



COURT FILE NUMBER 1501-12220

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT ALBERTA TREASURY BRANCHES

RESPONDENTS **COGI LIMITED PARTNERSHIP, CANADIAN OIL & GAS INTERNATIONAL INC., AND CONSERVE OIL GROUP INC. and CONSERVE OIL 1<sup>ST</sup> CORPORATION**

DOCUMENT **APPLICATION**

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.: 403-776-8864  
E-mail: brian.davison@dlapiper.com  
File No.: 016155-00002

**NOTICE TO RESPONDENTS**

This application is made against you. You are a respondent.  
You have the right to state your side of this matter before the judge.

To do so, you must be in Court when the application is heard as shown below:

Date: December 20, 2019  
Time: 3:30 p.m.  
Where: Calgary Courts Centre, 601 5th Street SW, Calgary, Alberta  
Before Whom: The Honourable Justice Neufeld, on the Commercial List

Go to the end of this document to see what else you can do and when you must do it.

**Remedy claimed or sought:**

1. MNP Ltd. (the "**Receiver**"), in its capacity as the Receiver and Manager of the Respondents (collectively, "**COGI**"), hereby seeks the following relief:
  - a) an Order, among other things:
    - i. abridging, if necessary, the time for service of this Application and deeming service good and sufficient;
    - ii. discharging the Receiver from care and custody of the Retained Licences described in this Report;
    - iii. declaring the Receiver does not have any liability for the Retained Licences described in this Report;
    - iv. declaring that the Receiver has no obligation to deal with licences, nor has any liability regarding the licences, in the name of Conserve 8th; and
    - v. such further and other relief as this Honourable Court may deem just in all of the circumstances.
  - b) such further and other relief as this Honourable Court may deem just in all of the circumstances.

**Grounds for making this application:**

2. Pursuant to an October 26, 2015 Order of the Court of Queen's Bench of Alberta (the "Receivership Order"), MNP Ltd. (the "Receiver") was appointed as receiver and manager of COGI Limited Partnership ("COGI LP"), its general partner Canadian Oil & Gas International Inc. ("COGI Inc.") and Conserve Oil Group Inc. ("Conserve"). On November 10, 2015, pursuant to an Order of Justice P.R. Jeffrey, the Receiver's powers were expanded to include powers to manage a number of Conserve's subsidiaries.
3. On December 23, 2015, COGI LP, COGI Inc. and Conserve became bankrupt. The Receiver was appointed to be the Trustee in Bankruptcy of these entities.
4. On January 6, 2016, MNP was also appointed receiver and manager of the assets and undertakings of Conserve Oil 1st Corporation ("COC1" and together with COGI LP, COGI Inc. and Conserve, "COGI" or the "Company").

5. COGI LP is a limited partnership formed pursuant to the laws of the province of Alberta. COGI Inc. is the general partner of COGI LP. Conserve is a private company and the 100% shareholder of COGI Inc. as well as a number of other companies.
6. Conserve Oil 8th Corporation ("Conserve 8th") is a whole owned subsidiary of Conserve that is not in receivership.
7. The Receiver advertised the assets where legal and beneficial ownership resided in COGI (the "Assets") for sale in November 2016 and December 2017.
8. The Receiver was able to sell the majority of COGI's Assets to parties, including DEL Canada GP Ltd. ("DEL"), which sales have been described in previous reports and which sales have been approved by Court Orders.
9. While the sales processes were underway, the Receiver, by letters to the Alberta Energy Regulator (the "AER"), dated June 7, 2017, February 27, 2018, April 20, 2018 and March 4, 2019, disclaimed those COGI licences (the "COGI Licences") that were deemed to be uneconomic and unsalable.
10. It was the intention of the Receiver to disclaim all COGI Licences that had not been sold to third parties as a result of the sales process. In addition, the disclaimers were to include COGI Licences that had been sold by COGI to others prior to the Receivership Order but which COGI Licences had not been formally transferred.
11. It was brought to the attention of the Receiver by the AER that some licences remain registered in COGI's name, according to the records of the AER (the "Retained Licences").
12. The Receiver, DEL and the AER have been working through the documents in respect of the Retained Licences to determine the status of same. Attached hereto and marked as Exhibit "A" is a copy of the current status of the Retained Licences.
13. Exhibit "A" identifies, as Comment "A", pipeline licenses that were sold by COGI to Arrow Point Oil and Gas Ltd. ("Arrow Point") on or about February 20, 2015, months prior to the Receivership Order.
14. The Receiver's legal counsel communicated with Alex Gramatzki of Arrow Point on August 21, 2019, requesting that Arrow Point complete the transfer of the pipeline segment licences by September 30, 2019 failing which the Receiver would disclaim the applicable licences. Mr. Gramatzki responded the same day advising that those pipeline licenses described in Exhibit "A", Comment "A" are being operated by Mark Coney of Enerstar Petroleum Corporation and/or

Marcon Pipelines. Attached as Exhibit "B" is a copy of the email exchange with Arrow Point. The Receiver's legal counsel then immediately requested that Mr. Coney respond to the request. The Receiver has not received any reply from Mr. Coney.

**Material or evidence to be relied on:**

15. The pleadings and proceedings had and taken in this Action;
16. The Sixteenth Report of the Receiver, to be filed; and
17. Such further or other material or evidence as counsel may advise and this Honourable Court may permit.

**Applicable Rules:**

18. Part 6, Division I and Rule 11.27 of the *Alberta Rules of Court*; and
19. Such further and other rules as counsel may advise and this Honourable Court may permit.

**Applicable Acts and Regulations:**

20. *Bankruptcy and Insolvency Act*, RSC 1985, c B13-3; and
21. Such further and other Acts and Regulations as counsel may advise and this Honourable Court may permit.

**Any irregularity complained of or objection relied on:**

22. None.

**How the application is proposed to be heard or considered:**

23. In person before the presiding Justice on the Commercial List.

**WARNING**

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes.

If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.