



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 1ST CORPORATION

DOCUMENT APPLICATION

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
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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: May 15, 2019
Time: 2:00 p.m.
Where: Calgary Courts Centre, 601 5th Street SW, Calgary, Alberta
Before Whom: The Honourable Justice Jones, 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. finally determining the value of and status of any Disputed Claims; and
 - b) such further and other relief as this Honourable Court may deem just in all of the circumstances.

Grounds for making this application:

2. On October 26, 2015, the Receiver was appointed the Receiver and Manager of COGI Limited Partnership ("COGI LP"), its General Partner Canadian Oil and Gas International Inc. ("COGI Inc."), and Conserve Oil Group Inc. ("Conserve").
3. On January 6, 2016, the Receiver was appointed as the Receiver and Manager of Conserve Oil 1st Corporation ("COC 1" and together with COGI LP, COGI Inc. and Conserve, "COGI"). COGI's assets consist primarily of oil and gas assets in Alberta and Saskatchewan.
4. After its appointment, the Receiver retained Niven Fischer Services Inc. (now Niven Fischer, a Sproule Company) ("Niven Fischer") to manage COGI's oil and gas assets and conduct the associated production accounting. Effective September 1, 2018, Niven Fischer was replaced by The Operators Inc.
5. On June 8, 2018, an Approval and Vesting Order (the "AVO") was granted with respect to a sales transaction between COGI and DEL Canada GP Ltd. ("DEL"). Specifically, it ordered that a hold-back account is to be funded as a condition of closing in the maximum amount of \$3,000,000 (the "Municipal Tax Fund").

Claims Process Order

6. On December 18, 2018, the Honourable Madam Justice K.M. Eidsvik granted an Order with respect to the determination of a municipality's entitlement to claim against the Municipal Tax Fund (the "Claims Process Order"). Paragraph 3 of the Claims Process Order established a claims procedure:

[3] The below claims procedure is approved and shall be followed by the Receiver and any municipal claimant who desires to advance a claim against the Municipal Taxes Fund.

- a. The Receiver is authorized and directed to provide notice ("Claims Notice") in prescribed form¹ by not later than January 15, 2019 to the municipalities listed in Schedule "A".
 - b. Recipients of a Claims Notice may file a dispute notice ("Dispute Notice") in prescribed form on or before 5:00 p.m. (Calgary) on February 15, 2019 ("Claims Bar Date").
 - c. The claim of any municipality that does not file a Dispute Notice on before the Claims Bar Date shall be finally determined to be as set out in the Claims Notice.
 - d. The Receiver in consultation with DEL/ATB will work to resolve claims subject to any Dispute Notice ("Disputed Claims") on or before March 8, 2019.
 - e. On or before March 22, 2019, the Receiver shall file an application to the Court for the determination of any outstanding Disputed Claims. [footnotes omitted]
7. The Receiver has received Dispute Notices and as at the date of filing of this Application, there are outstanding Disputed Claims.
 8. In accordance with its obligation set forth in paragraph [3]e. of the Claims Process Order, the Receiver is filing the within Application to finally determine any outstanding Disputed Claims.
 9. Such further and other grounds as this Honourable Court as counsel may advise and this Honourable Court may permit.

Material or evidence to be relied on:

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

Applicable Rules:

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

¹ Claims Notice form set out in Schedule "B".

Applicable Acts and Regulations:

15. *Bankruptcy and Insolvency Act*, RSC 1985, c B13-3;
16. *Municipal Government Act*, RSA 2000, M-26, s 348.
17. *Judicature Act*, RSA 2000, c. J-2, s. 13(2); and
18. 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:

19. None.

How the application is proposed to be heard or considered:

20. 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.