called "Arrow Point")

**WHEREAS:**

- A. Pursuant to an agreement for provision of Administration Services dated August 30, 2013 made between Oleum and **Canadian Oil & Gas International Inc.**, ("COGI") together with all amendments, restatements and modifications thereof and Schedules thereto, (collectively, the "Service Agreement"), Oleum agreed to provide and COGI agreed to receive certain services related to the obligations of COGI as the general partner to a limited partnership pursuant to a limited partnership agreement dated August 30, 2013 (the "Partnership Agreement") created for the purpose without limitation, of the purchasing, disposing, managing developing, optimizing, and exploiting petroleum and natural gas rights, facilities and transportation infrastructure used in the production of petroleum and natural gas from the Western Canadian sedimentary basin and such other activities as may be necessary, ancillary or incidental to or in furtherance of the foregoing;
- B. Arrow Point is an Alberta exploration and development corporation operating in the Province of Alberta and has a particular expertise and familiarity with the purchasing, disposing, managing developing, optimizing, and exploiting petroleum and natural gas rights, facilities and transportation infrastructure used in the production of petroleum and natural gas from the Western Canadian sedimentary basin;
- C. Oleum requires the assistance of Arrow Point for the purpose of managing and administering the Service Agreement on its behalf and under the Service Agreement, Oleum may, under the terms of the Service Agreement, delegate all or specific aspects of its obligations to an agent, Affiliate or Third Party and is prepared to delegate specific obligations and benefits under the Service Agreement to Arrow Point;
- D. Effective as of the Assignment Date (as defined herein) Oleum wishes to assign certain of its rights and responsibilities under the Service Agreement to Arrow Point, and Arrow Point agrees to assume such rights and responsibilities from Oleum in accordance with the terms and conditions set out herein;

**NOW THEREFORE** in consideration of the mutual agreements and covenants contained herein and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Oleum and Arrow Point (collectively, the "Parties") hereby agree as follows:

1. The Parties agree that all capitalized terms included in this Assignment Agreement and not herein specifically defined shall have the meaning ascribed to them in the Service Agreement.
2. Oleum hereby assigns to Arrow Point and Arrow Point agrees to assume, with effect as of the Effective Date, all administrative and managerial responsibility and associated rights and obligations of Oleum under the Service Agreement. For the purpose of this Assignment Agreement, "administrative and managerial responsibility" shall mean the right to receive and obligation to provide notices and information; the right to receive and obligation to pay invoices; the obligation to ensure compliance with legislation and regulatory requirements; the obligation to liaise, via one centralized point of contact with COGI in connection with and with regard to the Service Agreement; the right to manage changes in or to the services to be provided under the Service Agreement; the right to initiate and carry out an audit; the right to provide notice of termination and to manage the termination of the Service Agreement; and the right and obligation to manage disputes, all as specifically and solely set forth in the Service Agreement.  
  
Oleum shall remain responsible for exercising all other rights and carrying out all other responsibilities under the Service Agreement. Arrow Point agrees to receive and provide any notices or information to be conveyed under the terms of Schedule 1 to the Service Agreement and further agrees to provide guidance to Oleum and to consult with Oleum in relation to Oleum's responsibilities under Schedule 1 to the Service Agreement.
3. Oleum agrees to pay Arrow Point as compensation for the provision of the administrative and managerial responsibility assumed by Arrow Point as contemplated and referred to in Paragraph 2 hereof the aggregate amount of One Million Six Hundred and Fifty Thousand (\$1,650,000.00) Dollars (the "Managerial Fee"). Oleum acknowledges and agrees that the Managerial Fee shall be paid to Arrow Point in four (4) equal quarterly installments not later than the third business day following the first day of January, April, July and October.
4. Arrow Point acknowledges and agrees that all fees, costs and any other amounts incurred by Arrow Point in carrying out its administrative and managerial responsibility pursuant to the Service Agreement, and that are assigned to Arrow Point pursuant to this Assignment Agreement shall be the responsibility of and paid for by Arrow Point.
5. Notwithstanding anything contained herein, the Parties acknowledge that neither this Assignment Agreement nor the assignment set out in this Assignment Agreement: (i) shall in any way lessen or relieve Oleum from obligations to perform, fulfill and satisfy in favour of COGI, Oleum's covenants, obligations and all other provisions set out in Service Agreement or any part thereof; nor (ii) imposes any liability on COGI for any act or omission on its part in connection with or in reliance upon this Assignment Agreement or the assignment constituted hereby. For certainty, Oleum shall remain fully responsible to COGI under the terms and conditions of the Service Agreement, including in relation to those rights, covenants and obligations herein assigned to Arrow Point.
6. Oleum agrees to fully cooperate with Arrow Point to allow Arrow Point to carry out the administrative and managerial responsibilities herein assigned to Arrow Point. Without limiting the generality of the foregoing, Oleum shall in a commercially prompt manner take all actions necessary, shall provide to Arrow Point all information and shall make available to Arrow Point all personnel required to allow Arrow Point to carry out the administrative and managerial responsibilities assigned to it under this Assignment Agreement.
7. Arrow Point hereby covenants and agrees to indemnify Oleum, and its employees, directors, officers and agents from all claims, damages, liabilities, costs and expenses which may be suffered, sustained, paid or incurred by Oleum, and its employees, directors, officers and agents as a consequence of any breach or default by Arrow Point of those specific rights and obligations assigned to it under this Assignment Agreement.

8. Oleum hereby covenants and agrees to indemnify Arrow Point, and its employees, directors, officers and agents from all claims, damages, liabilities, costs and expenses which may be suffered, sustained, paid or incurred by Arrow Point, and its employees, directors, officers or agents as a consequence of any breach or default by Oleum under the Service Agreement or this Assignment Agreement.
9. Each of Oleum and Arrow Point hereby covenant and agree to indemnify COGI and its employees, directors, officers and agents, from all claims, damages, liabilities, costs and expenses which may be suffered, sustained, paid or incurred by COGI and/or its employees, directors, officers or agents, in reliance on the assignment made pursuant to this Assignment Agreement, and/or as a consequence of any breach or default by Oleum or Arrow Point, as the case may be, pursuant to the Service Agreement or this Assignment Agreement.
10. Notwithstanding any other provision of this Assignment Agreement, in carrying out any calculation or applying any formula contained in the Service Agreement that is based on or uses data related to Oleum for the purpose of calculating a fee or for any other purpose the Parties agree that the data of Oleum shall continue to be used.
11. This Assignment Agreement shall remain in effect for as long as the Service Agreement remains in effect. Notwithstanding the foregoing, either Arrow Point or Oleum shall have the right to terminate this Assignment Agreement:
  - (a) in the event of a material default on the part of the other Party and the failure by such defaulting Party to remedy such breach after having been provided with fifteen (15) days' written notice of the default; or
  - (b) in the absence of default, by providing the other Parties sixty (60) days' written notice of its intention to terminate.

Sections 7, 8, and 9 shall survive any termination or expiration of this Assignment Agreement.

12. The Parties further agree as follows:
  - (a) Arrow Point and Oleum agree to, in good faith, seek to resolve any dispute that may arise in relation to this Assignment Agreement.
  - (b) In the event of a dispute and Arrow Point and Oleum are unable to resolve such dispute:
    - (i) this Assignment Agreement shall be governed and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein without regard to conflicts of law principles that would apply a different body of law;
    - (ii) the dispute shall be resolved by arbitration in accordance with the *Arbitration Act* (Alberta); and
    - (iii) the arbitration shall be before one arbitrator. The place of arbitration shall be Calgary, Alberta.
  - (c) The allocation of any costs related to the arbitration shall be determined by the arbitrator. The decision of the arbitrator shall be final and binding on the Parties.
13. This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

14. Any notice, request, consent or communication required to be given hereunder (collectively referred to as "Notice") shall be given in writing and delivered personally, by registered mail, commercial courier or fax to the address or fax number for service of the Parties indicated below. Notice in person, by courier or fax shall be deemed to be received on the date of receipt. Each Party may change its address for Notice by Notice given in accordance with this section.

(a) as to Arrow Point:

**ARROW POINT OIL & GAS LTD.**  
203, 1320 - 16<sup>th</sup> Ave SW  
Calgary, Alberta  
T3C 3S6  
Attention: Vice President  
Fax: (403) 930-0454

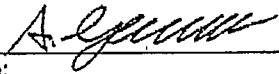
(b) as to Oleum:

**OLEUM CONSULTO INC.**  
Suite 2706, 1111 - 10<sup>th</sup> Street SW  
Calgary, AB T2R 1E5  
Attention: Alexander Gramatzki  
Fax: 403.269.1633

15. This Assignment Agreement may be executed in any number of counterparts with the same effect as if all Parties had signed the same document. All of the counterparts will for all purposes constitute one agreement, binding on the Parties, notwithstanding that all Parties are not signatories to the same counterpart. A faxed copy, photocopy or electronic version of this Assignment Agreement delivered in permanent document format (".pdf") executed by a Party in counterpart or otherwise will constitute a properly executed, delivered and binding agreement or counterpart of the executing Party.

IN WITNESS WHEREOF Oleum and Arrow Point have executed this Assignment Agreement as of the Effective Date.

**ARROW POINT OIL & GAS LTD.**

Per:   
Name:  
Title:

**OLEUM CONSULTO INC.**

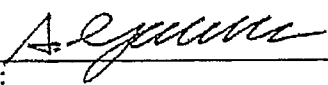
Per:   
Name:  
Title:

EXHIBIT "A"

Administration Services Agreement

11/11/11



# **APPENDIX H**

# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2015/10/22  
Time of Search: 03:25 PM  
Search provided by: DLA PIPER (CANADA) LLP

Service Request Number: 24117396  
Customer Reference Number: 16155-00001

Corporate Access Number: 2014122705  
Legal Entity Name: ARROW POINT OIL & GAS LTD.

## Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
CROSSBOW ENERGY PARTNERS LTD.	2008/10/03
CROSSBOW ENERGY PARTNERS I LTD.	2010/10/25
1412270 ALBERTA LTD.	2011/06/17

Legal Entity Status: Active  
Alberta Corporation Type: Named Alberta Corporation  
Registration Date: 2008/07/07 YYYY/MM/DD

## Registered Office:

Street: 1600, 520 - 3RD AVE SW  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2P 0R3

## Records Address:

Street: 1600, 520 - 3RD AVE SW  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2P 0R3

**Directors:**

**Last Name:** GRAMATZKI  
**First Name:** ALEXANDER  
**Street/Box Number:** 29 SPRING VALLEY VIEW SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T3H 5M1

**Voting Shareholders:**

**Legal Entity Name:** BIG COULEE RESOURCES LTD.  
**Corporate Access Number:** 2015311463  
**Street:** 1600, 520 - 3RD AVE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2P 0R3  
**Percent Of Voting Shares:** 100

**Details From Current Articles:**

**The information in this legal entity table supersedes equivalent electronic attachments**

**Share Structure:** THE ATTACHED SCHEDULE OF SHARE CAPITAL IS INCORPORATED INTO AND FORMS PART OF THIS FORM.

**Share Transfers Restrictions:** THE ATTACHED SCHEDULE OF RESTRICTIONS ON SHARE TRANSFERS IS INCORPORATED INTO AND FORMS PART OF THIS FORM.

**Min Number Of Directors:** 1

**Max Number Of Directors:** 7

**Business Restricted To:** NONE.

**Business Restricted From:** NONE.

**Other Provisions:** THE ATTACHED SCHEDULE OF OTHER PROVISIONS IS INCORPORATED INTO AND FORMS PART OF THIS FORM.

**Other Information:****Last Annual Return Filed:**

<b>File Year</b>	<b>Date Filed (YYYY/MM/DD)</b>
2015	2015/09/04

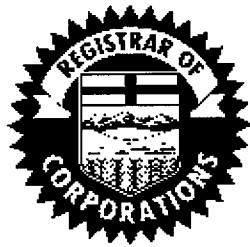
**Filing History:**

<b>List Date (YYYY/MM/DD)</b>	<b>Type of Filing</b>
2008/07/07	Incorporate Alberta Corporation
2011/06/17	Name Change Alberta Corporation
2012/05/11	Change Director / Shareholder
2012/11/07	Change Address
2015/09/04	Enter Annual Returns for Alberta and Extra-Provincial Corp.

**Attachments:**

<b>Attachment Type</b>	<b>Microfilm Bar Code</b>	<b>Date Recorded (YYYY/MM/DD)</b>
Share Structure	ELECTRONIC	2008/07/07
Restrictions on Share Transfers	ELECTRONIC	2008/07/07
Other Rules or Provisions	ELECTRONIC	2008/07/07

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



# **APPENDIX I**

# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2015/11/03  
Time of Search: 12:02 PM  
Search provided by: DLA PIPER (CANADA) LLP

Service Request Number: 24177047  
Customer Reference Number: 16155-00002

Corporate Access Number: 2017172236  
Legal Entity Name: GLOBAL ADVISORY SERVICES INC.

## Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
OLEUM CONSULTO INCORPORATED	2013/09/17
AIG SERVICES INC.	2014/07/11

Legal Entity Status: Active  
Alberta Corporation Type: Named Alberta Corporation  
Registration Date: 2012/12/10 YYYY/MM/DD

## Registered Office:

Street: 1600, 520 - 3RD AVENUE SW  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2P 0R2

## Records Address:

Street: 1600, 520 - 3RD AVENUE SW  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2P 0R2

## Directors:

**Last Name:** VON GRAMATZKI  
**First Name:** ALEXANDER  
**Street/Box Number:** 2706, 1111 10 STREET S.W.  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2R 1E3

**Voting Shareholders:**

**Legal Entity Name:** COMPUTERSHARE TRUST COMPANY OF CANADA  
**Corporate Access Number:** 309229359  
**Street:** 600, 530 - 8TH AVENUE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2G 0P6  
**Percent Of Voting Shares:** 100

**Details From Current Articles:**

**The information in this legal entity table supersedes equivalent electronic attachments**

**Share Structure:** THE CORPORATION IS AUTHORIZED TO ISSUE SHARES IN ACCORDANCE WITH SCHEDULE "A" ATTACHED HERETO, WHICH IS INCORPORATED INTO AND FORMS PART OF THIS FORM  
**Share Transfers Restrictions:** NO SHARES OF THIS CORPORATION SHALL BE TRANSFERRED WITHOUT THE APPROVAL OF THE DIRECTORS OF THE CORPORATION, AS EVIDENCED BY A RESOLUTION OF THE DIRECTORS OF THE CORPORATION

**Min Number Of Directors:** 1  
**Max Number Of Directors:** 15

**Business Restricted To:** NONE  
**Business Restricted From:** NONE

**Other Provisions:** SCHEDULE "B" ATTACHED HERETO IS INCORPORATED INTO AND FORMS PART OF THIS FORM

**Other Information:**

**Last Annual Return Filed:**

File Year	Date Filed (YYYY/MM/DD)
2014	2014/12/24

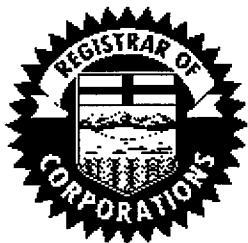
**Filing History:**

List Date (YYYY/MM/DD)	Type of Filing
2012/12/10	Incorporate Alberta Corporation
2014/07/11	Name Change Alberta Corporation
2014/12/24	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2015/01/16	Change Director / Shareholder
2015/01/16	Change Address

**Attachments:**

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2012/12/10
Other Rules or Provisions	ELECTRONIC	2012/12/10

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.





# **APPENDIX J**

# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2015/10/22  
Time of Search: 03:19 PM  
Search provided by: DLA PIPER (CANADA) LLP

Service Request Number: 24117310  
Customer Reference Number: 16155-00001

**Corporate Access Number:** 2016635746  
**Legal Entity Name:** CONSERVE OIL 9TH CORPORATION

**Legal Entity Status:** Active  
**Alberta Corporation Type:** Named Alberta Corporation  
**Registration Date:** 2012/03/07 YYYY/MM/DD

## Registered Office:

**Street:** 500, 340 - 12 AVENUE S.W.  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2R 1L5

## Records Address:

**Street:** 500, 340 - 12 AVENUE S.W.  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2R 1L5

## Directors:

**Last Name:** CROMBIE  
**First Name:** DAVID  
**Street/Box Number:** 500, 340 - 12 AVENUE SW  
**City:** CALGARY  
**Province:** ALBERTA

Postal Code: T2R 1L5

**Voting Shareholders:**

**Legal Entity Name:** CONSERVE OIL CORPORATION  
**Corporate Access Number:** 2113446757  
**Street:** 500, 340 - 12TH AVENUE S.W.  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T2R 1L5  
**Percent Of Voting Shares:** 100

**Details From Current Articles:**

**The information in this legal entity table supersedes equivalent electronic attachments**

**Share Structure:** THE CORPORATION IS AUTHORIZED TO ISSUE SHARES IN ACCORDANCE WITH SCHEDULE "A" ATTACHED HERETO, WHICH IS INCORPORATED INTO AND FORMS PART OF THIS FORM

**Share Transfers Restrictions:** NO SHARES OF THIS CORPORATION SHALL BE TRANSFERRED WITHOUT THE APPROVAL OF THE DIRECTORS OF THE CORPORATION, AS EVIDENCED BY A RESOLUTION OF THE DIRECTORS OF THE CORPORATION

**Min Number Of Directors:** 1

**Max Number Of Directors:** 15

**Business Restricted To:** NONE

**Business Restricted From:** NONE

**Other Provisions:** SCHEDULE "B" ATTACHED HERETO IS INCORPORATED INTO AND FORMS PART OF THIS FORM

**Associated Registrations under the Partnership Act:**

Trade Partner Name	Registration Number
CONSERVE OIL POC GROWTH IV LIMITED PARTNERSHIP	LP16994899

**Other Information:****Last Annual Return Filed:**

File Year	Date Filed (YYYY/MM/DD)
2014	2014/04/10

**Outstanding Returns:**

Annual returns are outstanding for the 2015 file year(s).

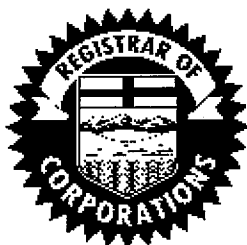
**Filing History:**

List Date (YYYY/MM/DD)	Type of Filing
2012/03/07	Incorporate Alberta Corporation
2014/04/10	Enter Annual Returns for Alberta and Extra-Provincial Corp.

**Attachments:**

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2012/03/07
Other Rules or Provisions	ELECTRONIC	2012/03/07

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.



# **APPENDIX K**

# Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2015/10/30  
Time of Search: 09:13 AM  
Search provided by: DLA PIPER (CANADA) LLP

Service Request Number: 24154469  
Customer Reference Number: 16155-00001

Corporate Access Number: 2015879832  
Legal Entity Name: ALBERTA ENERGY SOLUTION LTD.

Legal Entity Status: Active  
Alberta Corporation Type: Named Alberta Corporation  
Registration Date: 2011/02/17 YYYY/MM/DD

## Registered Office:

Street: 500, 340 - 12 AVENUE S.W.  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2R 1L5

## Records Address:

Street: 500, 340 - 12 AVENUE S.W.  
City: CALGARY  
Province: ALBERTA  
Postal Code: T2R 1L5

## Directors:

Last Name: CROMBIE  
First Name: DAVID  
Middle Name: W.  
Street/Box Number: 500, 340 - 12 AVENUE S.W.  
City: CALGARY

**Province:** ALBERTA  
**Postal Code:** T2R 1L5

**Voting Shareholders:**

**Legal Entity Name:** 1586814 ALBERTA LTD.  
**Corporate Access Number:** 2015868140  
**Street:** 83 STRATHEARN RISE SW  
**City:** CALGARY  
**Province:** ALBERTA  
**Postal Code:** T3H 1R5  
**Percent Of Voting Shares:** 100

**Details From Current Articles:**

**The information in this legal entity table supersedes equivalent electronic attachments**

**Share Structure:** THE CORPORATION IS AUTHORIZED TO ISSUE SHARES IN ACCORDANCE WITH SCHEDULE A ATTACHED HERETO, WHICH IS INCORPORATED INTO AND FORMS PART OF THIS FORM  
**Share Transfers Restrictions:** NO SHARES OF THIS CORPORATION SHALL BE TRANSFERRED WITHOUT THE APPROVAL OF THE DIRECTORS OF THE CORPORATION, AS EVIDENCED BY A RESOLUTION OF THE DIRECTORS OF THE CORPORATION

**Min Number Of Directors:** 1  
**Max Number Of Directors:** 15

**Business Restricted To:** NONE  
**Business Restricted From:** NONE

**Other Provisions:** SCHEDULE B ATTACHED HERETO IS INCORPORATED INTO AND FORMS PART OF THIS FORM

**Associated Registrations under the Partnership Act:**

<b>Trade Partner Name</b>	<b>Registration Number</b>
ALBERTA ENERGY SOLUTION OIKOS LIMITED PARTNERSHIP	LP16307357

**Other Information:****Last Annual Return Filed:**

File Year	Date Filed (YYYY/MM/DD)
2014	2014/04/11

**Outstanding Returns:**

Annual returns are outstanding for the 2015 file year(s).

**Filing History:**

List Date (YYYY/MM/DD)	Type of Filing
2011/02/17	Incorporate Alberta Corporation
2014/04/11	Enter Annual Returns for Alberta and Extra-Provincial Corp.

**Attachments:**

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2011/02/17
Other Rules or Provisions	ELECTRONIC	2011/02/17

This is to certify that, as of this date, the above information is an accurate reproduction of data contained within the official records of the Corporate Registry.





# **APPENDIX L**



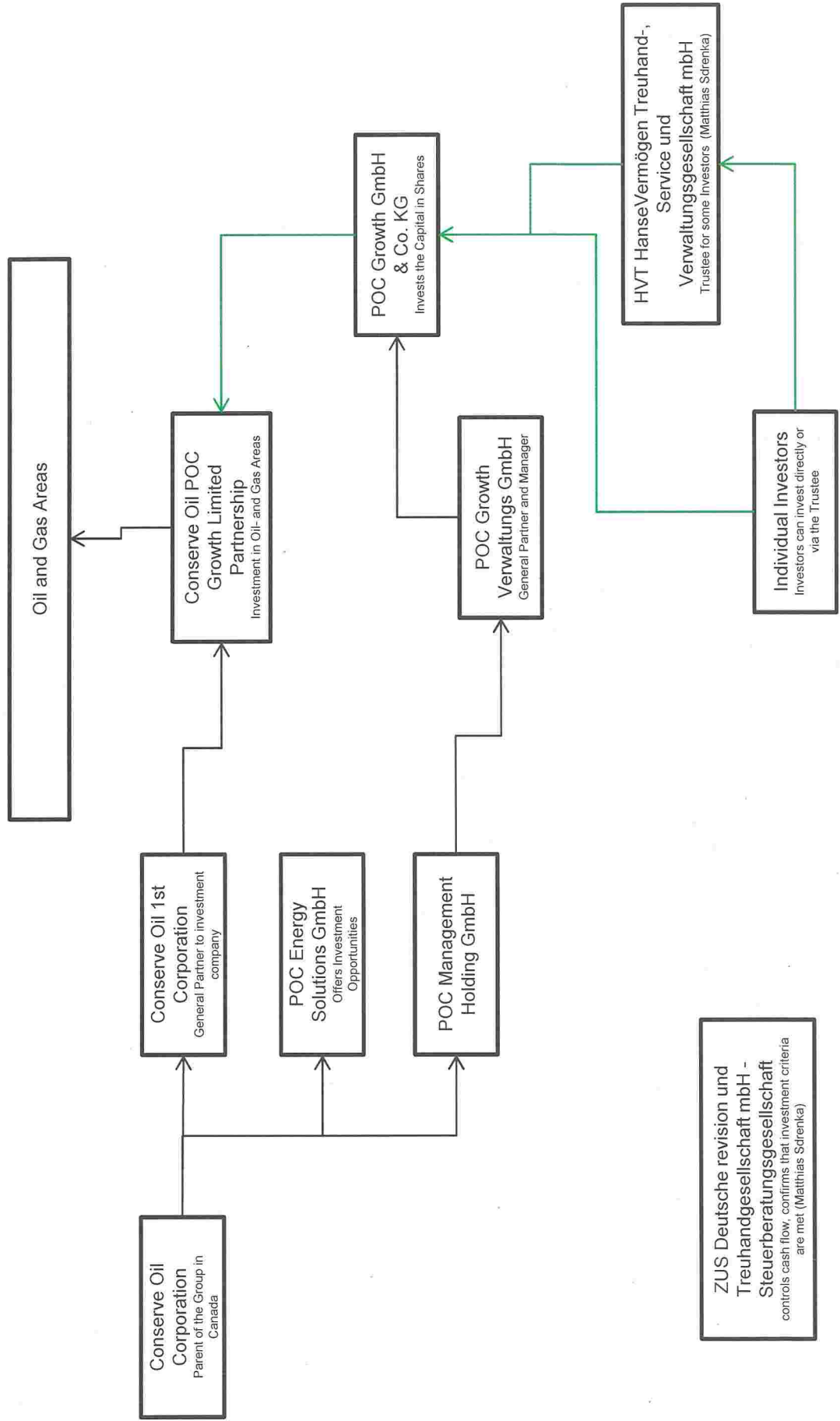
## **German Overview POC - DRAFT**

Status as per 18 November 2015

Green: Cash Flow and Shareholder Relationship

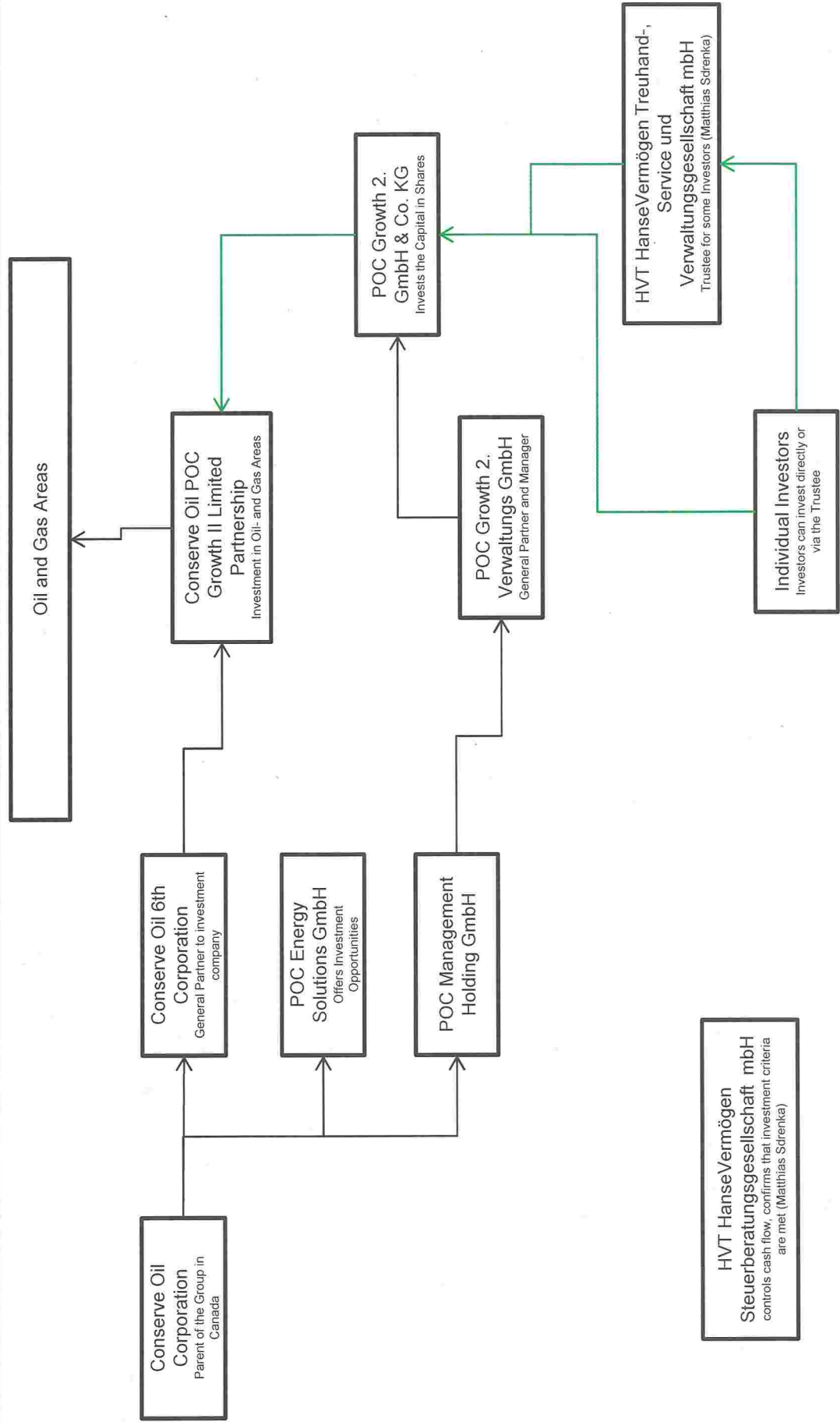
Black: Shareholder Relationship

# POC Growth GmbH & Co. KG



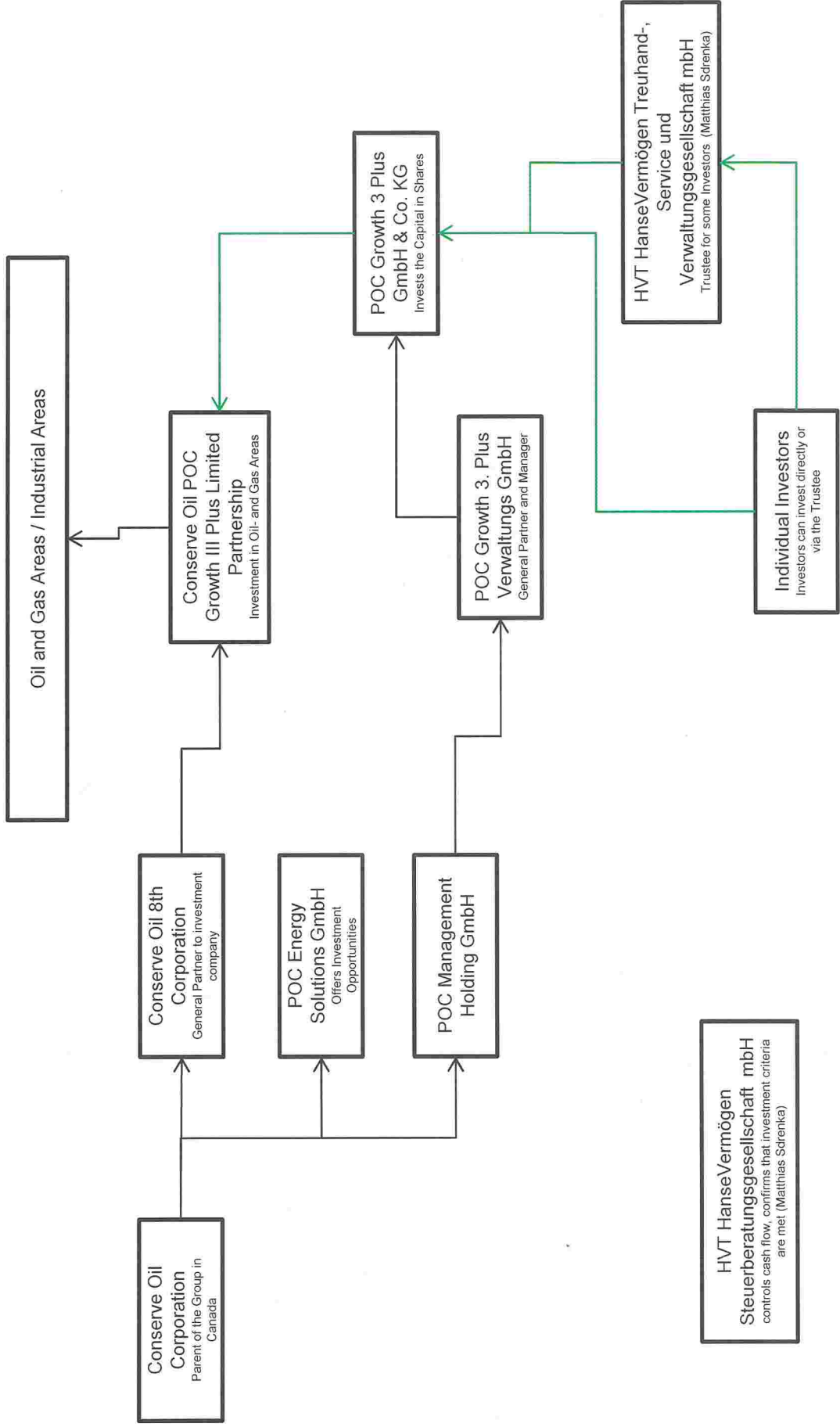
ZUS Deutsche revision und Treuhandgesellschaft mbH - Steuerberatungsgesellschaft controls cash flow, confirms that investment criteria are met (Matthias Sdrenka)

# POC Growth 2 GmbH & Co. KG

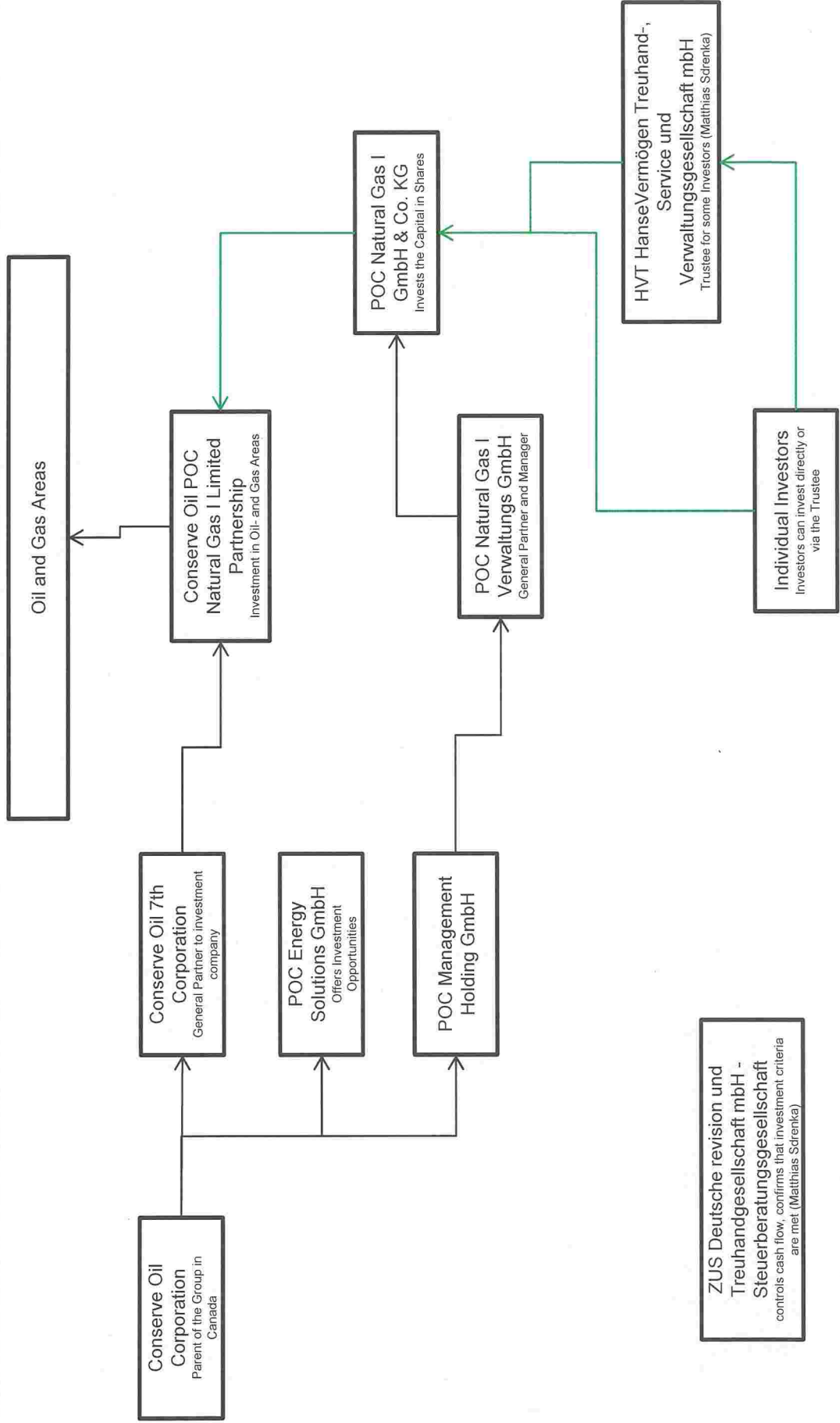


HVT HanseVermögen Steuerberatungsgesellschaft mbH controls cash flow, confirms that investment criteria are met (Matthias Sdrenka)

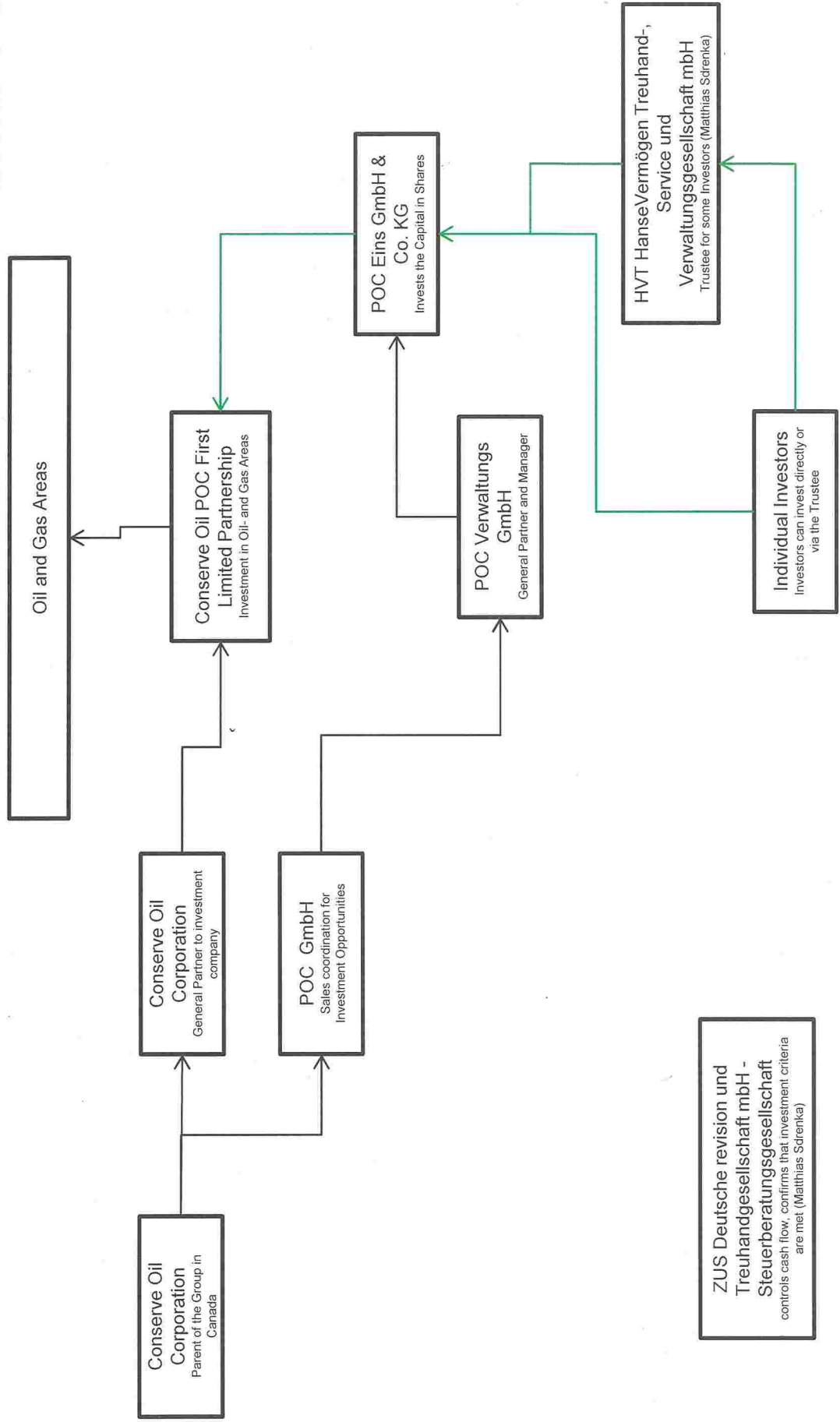
# POC Growth 3 Plus GmbH & Co. KG



# POC Natural Gas 1 GmbH & Co. KG

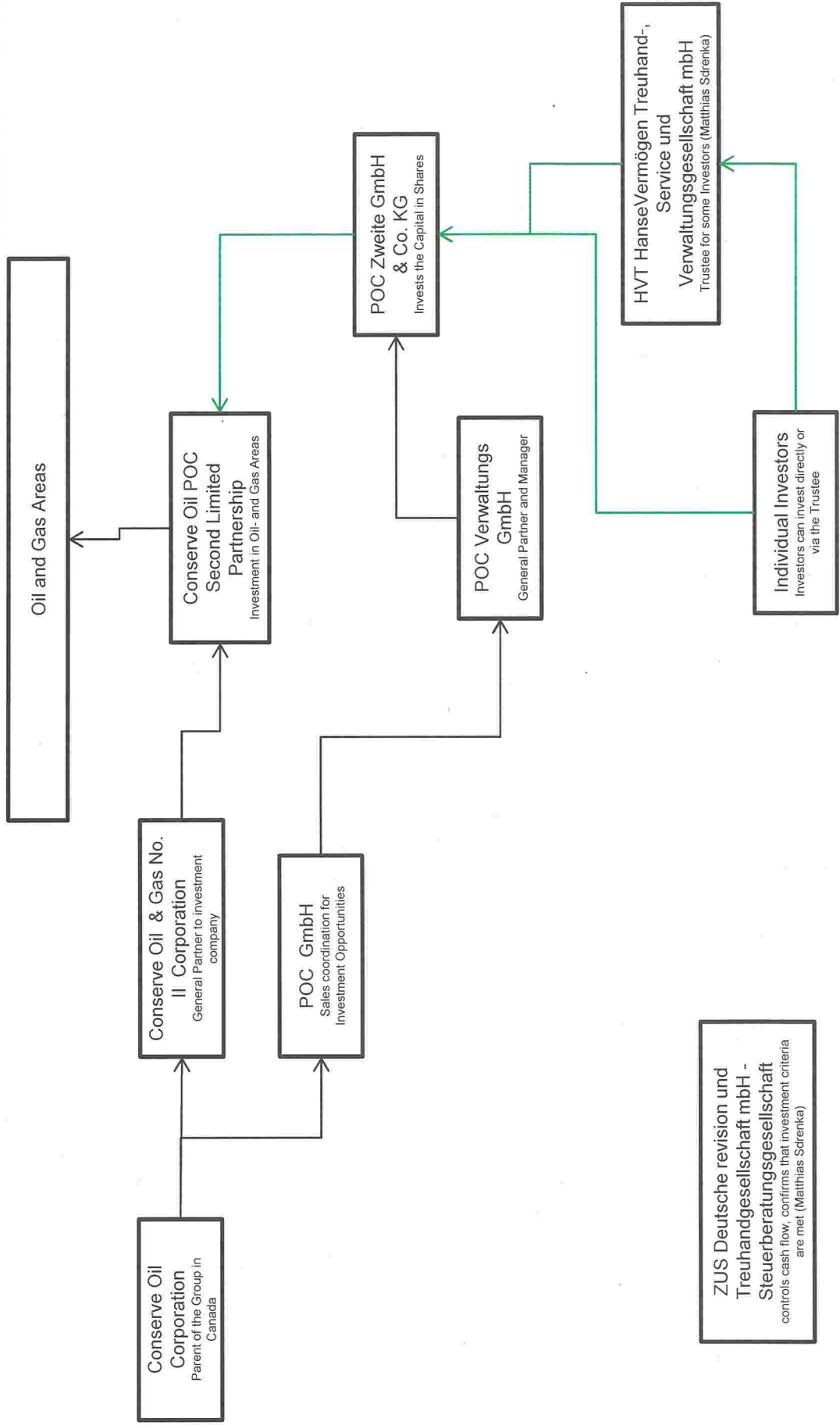


# POC Eins GmbH & Co. KG



ZUS Deutsche revision und  
Treuhandgesellschaft mbH -  
Steuerberatungsgesellschaft  
controls cash flow, confirms that investment criteria  
are met (Matthias Sdrenka)

# POC Zwei GmbH & Co. KG





# APPENDIX M



DLA Piper (Canada) LLP  
Suite 1000, Livingston Place West  
250 2nd St SW  
Calgary AB T2P 0C1  
www.dlapiper.com

G. Brian Davison, Q.C.  
brian.davison@dlapiper.com  
T 403.294.3590  
F 403.776.8864

October 29, 2015

FILE NUMBER: 16155-00001

**DELIVERED BY HAND**

Bauland Inc.  
1600, 520 3rd Ave SW  
Calgary, AB T2P 0R3

**Attention: Alexander Gramatzki, Director**

Dear Sir:

**Re: Property and Records of Debtors in Action No. 1501-12220**

---

- I. We act on behalf of MNP Ltd. (the "**Receiver**") in the above action as the receiver for COGI Limited Partnership, Canadian Oil & Gas International Inc., and Conserve Oil Group Inc. (collectively, the "**Debtors**").
  - II. We hereby give you notice of the Receivership Order of Justice A.D. Macleod dated Monday October 26, 2015 (the "**Order**"), a copy of which is enclosed. We draw your attention to the following paragraphs in the Order:
    3. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 ("**BIA**"), MNP Ltd. is hereby appointed receiver, without security, of all of the Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate [sic], including all proceeds thereof (the "**Property**").
    4. The Receiver is .... empowered and authorized to do any of the following .....
- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
  - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;....
  - (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have;....

- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of other Persons ( as defined below), including the Debtors, and without any other interference from any other Person.

5. (i) The Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
6. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
7. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deem expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.
11. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

12. All Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and this Court directs that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.
- III. The Receiver has reason to believe that you or your organization is in possession of Records or Property. Please immediately forward all Records or Property to the Receiver at 1500, 640 - 5th Avenue SW, Calgary, AB, T2P 3G4, Attention: Katherine Petersen, or take steps to preserve the same in accordance with the Order.
- IV. Alternatively, if you believe that you or your organization (i) is not in possession of any Property or Records, or (ii) do not have to make available certain Property or Records due to an exemption set forth in the Order, please provide us with notice of same and which, if any, exemption is being relied upon.
- V. If you have any questions regarding the above, please do not hesitate to contact me. Updated information on the Receiver's activity can be found at: <http://mnpdebt.ca/en/corporate-insolvency/corporate-engagements/pages/details.aspx?title=cogi-ltd>.

Yours truly,  
**DLA Piper (Canada) LLP**

Per:



G. Brian Davison, Q.C.  
GBD/klh

# **APPENDIX N**



Western Canada's Law Firm

**MacPherson Leslie & Tyerman LLP**  
1600 - 520 3rd Avenue S.W.  
Calgary Alberta  
Canada T2P 0R3  
T: (403) 693-4300  
F: (403) 508-4349  
www.mlt.com

November 17, 2015

DLA Piper (Canada) LLP  
1000, 250 – 2<sup>nd</sup> Street SW  
Calgary, Alberta  
T2P 0C1

**Ron Hansford**

Direct Line: 403.693.4332

E-mail: RHansford@mlt.com

Assistant: Tatyana Sandroyan

Direct Line: (403) 693-2643

E-mail: TSandroyan@mlt.com

Attention: G. Brian Davidson Q.C.

Dear Sir:

**Re: Bauland Inc.  
Property and Records of Debtors in Action Number 1501-12220**

We act as the Registered Office of Bauland Inc. and are in receipt of your letter of October 29, 2015 in relation to the property and records of debtors in Action number 1501-12220.

In accordance with paragraph IV of your letter we have received instructions to advise on behalf of Bauland Inc. that it has reviewed its records and can advise that it is not in possession of any property or records of the Debtors.

If you have any questions in relation to this matter please do not hesitate to call.

Yours truly,

**MacPherson Leslie & Tyerman LLP**

Per:

Ron Hansford

HRH:txg

cc: Dean Hutchison (*MacPherson Leslie & Tyerman LLP*) via email

# APPENDIX O

Justin R. Lambert  
Partner  
Direct Line: 403.298.3046  
e-mail: lambertj@bennettjones.com  
Our File No.: 75334.1

December 7, 2015

**By Email:**

Mr. G. Brian Davison, QC  
DLA Piper (Canada) LLP  
Livingston Place West  
Suite 1000, 250 2nd St SW  
Calgary AB T2P 0C1

Dear Mr. Davison:

**Re: Alberta Treasury Branches v COGI Limited Partnership, Canadian Oil & Gas International Inc., And Conserve Oil Group Inc.etc - Action No. 1501-12220**

I write further to the Order of Justice Hawco pronounced November 27, 2015 in this action. As you know, paragraphs 2 and 3 of the Order imposed certain obligations on Conserve Oil 1st Corporation ("COC1") with respect to physical and electronic records.

I write to outline the location of records which fall under the terms of the Order.

**1. Physical records in the possession of COC1**

I have been advised that all physical records related to COC1 are located at the 12<sup>th</sup> Avenue office of Conserve and 4<sup>th</sup> Avenue office of Bauland Inc. I further understand that the Receiver has been previously made aware of the location of these records, and has previously inspected them. The one exception is that I understand that a representative of the Receiver attended the 4<sup>th</sup> Avenue office last week and removed certain records from that location, which have been placed in a box under seal. That box was delivered to me today. We have agreed that I will keep those records for the time being.

**2. Electronic records**

I understand that electronic records related to COC1 are maintained on two servers, one in the 12<sup>th</sup> Avenue office, and one in the 4<sup>th</sup> Avenue office. I understand that the Receiver had previously imaged the 12<sup>th</sup> Avenue server. I confirm that the Receiver recently imaged the 4<sup>th</sup> Avenue server, on the following terms:



December 7, 2015

Page Two

- (a) The Receiver can image the entire server, but the image is to be held by Bennett Jones until the Receiver is appointed over COC1. A representative of my client along with a representative of the Receiver will deliver the imaged server to Bennett Jones.
- (b) In the event the Receiver is appointed over COC1, then prior to reviewing the contents of the server the Receiver must execute a confidentiality agreement. Then Bauland Inc. (the owner of the server) will under supervision be allowed to delete documents not related to COC1, with a mechanism to be crafted to deal with any disagreements.
- (c) If the Receiver is not appointed over COC1, then the server image will be destroyed by Bennett Jones.

The disk containing the image was delivered to me this morning.

### 3. Physical records held by others

I have spoken with each of Alex Gramatzki, Yoshiki Nakamura, David Crombie, and Ambreen Suliman. Mr. Nakamura, Mr. Crombie, and Ms. Suliman have advised me that they do not possess any physical records related to COC1. Mr. Gramatzki has delivered to me a handful of records, which I hold. He has advised me that he has no other physical records in his possession. Each of those individuals has undertaken to me that they will not alter, destroy, or remove any of the records from the COC1 offices at 4th Avenue or 12th Avenue.

I still need to speak with two additional employees who I understand had dealings with COC1, namely, Roberta Elliott and Juergen Hainzl. I understand that Ms. Elliott is currently out of the office. Ms. Elliott will be returning December 10.

### 4. Minute books

I am in possession of the the minute books for the COC1 predecessor corporations (Conserve Oil 2<sup>nd</sup> Corporation, Conserve Oil 6<sup>th</sup> Corporation, and Conserve Oil 7<sup>th</sup> Corporation. I understand that the Receiver has the minute book for COC1 itself.

### 5. Other media

Mr. Nakamura has advised me that he kept certain electronic records on a desktop computer at Conserve's 12<sup>th</sup> Avenue office, which the Receiver has already secured. Certain of those records would not be found on the server at the 12<sup>th</sup> Avenue office. He saved them locally. Other than that, I have been advised that there are no COC1 records on any other external media.



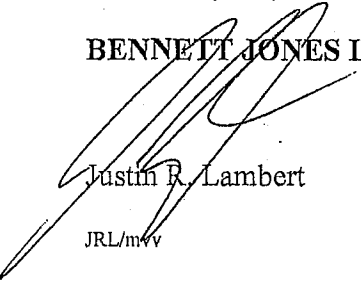
December 7, 2015  
Page Three

**Conclusion**

I hope you find all of the above to be in order. We are of course eager to comply with the terms of the Order. If you have any further questions or concerns, please do not hesitate to contact me. I will continue to update you as this matter progresses.

Yours truly,

**BENNETT JONES LLP**



Justin R. Lambert

JRL/mvv

cc: David Cromble, Yoshiki Nakamura, and Alex Gramatzki (via email)



# **APPENDIX P**



Western Canada's Law Firm

MacPherson Leslie & Tyerman LLP  
1600 - 520 3rd Avenue S.W.  
Calgary Alberta  
Canada T2P 0R3  
T: (403) 693-4300  
F: (403) 508-4349  
www.mlt.com

Sarah C.J. Louw  
Direct Line: (403) 693-4318  
E-mail: slouw@mlt.com

Amber Sharpe  
Legal Assistant  
Direct Line: (403) 693-2647  
E-mail: ASharpe@mlt.com

February 26, 2016

VIA E-MAIL

Mr. G. Brian Davison, Q.C.  
DLA Piper (Canada) LLP  
Livingston Place West  
Suite 1000, 250 2nd Street SW  
Calgary, AB T2P 0C1

Dear Mr. Davison:

**Re: Alberta Treasury Branches v. COGI Limited Partnership, Canadian Oil & Gas International Inc. and Conserve Oil Group Inc. etc.  
Action No. 1501-12220  
Appeal No. 1601-0023AC**

**Our File: 055637-0012**

We are counsel for Bauland Inc. ("Bauland") and counsel for Conserve 1st Oil Corporation ("COC1") as it relates to the appeal of the receivership order pronounced by Madam Justice Horner on January 6, 2016 (the "COC1 Receivership Order").

We understand that, after the Order of Justice Hawco, pronounced November 27, 2015, MNP Ltd. (the "Receiver"), with the agreement of our clients, obtained an image of Bauland's server. This image was stored on a hard drive (the "Hard Drive") that was deposited with Bennett Jones.

The Receiver has recently contacted Bauland to make arrangements for it to access and review the contents of the Hard Drive with an authorized representative of Bauland for the purposes of obtaining any records contained on the Hard Drive that relate to COC1. Our clients have some concerns about the process currently proposed by the Receiver, which would seemingly result in the Receiver being able to view all of the records contained on the Hard Drive at some level. As a result of their concerns, they have requested that the Hard Drive be provided to our office, which has occurred, and that we contact your office to address the process by which the Receiver may obtain the non-privileged COC1 documents that are contained on the Hard Drive.

In correspondence between Bennett Jones LLP and your office dated December 7, 2015, a copy of which is enclosed for your convenience, the parties seemingly agreed that the Receiver would be entitled to review the Hard Drive as it relates to COC1 after executing a confidentiality agreement. Our clients are concerned that the Receiver's entry into a confidentiality agreement will not be sufficient to protect their interests in the information on the Hard Drive. It is our understanding that a substantial portion of the information contained on the Hard Drive is the



proprietary and confidential information of Bauland, which the Receiver has no entitlement to view in any form. Bauland is not agreeable to the Receiver viewing its information. It is our further understanding that a very small portion of the information on the Hard Drive is COC1 information, which we have been advised has previously been provided to the Receiver in hard copy. Without knowing the details of the COC1 information, there is a concern that some of the COC1 information may be privileged and exempt from the requirement to deliver and provide access to records. This exemption is specifically provided for in paragraph 7 of the Order of Madam Justice Horner, pronounced January 6, 2016.

From a process perspective and in order to assist the Receiver in obtaining the information from the Hard Drive that relates solely to COC1 and is not privileged, we suggest that our office review the information contained on the Hard Drive first with the intent of identifying that information that is obviously outside of the Receiver's purview. Once that process has been completed, we will advise your office of the type of information that has been identified for deletion. Assuming all parties are in agreement to the same, then steps will be taken to delete the identified information from the Hard Drive with the remaining information, being COC1 non-privileged information, being provided to the Receiver in a form that is mutually agreeable.

We understand that the image of the Bauland server that is on the Hard Drive was created using specific forensic software and that our office may not be able to access any of the information on the Hard Drive without that software. If that is the case, then we may retain an independent third party with the necessary software to access the information on the Hard Drive. Please advise if you are agreeable to the proposed process. We will not take any steps with respect Hard Drive until we have heard from your office in this regard.

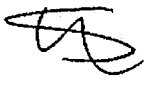
Yours truly,

**MacPherson Leslie & Tyerman LLP**

Per:

  
Sarah C.J. Louw

SCJL:aes



cc.

Client

cc.

Julie Kennedy, MNP Ltd. (via email)

# APPENDIX Q

**CONFIDENTIALITY AGREEMENT**  
(the "Agreement")

Dated May 27, 2016

BETWEEN:

**BAULAND INC.**, a body corporate established under the laws of the Province of Alberta (hereinafter referred to as the "**Discloser**" or "**Bauland**")

-and-

**MNP LTD.**, a body corporate established under the laws of the Province of Alberta (hereinafter referred to as the "**Recipient**" or "**MNP**")

**WHEREAS** MNP has been appointed as the Receiver and Manager of COGI Limited Partnership, Canadian Oil & Gas International Inc., Conserve Oil Group Inc. and Conserve Oil 1<sup>st</sup> Corporation (collectively, the "**Receivership Entities**") and has certain management powers granted to it over the wholly-owned subsidiaries of Conserve Oil Group Inc. (the "**Subsidiaries**") in Action No. 1501-12220 (the "**Receivership Proceedings**");

**AND WHEREAS** the image of the server of Bauland (the "**Bauland Server**") contains records of, and records that relate to the business or affairs of, the Receivership Entities or the Subsidiaries (each a "**Document**" and collectively the "**Documents**");

**AND WHEREAS** certain of the Documents may also contain Confidential Information (as defined below) of entities other than the Receivership Entities or the Subsidiaries (the "**Non-Receivership Entities**");

**AND WHEREAS** Bauland wishes to uphold the integrity of the portions of the Documents that constitute Confidential Information, which are held by Bauland in confidence for the Non-Receivership Entities;

**AND WHEREAS** Bauland will provide copies of the Documents to the Recipient in accordance and compliance with the Orders of Justice MacLeod pronounced October 26, 2015, Justice Jeffrey pronounced November 10, 2015 and Madam Justice Horner pronounced January 6, 2016 in the Receivership Proceedings (collectively, the "**Orders**").

**NOW THEREFORE**, the Discloser and the Recipient have agreed as follows:

1. **Definitions.**

- (a) "**Affiliate**" means any person, partnership, joint venture, company or other form of enterprise which directly or indirectly controls, or is controlled by, or is under common control with, a Party;
- (b) "**Confidential Information**" means any and all information and data, including the Documents, in the possession or control of the Discloser, whether in written, electronic, magnetic or other form but also information transmitted orally, visually or by any other means, which contain confidential information of the Non-Receivership Entities, provided by the Discloser to the Recipient on or after the date hereof in connection with this Agreement;
- (c) "**Party**" means either the Discloser or the Recipient and its respective Affiliates, as applicable; "**Parties**" shall mean the Discloser and the Recipient and their respective Affiliates; and
- (d) "**Representatives**" shall have the meaning ascribed thereto on Section 4(b).

2. **Representations.** Each Party represents to the other Party that:

- (a) it is authorized to enter into and perform its obligations under this Agreement; and
- (b) this Agreement and the Orders are enforceable against such Party in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other applicable laws relating to or affecting the rights and remedies of creditors generally and to general principles of equity.

3. **Use of Confidential Information.**

- (a) The Recipient shall hold the Confidential Information in strict confidence and shall not disclose the Confidential Information to any third party without the prior written consent of the Discloser or an application to a Court to permit such disclosure with notice to the Discloser of such application, except as provided in Section 4(b) below. The Recipient shall treat the Confidential Information in the same way the Recipient treats its own confidential information and shall use all commercially reasonable efforts to protect the Confidential Information against unauthorized disclosure. The Confidential Information shall only be used in connection with the Recipient's obligations, duties and powers set forth in the Orders and may not be used, dealt with or exploited for any other purpose.
- (b) The Recipient may only disclose the Confidential Information to its partners, employees, and Affiliates and to their respective, directors, officers, employees, and to outside consultants and agents, including but not limited to lawyers and other representatives, such partners, officers, employees, outside consultants and agents, (collectively, the "**Representatives**") who participate in the Recipient's evaluation of the Confidential Information for purposes of ascertaining



information regarding the business or affairs of the Receivership Entities. The Recipient shall disclose Confidential Information only to those Representatives who have been made aware of the Recipient's obligations hereunder. The Recipient shall, before disclosing any Confidential Information, take all reasonable steps as are necessary to ensure that the terms and conditions of this Agreement are and will be fully complied with by any such person. The Recipient shall be liable for any breach of this Agreement by its Affiliates, its Representatives, or the Affiliates' Representatives.

- (c) The Recipient acknowledges that monetary damages will not be an adequate remedy for breach of any of its obligations created by or arising under this Agreement and agrees that the Discloser shall be entitled to seek equitable relief, including injunction and specific performance, in the event of any breach of any of the Recipient's obligations created by or arising under this Agreement. Such remedies shall not be deemed to be exclusive remedies for breach of this Agreement but shall be in addition to all other remedies available hereunder or otherwise at law or in equity. The Discloser shall not be required to secure or post a bond for the purpose of obtaining any such equitable relief.
- (d) The Recipient acknowledges that it, its Affiliates, and their respective Representatives are bound by all applicable privacy legislation with respect to any "personal information" (as defined in the *Personal Information Protection Act* (Alberta) or equivalent applicable legislation in other jurisdictions) disclosed under this Agreement.

4. **Information not Confidential.** Notwithstanding Section 3, the confidentiality obligations imposed by this Agreement shall not prevent disclosure of any information, or data which:

- (a) the Recipient can demonstrate was lawfully in its possession or in the possession of its Affiliates or its or their Representatives at the time of receipt from the Discloser or was thereafter acquired by or for the Recipient, its Affiliates or its or their Representatives independent of disclosure by the Discloser to the Recipient;
- (b) is lawfully disclosed to the Recipient, its Affiliates or Representatives by a third party which, to the Recipient's knowledge, after due inquiry, does not breach a confidentiality obligation owed to the Discloser by disclosing it to the Recipient or such Affiliate or Representative;
- (c) is or subsequently becomes publicly available, other than as a result of the information or data being disclosed in breach of this Agreement;
- (d) is expressly permitted to be disclosed by the Discloser in writing as contemplated by Section 3(a) herein;

- (e) constitutes the portion, up to and including the entirety, of any Document of a Non-Receivership Entity that relates to the business or affairs of the Receivership Entities or the Subsidiaries;
  - (f) is located in Documents identified as those of the Receivership Entities or the Subsidiaries; or
  - (g) is contained in Documents that contain no Confidential Information.
5. **Disclosure.** Notwithstanding Section 3, the Recipient may disclose Confidential Information under the following circumstances:
- (a) If the Recipient, an Affiliate or Representative is required to disclose the confidential information pursuant to an Order of a court obtained on notice to the Discloser. Such person will, if reasonably practicable and permitted by applicable law, consult with the Discloser in advance of any application regarding the same and provide the Discloser with a copy of any proposed written disclosure so that the Discloser may seek a protective order or other appropriate remedy. In the event that such protective order or remedy is not obtained, the Recipient and its Affiliates and its or their Representatives will furnish, as soon as is practicable, only that portion of the Confidential Information that is legally required and will use commercially reasonable efforts to obtain reliable assurance that Confidential Information will be accorded confidential treatment. If advance consultation is not reasonably practicable or legally permitted, to the extent permitted under applicable law, the Recipient and its Affiliates and its or their Representatives will furnish only that portion of Confidential Information that is legally required and shall provide the Discloser with a copy of any written disclosure made by such persons as soon as practicable thereafter;
  - (b) The Recipient and its Affiliates and its or their Representatives may disclose Confidential Information to the Court in connection with the Receivership Proceedings, any appeal arising therefrom, or any bankruptcy proceedings with respect to the Receivership Entities or the Subsidiaries, so long as the Confidential Information is filed confidentially and a sealing order is obtained with respect to the same, except if one of the exceptions set out herein applies; or
  - (c) Upon a successful application by the Recipient as contemplated by Section 3(a).
6. **Return of Confidential Information.** Upon request by the Discloser, the Recipient shall immediately, with the exception of any Confidential Information previously disclosed to a third party pursuant to Section 5 herein:
- (a) return all Confidential Information received by the Recipient from the Discloser, and all copies or reproductions of such Confidential Information and any notes respecting the same; or
  - (b) destroy all Confidential Information.

Notwithstanding the return or destruction of material pursuant to this Section 6, the Recipient shall continue to be bound by the confidentiality and other obligations hereunder.

7. **Non-Disclosure.** With respect to records on the Bauland Server that have not been provided by the Discloser to the Recipient, the Parties shall agree, or seek the advice and direction of the Court in the Receivership Proceedings, on a process to ensure that the terms of the Orders have been complied with.
8. **Notices.** All notices required or contemplated by this Agreement shall be in writing and shall be deemed received:
- (a) when delivered in person; or
  - (b) on the day sent by facsimile or email or, if that day is not a business day on the date of receipt, then on the next following business day,

addressed to the Recipient as follows:

MNP Ltd.  
1500, 640 – 5th Avenue SW  
Calgary, AB T2P 3G4

Attention: Victor P. Kroeger  
Email: vic.kroeger@mnp.ca

With a copy to:

DLA Piper (Canada) LLP  
250 2<sup>nd</sup> Street SW, Suite 1000  
Calgary, AB T2P 0C1

Attention: Brian Davison, Q.C.  
Email: brian.davison@dlapiper.com

and addressed to the Discloser as follows:

Bauland Inc.  
1600, 520 – 3<sup>rd</sup> Avenue SW  
Calgary, AB T2P 0R3

Attention: Ron Hansford / Sarah Louw  
Email: rhansford@mlt.com / slouw@mlt.com

Each party may change the address to which notices shall be sent from time to time by giving the other Party notice of change in accordance with this Section 7.

9. **Relationship.** This Agreement has been negotiated by the parties at arm's length. Nothing in this Agreement or the disclosure of Confidential Information to the Recipient as contemplated herein shall be interpreted to create between the Parties, expressly or by implication, any partnership, joint enterprise, relationship of trust and confidence or fiduciary or other special relationship, or any relationship of principal and agent.
10. **Entire Agreement.** This Agreement contains the entire agreement of the Parties related to the subject matter hereof, and, with the exception of Orders, is in lieu of obligations that may otherwise exist at law. No promise, inducement or agreement, express or implied, not herein expressed has been made or given or relied upon by either Party as consideration for this Agreement and neither Party will have any duty to the other Party except as expressly provided in this Agreement and the Orders. There are no conditions, agreements, representations, warranties or understandings, express or implied, except as set forth herein and therein.
11. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.
12. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.
13. **Assignment.** This Agreement and the rights and obligations created by this Agreement may not be assigned by either Party (except by operation of law in the case of merger, consolidation or amalgamation) without the prior written consent of the other Party in its absolute discretion.
14. **Waiver.** No waiver by any Party shall be effective unless in writing and any such waiver shall only affect the matter or occurrence thereof specifically identified therein and shall not extend to any other matter or occurrence.
15. **Execution.** This Agreement may be executed in counterparts and all counterparts taken together will be deemed to constitute the same instrument. Delivery of counterparts may be effected by facsimile or other electronic transmission.
16. **Interpretation.** The division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.
17. **Conflict.** If there is a conflict between the terms of this Agreement and the Orders, the terms of the Orders shall govern.

*[The remainder of this page left blank intentionally]*

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the dates set out above.

**BAULAND INC.**

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

Name:  
Title:

*[Handwritten Signature]*  
*Jerome Hana*

**MNP LTD. in its sole capacity as receiver and manager of COGI Limited Partnership, Canadian Oil and Gas International Inc., Conserve Oil Group Inc. and Conserve Oil 1<sup>st</sup> Corporation and not in its personal capacity**

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

Name: Greg Ibbott  
Title: Vice-President

# **APPENDIX R**



Western Canada's Law Firm

MacPherson Leslie & Tyerman LLP  
1600 - 520 3rd Avenue S.W.  
Calgary Alberta  
Canada T2P 0R3  
T: (403) 693-4300  
F: (403) 508-4349  
www.mlt.com

September 30, 2016

VIA COURIER

Ryan Algar  
DLA Piper (Canada) LLP  
Livingston Place West  
Suite 1000, 250 2nd Street SW  
Calgary, AB T2P 0C1

Sarah C.J. Louw  
Direct Line: (403) 693-4318  
E-mail: slouw@mlt.com

Tammy Boyechko  
Legal Assistant  
Direct Line: (403) 693-2646  
E-mail: TBoychko@mlt.com

Dear Mr. Algar:

**Re: COGI Limited Partnership, Canadian Oil & Gas International Inc.,  
Conserve Oil Group Inc. and Conserve Oil 1st Corporation (Re), Court of  
Queen's Bench of Alberta, Action No. 1501-12220**

**Our File: 058515-0004**

We write in response to your email of September 1, 2016. Our client is aware of and in compliance with its obligations under the Receivership Order and under the *Bankruptcy and Insolvency Act* (the "BIA").

We do not agree with the Receiver's position that these obligations mean that our client is required to review all the email records that reference one or more of the Receivership Entities to determine if they relate to the business and affairs of one or more of the Receivership Entities. This position does not take into account the facts that are specific to this matter.

As indicated in my email of August 25, 2016, there are multiple thousands of email records in the period January 2014 to December 2015 that contain one or more of the names of the Receivership Entities, but that do not contain an email address with the suffix of "@coccorporate.com" or "@conserveoilcorporation.com". We are unable to apply search terms to further narrow this record set. The only way to determine which, if any, of the records in this record set relate to the business or affairs of one or more of the Receivership Entities is for our office to review each individual record. As we have previously indicated, this is a very time consuming and costly process.

The obligations that arise from the Receivership Order and the *BIA* are, in our view, subject to the governing principles of the *Rules of Court* of resolving issues in a cost-effective manner. In the context of document disclosure in the civil process, which is not dissimilar from the process at hand, the *Rules of Court* specifically for a modification of any disclosure obligations when the expense of complying with the obligation would be grossly disproportionate to the likely benefit. It is our position that any obligations that our client has as a result of the Receivership Order and the *BIA* should be modified on the basis that the expense of complying with the obligation would likely be grossly disproportionate to the likely benefit.



We respectfully disagree with your assertion that the expense associated with our office reviewing the documents is "not a legitimate reply to the Receiver". Our client is not required to choose between either incurring an enormous expense so as to ensure that the information contained in its records are kept private and confidential or to simply provide everything and anything to the Receiver when the Receiver is only legally entitled to receive records that relate to the business or affairs of the Receivership Entities.

We are aware that our client, when previously represented by Bennett Jones, agreed to some process whereby it would provide records from the Bauland server to the Receiver. There were no records disclosed pursuant to that process and that process was overtaken by the process agreed to between our offices. The process agreed to with Bennett Jones is irrelevant.

The cost burden on our client with complying with its obligations in the manner that is advanced by your office must also take into account the fact that Bauland Inc. is not a party to the Receivership Proceedings. We have previously raised this point. Your email of September 1, 2016 seems to dismiss this point on the basis that Bauland Inc. is alleged to be a part of the mind and management of the Receivership Entities and the Receiver understands that its principal (who is not identified in your correspondence) was the only person with authority to instruct legal counsel on behalf of the Receivership Entities.

There is little merit to the alleged connections between Bauland and the Receivership Entities. In our call on September 13, 2015, you confirmed that the basis of your statement that Bauland was the mind and management of the Receivership Entities was information obtained on the questioning of David Crombie, held March 10, 2016. We reviewed the transcript from that questioning and note:

1. There is no evidence that Bauland Inc. is or was the mind and management of the Receivership Entities. There is a statement that Mr. Hanne, who was neither an officer, nor a director of Conserve Oil 1<sup>st</sup> Corporation, was the mind and management of Conserve Oil 1<sup>st</sup> Corporation. However, when Mr. Crombie was asked how Mr. Hanne exercised control over Conserve Oil 1<sup>st</sup> Corporation, Mr. Crombie stated that: "He doesn't. He just has mind and management and hopes that people listen to what he says". In our view, someone cannot be said to be the mind and management of a corporate entity from a legal perspective when they cannot exercise any control over that entity.
2. With respect to the instruction of legal counsel, Mr. Crombie gave evidence that Mr. Hanne was the only person who instructed legal counsel on behalf of Conserve Oil Corporation, COGI and COGI LP. However, this evidence is at odds with Mr. Crombie's previous sworn evidence of November 24, 2015, in which he indicated that he, on behalf of COGI, gave instructions to both Bennett Jones LLP and MacPherson Leslie & Tyerman LLP. Given the inconsistencies in Mr. Crombie's evidence on this point, this evidence is unreliable.

Furthermore, we understand that the Receiver has already received an extensive number of records regarding the business or affairs of the Receivership Entities from the Receivership Entities themselves, as well as non-parties to the Receivership, including our client.






Our client continues to be willing to comply with obligations under the Receivership Order and the *B/A*. However, the extent of our client's obligations have to be modified to reflect the circumstances of this matter and the interests of all the parties. As such, we propose that:

1. our office will provide the emails created in the period January 2014 to December 2015 that contain one or both of the email suffixes of "@coccorporate.com" or "@conserveoilcorporation.com", the term COGI and relate to the business or affairs of one or more of the Receivership Entities to your office (which records are being provided concurrent with this letter);
2. our office will provide the remaining non-email records that relate to the business or affairs of one or more of the Receivership Entities that have not been previously provided; and
3. your office will provide search terms or direction to our office as to specific areas of concern so that we can attempt to locate and, if located, provide records that are responsive to the specific requests made by your office and that have not been previously provided.

Please advise if this proposed process is agreeable.

In the event that this proposal is not agreeable, we request that you do not take any steps to bring a contempt application without appropriate discussion with and notice to our office.

Yours truly,  
**MacPherson Leslie & Tyerman LLP**



Sarah Louw  
SCL:tyb

# **APPENDIX S**



DLA Piper (Canada) LLP  
Suite 1000, Livingston Place West  
250 2nd St SW  
Calgary AB T2P 0C1  
www.dlapiper.com

G. Brian Davison, Q.C.  
brian.davison@dlapiper.com  
T +1 403.294.3590  
F +1 403.776.8864

March 1, 2018

FILE NUMBER: 16155-00002

**DELIVERED BY EMAIL**

MLT Aikins LLP  
1600, 520 - 3rd Avenue SW  
Calgary, AB T2P 0R3

**Attention: Ronald Hansford and Jonathan Bouchier**

Dear Sirs:

**Re: Bauland Server**

---

I have resumed conduct of this matter. As you may recall, we are counsel to MNP Ltd. ("MNP") in its capacity as the trustee in bankruptcy and receiver of COGI Limited Partnership, Canadian Oil and Gas International Inc., Conserve Oil Group Inc., and as receiver of Conserve Oil 1<sup>st</sup> Corporation (collectively, "COGI").

Bauland is obligated to make COGI's books, records and property, as well as the documents of other entities who had dealings with COGI, and its wholly owned subsidiaries, that are contained on Bauland's server, available to the Trustee pursuant to the Receivership Orders previously provided to your office and sections 16(5) and 17 of the *Bankruptcy and Insolvency Act* (the "Act"). Bauland has not complied with the Orders or the Act to date. The review process outlined in correspondence between March 14-24 has not occurred. MNP is not prepared to agree with the proposal contained in Ms. Louw's September 30, 2016 letter.

MNP proposes the review process be formalized in a Court Order. A form of Order that is acceptable to MNP is attached. Please review and provide your approval or comments by March 19, 2018. Should the terms of an Order not be resolved, we have scheduled a Court application for 2:00 pm April 9, 2018 to settle the matter. If you are not available that date, please advise immediately so that we may find an alternate date without delay.

---

Please confirm you continue to hold the original image of the Bauland server.

---



Please direct all further communication on this issue to myself and not Ryan Algar.

Yours truly,  
**DLA Piper (Canada) LLP**

Per:

A handwritten signature in black ink, appearing to read 'G. Davison', written over a horizontal line.

G. Brian Davison, Q.C.

GBD/klh

Enclosure

cc: Victor Kroeger, MNP Ltd.

Clerk's Stamp

COURT FILE NUMBER            25-2071993  
   25-2071994  
   25-2071996

COURT                            COURT OF QUEEN'S BENCH OF ALBERTA  
   IN BANKRUPTCY

JUDICIAL CENTRE                CALGARY

**IN THE MATTER OF THE BANKRUPTCY OF  
COGI LIMITED PARTNERSHIP**

**IN THE MATTER OF THE BANKRUPTCY OF  
CANADIAN OIL AND GAS INTERNATIONAL  
INC**

**IN THE MATTER OF THE BANKRUPTCY OF  
CONSERVE OIL GROUP INC.**

DOCUMENT                        **CONSENT ORDER**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS  
DOCUMENT

G. Brian Davison, Q.C.  
DLA Piper (Canada) LLP  
Barristers and Solicitors  
Suite 1000, 250 2<sup>nd</sup> Street S.W.  
Calgary, Alberta T2P 0C1  
Phone No.: 403-294-3590  
Fax No.: 403-296-4474  
File No.: 16155-00024

DATE ON WHICH ORDER WAS PRONOUNCED:

NAME OF JUDGE WHO MADE THIS ORDER:

UPON THE APPLICATION of MNP Ltd. (the "Trustee") in its capacity as the Trustee of COGI Limited Partnership, Canadian Oil and Gas International Inc., and Conserve Oil Group Inc. and as receiver of Conserve Oil 1<sup>st</sup> Corporation (collectively "COGI");

AND UPON NOTING THE CONSENT counsel for the Trustee and Bauland Inc. ("Bauland");

IT IS HEREBY ORDERED AND DECLARED THAT:

1. Bauland shall forthwith deliver the original forensic image (the "**Image**") of Bauland's server (the "**Server**") that is currently in possession of Bauland's counsel, MLT Aikins LLP ("**MLT**"), to the Trustee. The Trustee shall maintain possession of the Image until further Order of the Court or agreement of Counsel for the Trustee and Bauland.
2. The Trustee is authorized to make a duplicate copy of the Image.
3. The Trustee is permitted to review all of the electronic data on the Image (the "**Records**").
4. During the Trustee's review of the Records, the Trustee shall identify and segregate any electronic data or files which, in the Trustee's opinion, appear to be subject to a claim of solicitor/client privilege (the "**Privileged Records**"). The Trustee shall use key word searches and other methods to identify the Records that may constitute Privileged Records in order to maintain the privilege which may be asserted in respect of the Privileged Records, on a best efforts basis. The Privileged Records shall be copied and delivered in electronic format to Bauland for review. If Bauland determines that any of the Privileged Records are not, in fact, subject to a claim of solicitor/client privilege, such records shall be returned to the Trustee for further review.
5. Any Records that relate to the business or affairs of COGI shall be identified and segregated by the Trustee (the "**COGI Records**"). The COGI Records shall be copied and delivered in electronic format to Bauland for review. If Bauland is of the view that any of the COGI Records are Privileged Records, such Records shall be identified to the Trustee for further review. Documents created or owned by third parties, including Bauland, Big Coulee Resources Ltd., Arrow Point Oil and Gas Ltd., Mustus Energy Ltd., Treeosco Inc., Global Advisory Services Inc. (formerly Oleum Consulto Inc.) Alexander Gramatzki, Dr. Juergen Hanne also known as Dr. Jurgen Hanne, Roberta Elliott, Tammy Tolhurst, Yoshiki Nakamura, David Crombie, Monika Galba and Juergen Hainzl shall constitute COGI Records if they relate to the business, assets or affairs of COGI.

6. Bauland shall have 14 days following receipt of the Privileged Records to provide the Trustee with copies of any of those records that are not subject to a claim of privilege and as such should not have been identified as Privileged Records.
7. Bauland shall also have 14 days following receipt of the COGI Records to identify any documents that it believes should not be included in the COGI Records and state the reasons for their exclusion.
8. Any dispute between the Trustee and Bauland or MLT as to whether any portion of the Records can be reviewed by the Trustee, shall be resolved by application to This Honourable Court.
9. The Trustee shall be permitted to immediately review all of the financial records relating to the business and affairs of COGI.
10. This Order may be consented to in counterpart and by facsimile or email.

---

J.C.,C.Q.B.A.

CONSENTED TO this \_\_\_\_ day of March, 2018 by:

**DLA PIPER (CANADA) LLP,  
counsel to MNP Ltd. in its  
capacity as the trustee of COGI  
Limited Partnership, Canadian  
Oil and Gas International Inc.,  
Conserve Oil Group Inc. and in its  
capacity as receiver of Conserve  
Oil 1<sup>st</sup> Corporation**

**MLT AIKINS LLP, counsel to Bauland Inc.**

Per: \_\_\_\_\_  
G. Brian Davison, Q.C.

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

# APPENDIX T



# MLT AIKINS

WESTERN CANADA'S LAW FIRM

MLT Aikins LLP  
1600 - 520 - 3rd Avenue S.W.  
Calgary, Alberta T2P 0R3  
T: (403) 693-4300  
F: (403) 508-4349

March 29, 2018

**VIA EMAIL**

DLA Piper (Canada) LLP  
1000, 250 2 Street SW  
Calgary, Alberta T2P 0C1

Attention: G. Brian Davison, Q.C.

Dear Mr. Davison:

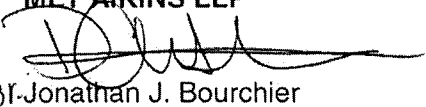
**Re: Bauland Server**

We are in receipt of your correspondence of March 1, 2018 and March 21, 2018. We do not have instruction to consent to the Order you have proposed in its current form.

As we requested on March 17, 2018, please advise of the specific "key word searches and other methods" you are proposing would be used by MNP Ltd. to search the Bauland Server (which, as you are aware, contains a significant amount of confidential and/or privileged material that is not in any way relevant to this matter). Without this information, your request cannot be reasonably considered by Bauland.

Please be advised that I am currently traveling out of the country and am unavailable to attend your proposed Application on April 9, 2018. Please adjourn your Application and we can address scheduling following my return (the week of April 16, 2018).

Yours truly,  
MLT AIKINS LLP



For Jonathan J. Bouchier

JJB:ddc

c. Ronald Hansford, MLT Aikins LLP (via email)

**Jonathan J. Bouchier**  
Partner, Litigation  
Direct Line: (403) 693-4310  
E-mail: JBouchier@mltaikins.com

Danielle Christiansen  
Legal Assistant  
Direct Line: (403) 693-2630  
E-mail: DChristiansen@mltaikins.com