



Clerk's stamp:

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.**

DOCUMENT **APPLICATION**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Brian Davison, Q.C.
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File No.: 16155-00002

NOTICE TO THE RESPONDENT(S)

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the Court.

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

Date	November 10, 2015
Time	2:30 pm
Where	Calgary Courts Centre, 601 - 5 th Street S.W., Calgary, Alberta
Before	Justice Jeffrey, in Commercial Court Chambers

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

Remedy claimed or sought:

1. MNP Ltd, as the Receiver (“the Receiver”) of COGI Limited Partnership (“COGI LP”), Canadian Oil and Gas International Inc. (“COGI Inc”) and Conserve Oil Group Inc. (“Conserve”) (collectively, “the Companies”) seeks an order:
 - (a) approving the Receiver’s actions to date;
 - (b) with respect to assigning the Companies into bankruptcy without further notice or application;
 - (c) clarifying and expanding the Receiver’s powers with respect to the subsidiaries of Conserve; and
2. An Order declaring service of this Application good and sufficient, and abridging time for notice of this Application to the time actually given, if necessary.

Grounds for making this Application:

3. By order dated October 26, 2015 (“the Receivership Order”) the Receiver was appointed by this Court as Receiver of all of the current and future assets, undertakings and properties of the Companies. The Receivership Order has not been appealed.
4. COGI Inc. is a 100% subsidiary of Conserve, and is the General Partner of COGI LP. Conserve is also the parent company of several other subsidiaries, including:
 - (a) Conserve Oil 1st Corporation; (“Conserve 1st”)
 - (b) Proven Oil Asia Ltd.; (“POA”)
 - (c) Proven Oil Canada Ltd; (“POC”)
 - (d) Conserve Oil 8th Corporation; (“Conserve 8th”) and
 - (e) Conserve Oil 9th Corporation (“Conserve 9th”)

(collectively, “the Conserve Subsidiaries”).

5. All of the Conserve Subsidiaries except COGI Inc. had one sole Director, David Crombie. Mr. Crombie resigned as director of COGI Inc. and Conserve on October 28, 2015. The Receiver believes that many management functions of the Conserve Subsidiaries may be being carried out by third party corporations which are not under the Receiver's control.
6. The Receiver believes the Conserve Subsidiaries may have assets and income, and wishes to ensure that any income and assets are preserved, including any equity owned by the shareholder, Conserve.
7. The Receiver has reason to believe that some of the Conserve Subsidiaries, including POA, may have recently disposed of assets to potentially non-arm's length parties, and that other transactions may be pending or contemplated.
8. Despite requests made by the Receiver and Receiver's counsel, POA has not provided the Receiver with a copy of their minute book, or confirmed it will seek the Receiver's consent and approval with respect to any pending or contemplated corporate transactions or asset dispositions. POA has advised that prior to the Receivership, management functions of POA were carried out by staff of Conserve or COGI. Since the Receivership, POA has advised that it has retained management consultants to carry on POA operations, but the Receiver has been unable to determine exactly what those management consultants are doing with the POA assets. The Receiver requests an clarification and amendment to the Receivership Order to clarify its powers with respect to dealing with and controlling the assets and actions of the Conserve Subsidiaries.
9. Based on the Receiver's review of Conserve's books and records, the Companies have more than \$1,000 in unsecured debt and have committed an act of bankruptcy, having been placed into Receivership or made a CCAA filing.
10. Under the terms of the Receivership Order, the Receiver has the power to assign the Companies into bankruptcy upon notice and where the Court is of the opinion on the making of such an application that it is proper and in the best interests of the estate. The Receiver, acting as Bankruptcy Trustee of the Companies, will have enhanced powers

under the *BIA* to conduct examinations and examine prior transactions involving Conserve and the Conserve Subsidiaries, and seeks confirmation of its authority to place the Companies into bankruptcy without further notice or application.

11. MNP Ltd. is qualified to act as Trustee in Bankruptcy of the Companies.
12. Such further and other material as counsel may advise and this Honourable Court may permit.

Material or Evidence to be relied on:

13. The 1st report of the Receiver, to be filed;
14. Such further and other materials as counsel may advise and this Honourable Court may permit.

Applicable Rules:

15. The *Alberta Rules of Court*, AR 124/2010

Applicable Acts and Regulations

16. *Bankruptcy and Insolvency Act*, RSC 1985, C. B-3, as amended
17. *Judicature Act* RSA 2000, c. J-2

Any irregularity complained of or objection relied on:

18. None

How the application is proposed to be heard or considered:

19. In person, before the Honourable Justice in Commercial Court, on evidence with some or all of the parties present.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant what they want in your absence. You will be bound by any order the Court makes. If you want to take part in the application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of this form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant a reasonable time before the application is to be heard or considered.