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1501-12220

COURT

COURT OF QUEEN'S BENCH

JUDICIAL CENTRE

CALGARY

APPLICANT

ALBERTA TREASURY BRANCHES

RESPONDENTS

**COGI LIMITED PARTNERSHIP, CANADIAN
OIL & GAS INTERNATIONAL INC.,
CONSERVE OIL GROUP INC. AND
CONSERVE OIL 1st CORPORATION**

DOCUMENT

TWELFTH REPORT OF THE RECEIVER

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

G. 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
Email: brian.davison@dlapiper.com
File No.: 16155-00002

EXHIBITS

EXHIBIT "A"

Interim R&D Statement

EXHIBIT "B"

PSA: Whitecap Resources Inc. (Redacted)

INTRODUCTION AND BACKGROUND

1. Pursuant to an October 26, 2015 Court of Queen's Bench of Alberta Order (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 Jeffrey, the Receiver's powers were expanded to include powers to manage a number of Conserve's subsidiaries, including Conserve Oil 9th Corporation ("**COC9**").
2. On January 6, 2016, MNP was further 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**").
3. 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.
4. This is the Receiver's twelfth report to the Court (the "**Twelfth Report**"), which should be read in conjunction with the Receiver's prior Reports. Capitalized terms not defined herein are as defined in the prior Reports or the Receivership Order. All references to currency are in Canadian dollars unless otherwise stated.
5. In preparing the Twelfth Report and making comments herein, the Receiver 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 (collectively, the "**Information**"). The Receiver 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.
6. Copies of the relevant documents relating to these proceedings are available on the Receiver's website at www.mnpdebt.ca/cogi.

PURPOSE OF THE REPORT

7. The purpose of the Twelfth Report is to provide this Honourable Court with an update as to activities since the date its last report, including the Receiver's comments and information in respect of:
 - (a) activities of the Receiver since the date of the Eleventh Report;
 - (b) approve the fees and disbursements of the Receiver and its counsel for the interim period April 1, 2018 to August 31, 2018;
 - (c) an application for an Approval and Vesting Order with respect to the sale of certain of COGI's assets; and
 - (d) an application for a sealing order with respect to the Confidential Supplement to the Twelfth Report (the "**Confidential Supplement**").

ACTIVITIES OF THE RECEIVER

8. Since its last Report, the Receiver has:
 - (a) negotiated an agreement with The Operators Inc. ("**TOI**") to take over the operations of COGI's oil and gas properties from Niven Fischer effective September 1, 2018;
 - (b) together with its consultant, Niven Fischer, followed by TOI, continued to operate the oil and gas properties of COGI;
 - (c) corresponded with the investors' representatives;
 - (d) met and corresponded with joint venture partners regarding accounts receivable;
 - (e) continued negotiations with respect to collection of a note receivable owing to COC1;

- (f) continued efforts to collect accounts receivables;
- (g) in cooperation with TOI, negotiated with various municipalities for the payment of taxes and, in many instances, made payment of those taxes; and
- (h) negotiated a sale with Whitecap Resources Inc. ("**Whitecap**").

INTERIM RECEIPTS AND DISBURSEMENTS

- 9. Attached hereto as **Exhibit "A"** is a copy of the Interim Receipts and Disbursement Statement for the period October 26, 2015 to August 31, 2018 (the "**Interim R&D**").

APPROVAL OF ACCOUNTS

- 10. The portion of the Interim R&D for the period ending March 31, 2018, including the fees of the Receiver and its legal counsel were approved by a June 8, 2018 Court Order granted by the Honourable Justice B.E.C. Romaine.
- 11. A summary of professional fees paid by the Receiver is attached as Schedule 2 to the Interim R&D.
- 12. From April 1, 2018 to August 31, 2018, the Receiver has expended a total of 604.05 hours with respect to the administration of the receivership proceedings and its professional fees and disbursements, excluding GST, total \$314,118.02.
- 13. From April 1, 2018 to August 31, 2018, the Receiver's legal counsel has expended a total of 457.4 hours with respect to the administration of the receivership proceedings and its professional fees and disbursements, excluding GST, total \$245,351.34. The Receiver has reviewed the fees of its legal counsel and is of the view that the fees are reasonable and appropriate in the circumstances.
- 14. The Receiver is seeking approval of the portion of the Interim R&D for the period of April 1 to August 31, 2018, in the amounts set forth in paragraphs 12 and 13 above.

SECOND SALES PROCESS

- 15. As described in its Eleventh Report, the Receiver completed the Second Sales Process, which resulted in a purchase and sale agreement with DEL for most, but not all of COGI's remaining oil and gas assets.
- 16. The majority of COGI's assets that were not subject to the DEL PSA are those in which COGI holds a non-operated working interest.

SALE TO WHITECAP

- 17. Whitecap is the operator of certain of COGI's non-operated working interests in the Boundary Lake Area of Alberta (the "**Boundary Lake Assets**"). Whitecap previously submitted an offer for the Boundary Lake Assets in the Second Sales Process that conflicted with another offer and, as a result, it was not accepted.
- 18. On or about July 31, 2018, the Receiver received an increased offer from Whitecap to purchase the Boundary Lake Assets. The Receiver, in consultation with Niven Fischer considered the likelihood of another purchaser bidding on the Boundary Lake Assets. In the Receiver's opinion, considering that Whitecap is the operator of the Boundary Lake Assets, Whitecap is the only likely purchaser of the Boundary Lake Assets.
- 19. Accordingly, the Receiver and Whitecap negotiated a purchase and sale agreement (the "**Whitecap PSA**"). The Receiver is satisfied that the transaction contemplated by the Whitecap PSA (the "**Transaction**") represents a reasonable and satisfactory offer for the Boundary Lake Assets.
- 20. COGI's secured creditor, who has the only economic interest in COGI's assets, is in favour of the Transaction.
- 21. A redacted copy of the Whitecap PSA attached hereto as **Exhibit "B"**.

SEALING ORDER

22. An unredacted copy the Whitecap PSA is attached to the Confidential Supplement as **Exhibit "A"**.
23. With a view to protecting the integrity of the assets subject to the Transaction and in order not to taint the marketplace in the event the Transaction does not close, the Receiver respectfully requests and recommends that the Confidential Supplement be sealed until 10 days following the closing of the Transaction and the filing of the Receiver's Certificate.

COURT APPROVAL

24. While the Transaction does not reach the threshold in the Receivership Order for a sale that necessitates this Court's approval, as a result of the cumulative value of previous sales transactions effected by the Receiver, the Receiver requires this Court's approval.

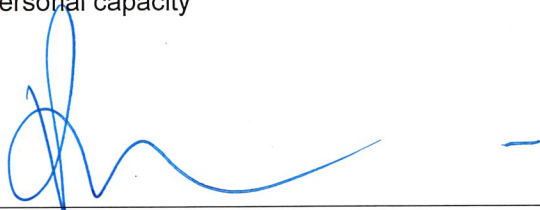
CONCLUSION

25. Based upon the foregoing, the Receiver seeks the Court's approval for the following:
 - (a) the Receiver's activities to date and the Interim R&D for the period April 1, 2018 through August 31, 2018, including the fees and disbursements incurred by the Receiver and its legal counsel;
 - (b) an Order approving the Whitecap PSA and the Transaction and vesting the Boundary Lake Assets in the name of Whitecap, subject to the terms of the Approval and Vesting Order which may be granted by the Court; and
 - (c) an order sealing the Confidential Supplement until 10 days have elapsed from the day the Transaction is closed and the Receiver's Certificate in relation to the Transaction is filed.

All of which is respectfully submitted this 27th day of September, 2018.

MNP Ltd.

In its capacity as Receiver-Manager of
COGI Limited Partnership, Canadian Oil & Gas International
Inc., Conserve Oil Group Inc. and Conserve Oil 1st Corporation
and not in its personal capacity



Per: Victor P. Kroeger, CIRP, LIT, CPA, CA, CFE
Senior Vice President

EXHIBIT "A"

**COGI Limited Partnership, Canadian Oil & Gas International Inc. and
Conserve Oil Group Inc. - In Receivership**

**Interim Statement of Receipts and Disbursements
For the Period October 26, 2015 to August 31, 2018**

| | October 26/15 to August 31/18 \$ |
|---|---|
| Receipts | |
| Net Receipts from Operations (Schedule 1) | 648,532 |
| Receiver's Certificate | 8,888,557 |
| Cash in Bank | 1,569,216 |
| Cash in Bank - Proven Oil Canada | 845 |
| Interest Income | 2,363 |
| Rental Income | 71,389 |
| Accounts Receivable | 745,355 |
| Sale of Assets | 3,128,653 |
| Settlement Funds (Bentley) | 153,752 |
| Miscellaneous Refunds | 12,083 |
| GST Collected (Net) | (118,814) |
| GST Refund | 297,060 |
| Total Receipts | 15,398,990 |
| Disbursements | |
| Bank Charges | 1,411 |
| Commission - Sale of Assets | 57,236 |
| Filing Fees | 280 |
| Interest Expense | 805,030 |
| Change of locks | 248 |
| Pre-Receivership Payroll | 64,405 |
| Legal Fees and Disbursements (Schedule 2) | 2,426,643 |
| Consulting Services - Niven Fischer Energy Services Inc. (Schedule 2) | 5,722,505 |
| Receiver's Fees (Schedule 2) | 2,449,915 |
| CCAA Administration Charge (Schedule 3) | 200,000 |
| Payments to Arrow Point and POA | 435,175 |
| Funds transferred to Bankruptcy Estate | 141,726 |
| Funds Paid in Escrow | 163,752 |
| GST Remittance | 167,037 |
| Payment to Secured Creditor | 2,108,206 |
| Total Disbursements | 14,743,569 |
| Excess of Receipts over Disbursements | 655,421 |
| Represented By: | |
| General Bank Account | 655,421 |
| | 655,421 |

**COGI Limited Partnership, Canadian Oil & Gas International Inc. and
Conserve Oil Group Inc. - In Receivership**

Interim Statement of Receipts and Disbursements

**Net Receipts from Operations
For the Period October 26, 2015 to August 31, 2018**

| | October 26/15 to August 31/18 \$ |
|-------------------------------------|---|
| Receipts | |
| Net Revenues | 42,194,359 |
| Total Receipts | <u>42,194,359</u> |
| Disbursements | |
| Consulting Services | 238,435 |
| Operating Expenses | 28,826,167 |
| Payroll Services | 130 |
| Insurance | 358,807 |
| General and Administration Charges | 271,121 |
| Occupation Rent | 278,752 |
| Telephone and Utilities | 2,090,366 |
| Property Taxes | 2,631,220 |
| Royalty and Lease Payments | 6,850,829 |
| Total Disbursements | <u>41,545,827</u> |
| Net Receipts from Operations | <u><u>648,532</u></u> |

COGI Limited Partnership, Canadian Oil & Gas International Inc. and Conserve Oil Group Inc. - In Receivership

Summary of Professional Fees and Disbursements
For the Period October 26, 2015 to August 31, 2018

| Description | Invoice Number | Invoice Date | Fees \$ | Disbursements \$ | Subtotal \$ | GST \$ | Total \$ | Amount Paid (Net of GST) \$ |
|---|----------------|--------------|------------|------------------|-------------|-----------|------------|-----------------------------|
| MNP Ltd.'s Fees and Disbursements (Receiver & Manager) | | | | | | | | |
| For the period October 22, 2015 to November 30, 2015 | 7476289 | 08-Dec-15 | 243,882.00 | 786.40 | 244,668.40 | 12,233.42 | 256,901.82 | 244,668.40 |
| For the period December 1, 2015 to December 31, 2015 | 7498217 | 15-Jan-16 | 107,065.50 | 252.30 | 107,317.80 | 5,365.89 | 112,683.69 | 107,317.80 |
| For the period January 1, 2016 to January 31, 2016 | 7519153 | 10-Feb-16 | 132,800.00 | 332.92 | 133,132.92 | 6,656.65 | 139,789.57 | 133,132.92 |
| For the period February 1, 2016 to February 29, 2016 | 7550152 | 10-Mar-16 | 97,651.50 | 92.93 | 97,744.43 | 4,887.22 | 102,631.65 | 97,744.43 |
| For the period March 1, 2016 to March 31, 2016 | 7593865 | 08-Apr-16 | 100,361.50 | 52.82 | 100,414.32 | 5,020.72 | 105,435.04 | 100,414.32 |
| For the period April 1, 2016 to April 30, 2016 | 7656952 | 06-May-16 | 87,595.00 | - | 87,595.00 | 4,379.75 | 91,974.75 | 87,595.00 |
| For the period May 1, 2016 to May 31, 2016 | 7689446 | 07-Jun-16 | 104,389.50 | 5,861.79 | 110,251.29 | 5,512.56 | 115,763.85 | 110,251.29 |
| For the period June 1, 2016 to June 30, 2016 | 7720384 | 22-Jul-16 | 104,184.00 | 3,221.18 | 107,405.18 | 5,370.26 | 112,775.44 | 107,405.18 |
| For the period July 1, 2016 to July 31, 2016 | 7736834 | 19-Aug-16 | 71,841.00 | 1,806.82 | 73,647.82 | 3,682.39 | 77,330.21 | 73,647.82 |
| For the period August 1, 2016 to August 31, 2016 | 7751525 | 12-Sep-16 | 81,432.50 | 950.92 | 82,383.42 | 4,119.17 | 86,502.59 | 82,383.42 |
| For the period March 1, 2016 to August 31, 2016 (Bankruptcy) | 7753633 | 14-Sep-16 | 20,879.50 | - | 20,879.50 | 1,043.98 | 21,923.48 | 20,879.50 |
| For the period September 1, 2016 to September 30, 2016 | 7782094 | 25-Oct-16 | 90,298.00 | 27.64 | 90,325.64 | 4,516.28 | 94,841.92 | 90,325.64 |
| For the period October 1, 2016 to October 31, 2016 | 7790157 | 04-Nov-16 | 38,497.50 | 38.97 | 38,536.47 | 1,926.82 | 40,463.29 | 38,536.47 |
| For the period November 1, 2016 to November 30, 2016 | 7819826 | 14-Dec-16 | 64,805.50 | 20.05 | 64,825.55 | 3,241.28 | 68,066.83 | 64,825.55 |
| For the period December 1, 2016 to December 31, 2016 | 7837465 | 13-Jan-16 | 51,814.00 | 105.95 | 51,919.95 | 2,596.00 | 54,515.95 | 51,919.95 |
| For the period January 1, 2017 to January 31, 2017 | 7864004 | 14-Feb-17 | 68,651.00 | 38.98 | 68,689.98 | 3,434.50 | 72,124.48 | 68,689.98 |
| For the period February 1, 2017 to February 28, 2017 | 7901777 | 16-Mar-17 | 53,992.00 | 74.10 | 54,066.10 | 2,703.30 | 56,769.40 | 54,066.10 |
| For the period March 1, 2017 to March 31, 2017 | 7936852 | 06-Apr-17 | 47,746.00 | 35.23 | 47,781.23 | 2,389.06 | 50,170.29 | 47,781.23 |
| For the period April 1, 2017 to April 30, 2017 | 8015200 | 11-May-17 | 29,622.00 | 13.00 | 29,635.00 | 1,481.75 | 31,116.75 | 29,635.00 |
| For the period May 1, 2017 to May 31, 2017 | 8060968 | 27-Jun-17 | 46,443.50 | 51.51 | 46,495.01 | 2,324.75 | 48,819.76 | 46,495.01 |
| For the period June 1, 2017 to June 30, 2017 | 8078386 | 14-Jul-17 | 54,196.50 | 46.59 | 54,243.09 | 2,712.15 | 56,955.24 | 54,243.09 |
| For the period July 1, 2017 to July 31, 2017 | 8095499 | 08-Aug-17 | 30,946.50 | 63.97 | 31,010.47 | 1,550.52 | 32,560.99 | 31,010.47 |
| For the period August 1, 2017 to August 31, 2017 | 8118553 | 11-Sep-17 | 61,562.50 | 85.64 | 61,648.14 | 3,082.41 | 64,730.55 | 61,648.14 |
| For the period September 1, 2017 to September 30, 2017 | 8148552 | 19-Oct-17 | 57,625.00 | 103.41 | 57,728.41 | 2,886.42 | 60,614.83 | 57,728.41 |
| For the period October 1, 2017 to October 31, 2017 | 8170827 | 14-Nov-17 | 32,150.50 | 588.88 | 32,739.38 | 1,636.97 | 34,376.35 | 32,739.38 |
| For the period November 1, 2017 to November 30, 2017 | 8199596 | 18-Dec-17 | 19,073.00 | - | 19,073.00 | 953.65 | 19,026.65 | 19,073.00 |
| For the period December 1, 2017 to December 31, 2017 (DEL) | 8199610 | 18-Dec-17 | 56,249.50 | 101.29 | 56,350.79 | 2,817.54 | 59,168.33 | 56,350.79 |
| For the period December 1, 2017 to December 31, 2017 | 8226363 | 24-Jan-18 | 10,742.50 | 73.69 | 10,816.19 | 540.81 | 11,357.00 | 10,816.19 |
| For the period January 1, 2018 to January 31, 2018 | 8215130 | 09-Jan-18 | 18,073.50 | - | 18,073.50 | 903.68 | 18,977.18 | 18,073.50 |
| For the period February 1, 2018 to February 28, 2018 | 8258632 | 22-Feb-18 | 27,318.00 | 105.11 | 27,423.11 | 1,371.16 | 28,794.27 | 27,423.11 |
| For the period March 1, 2018 to March 31, 2018 | 8258659 | 22-Feb-18 | 52,930.00 | - | 52,930.00 | 2,646.50 | 55,576.50 | 52,930.00 |
| For the period April 1, 2018 to April 30, 2018 | 8277658 | 06-Mar-18 | 36,872.50 | 21.15 | 36,893.65 | 1,844.68 | 38,738.33 | 36,893.65 |
| For the period May 1, 2018 to May 31, 2018 | 8273673 | 01-Mar-18 | 46,103.00 | 59.62 | 46,162.62 | 2,308.13 | 48,470.75 | 46,162.62 |
| For the period February 1, 2018 to February 28, 2018 (DEL) | 8332496 | 09-Apr-18 | 18,727.50 | - | 18,727.50 | 936.38 | 19,663.88 | 18,727.50 |
| For the period March 1, 2018 to March 31, 2018 | 8332548 | 09-Apr-18 | 53,892.00 | 126.40 | 54,018.40 | 2,700.92 | 56,719.32 | 54,018.40 |
| For the period April 1, 2018 to April 30, 2018 | 8417300 | 14-May-18 | 19,527.50 | - | 19,527.50 | 976.38 | 20,503.88 | 19,527.50 |
| For the period May 1, 2018 to May 31, 2018 | 8422393 | 17-May-18 | 94,147.50 | 881.50 | 95,029.00 | 4,751.45 | 99,780.45 | 95,029.00 |
| For the period June 1, 2018 to June 30, 2018 | 8452674 | 11-Jun-18 | 17,115.50 | - | 17,115.50 | 855.78 | 17,971.28 | 17,115.50 |
| For the period July 1, 2018 to July 31, 2018 (DEL) | 8452720 | 11-Jun-18 | 44,892.50 | 574.32 | 45,466.82 | 2,272.84 | 47,729.66 | 45,466.82 |
| For the period August 1, 2018 to August 31, 2018 | 8508365 | 20-Aug-18 | 8,991.50 | - | 8,991.50 | 449.58 | 9,441.08 | 8,991.50 |
| For the period September 1, 2018 to September 30, 2018 | 8486881 | 23-Jul-18 | 37,162.00 | 71.66 | 37,233.66 | 1,861.68 | 39,095.34 | 37,233.66 |

COGI Limited Partnership, Canadian Oil & Gas International Inc. and Conserve Oil Group Inc. - In Receivship

Summary of Professional Fees and Disbursements
For the Period October 26, 2015 to August 31, 2018

| Description | Invoice Number | Invoice Date | Fees \$ | Disbursements \$ | Subtotal \$ | GST \$ | Total \$ | Amount Paid (Net of GST) \$ |
|--|----------------|--------------|---------------------|------------------|---------------------|-------------------|---------------------|-----------------------------|
| For the period July 1, 2018 to July 31, 2018 | 8508370 | 20-Aug-18 | 6,645.00 | - | 6,645.00 | 332.25 | 6,977.25 | - |
| For the period July 1, 2018 to July 31, 2018 (DEL) | 8537237 | 20-Sep-18 | 31,967.75 | 89.41 | 32,057.16 | 1,602.86 | 33,660.02 | - |
| For the period August 1, 2018 to August 31, 2018 | 8535774 | 18-Sep-18 | 2,441.50 | - | 2,441.50 | 122.08 | 2,563.58 | - |
| For the period August 1, 2018 to August 31, 2018 (DEL) | 8537230 | 20-Sep-18 | 49,621.50 | 68.88 | 49,690.38 | 2,484.52 | 52,174.90 | - |
| SubTotal - MNP Ltd.'s Fees and Disbursements | | | 2,532,916.25 | 16,825.03 | 2,549,741.28 | 130,764.03 | 2,680,505.31 | 2,449,915.74 |
| DLA Piper (Canada) LLP (Legal Counsel) | | | | | | | | |
| For the period October 27, 2015 to November 15, 2015 | 1589698 | 19-Nov-15 | 95,517.50 | 1,023.61 | 96,541.11 | 4,798.61 | 101,339.72 | 96,541.11 |
| For the period October 30, 2015 to November 30, 2015 | 1596501 | 10-Dec-15 | 95,691.50 | 3,013.27 | 98,704.77 | 4,925.98 | 103,630.75 | 98,704.77 |
| For the period November 30, 2015 to December 15, 2015 | 1598036 | 21-Dec-15 | 70,535.50 | 981.79 | 71,517.29 | 3,562.62 | 75,079.91 | 71,517.29 |
| For the period December 1, 2015 to December 31, 2015 | 1604137 | 21-Jan-16 | 96,994.50 | 1,398.93 | 98,393.43 | 4,908.75 | 103,302.18 | 98,393.43 |
| For the period January 4, 2016 to January 15, 2016 | 1604138 | 21-Jan-16 | 69,916.50 | 651.64 | 70,568.14 | 3,519.11 | 74,087.25 | 70,568.14 |
| For the period January 8, 2016 to January 29, 2016 | 1610068 | 11-Feb-16 | 49,458.00 | 545.76 | 50,003.76 | 2,478.74 | 52,482.50 | 50,003.76 |
| For the period Feb 1, 2016 to Feb 14, 2016 | 1611509 | 23-Feb-16 | 53,527.50 | 624.99 | 54,152.49 | 2,687.15 | 56,839.64 | 54,152.49 |
| For the period February 16, 2016 to February 29, 2016 | 1614370 | 14-Mar-16 | 48,046.00 | 317.06 | 48,363.06 | 2,415.55 | 50,778.61 | 48,363.06 |
| For the period February 29, 2016 to March 15, 2016 | 1616809 | 31-Mar-16 | 15,617.50 | 1,238.00 | 15,617.50 | 2,954.20 | 16,398.38 | 15,617.50 |
| For the period February 29, 2016 to March 15, 2016 | 1623067 | 28-Apr-16 | 60,258.50 | 1,029.99 | 61,288.49 | 3,041.19 | 64,329.68 | 61,288.49 |
| For the period March 16, 2016 to April 15, 2016 | 1623070 | 28-Apr-16 | 45,170.00 | 66.00 | 45,236.00 | 2,261.81 | 47,497.81 | 45,236.00 |
| For the period April 17, 2016 to May 23, 2016 | 1630183 | 31-May-16 | 3,502.50 | 2,168.95 | 5,671.45 | 283.58 | 5,955.03 | 5,671.45 |
| For the period April 7, 2016 to May 25, 2016 | 1630192 | 31-May-16 | 108,993.00 | 59,593.45 | 168,586.45 | 5,459.12 | 174,045.57 | 168,586.45 |
| For the period May 20, 2016 to June 24, 2016 | 1637232 | 30-Jun-16 | 9,940.00 | 828.58 | 10,768.58 | 538.44 | 11,307.02 | 10,768.58 |
| For the period May 20, 2016 to June 24, 2016 | 1637233 | 30-Jun-16 | 2,620.00 | - | 2,620.00 | 131.00 | 2,751.00 | 2,620.00 |
| For the period June 7, 2016 to June 17, 2016 | 1637235 | 30-Jun-16 | 70,096.50 | 29,805.26 | 99,901.76 | 3,525.06 | 103,426.82 | 99,901.76 |
| For the period June 25, 2016 to July 22, 2016 | 1643970 | 28-Jul-16 | 1,140.00 | - | 1,140.00 | 57.00 | 1,197.00 | 1,140.00 |
| For the period June 21, 2016 to July 26, 2016 | 1643971 | 28-Jul-16 | 24,832.50 | 12,357.41 | 37,189.91 | 1,859.01 | 39,048.92 | 37,189.91 |
| For the period June 29, 2016 to June 29, 2016 | 1643972 | 28-Jul-16 | 60.00 | - | 60.00 | 3.00 | 63.00 | 60.00 |
| For the period July 12, 2016 to August 11, 2016 | 1653392 | 02-Sep-16 | 4,780.00 | 443.70 | 5,223.70 | 261.20 | 5,484.90 | 5,223.70 |
| For the period July 4, 2016 to August 29, 2016 | 1653433 | 02-Sep-16 | 62,012.50 | 348.56 | 62,361.06 | 3,117.91 | 65,478.97 | 62,361.06 |
| For the period August 2, 2016 to September 28, 2016 | 1657284 | 30-Sep-16 | 77,377.50 | 332.83 | 77,710.33 | 3,879.46 | 81,589.79 | 77,710.33 |
| For the period September 6, 2016 to October 28, 2016 | 1664121 | 31-Oct-16 | 42,010.00 | 425.93 | 42,435.93 | 2,111.80 | 44,547.73 | 42,435.93 |
| For the period September 7, 2016 to October 3, 2016 | 1664103 | 31-Oct-16 | 8,792.50 | 7.50 | 8,800.00 | 440.01 | 9,240.01 | 8,800.00 |
| For the period October 5, 2016 to November 25, 2016 | 1677061 | 29-Nov-16 | 67,513.00 | 2,406.80 | 69,919.80 | 3,485.94 | 73,405.74 | 69,919.80 |
| For the period October 27, 2016 to December 19, 2016 | 1677226 | 21-Dec-16 | 65,139.50 | 1,428.57 | 66,568.07 | 3,313.49 | 69,881.56 | 66,568.07 |
| For the period July 6, 2016 to November 29, 2016 (Germany) | 20154623 | 16-Jan-17 | 63,573.75 | - | 63,573.75 | - | 63,573.75 | 63,573.75 |
| For the period December 19, 2016 to January 29, 2017 | 1687416 | 08-Feb-17 | 141,715.00 | 4,888.77 | 146,603.77 | 7,265.15 | 153,868.92 | 146,603.77 |
| For the period January 30, 2017 to February 24, 2017 | 1690431 | 28-Feb-17 | 55,180.00 | 2,339.78 | 57,519.78 | 2,872.73 | 60,392.51 | 57,519.78 |
| For the period February 27, 2017 to March 24, 2017 | 1733772 | 07-Sep-17 | 16,630.00 | 43,271.62 | 59,901.62 | 840.09 | 60,741.71 | 59,901.62 |
| For the period December 8, 2016 to December 30, 2016 (Germany) | 20155661 | 06-Feb-17 | 47,397.15 | - | 47,397.15 | - | 47,397.15 | 47,397.15 |
| For the period March 3, 2017 to April 28, 2017 | 1707223 | 08-May-17 | 33,234.50 | 414.65 | 33,649.15 | 1,673.69 | 35,322.84 | 33,649.15 |
| For the period May 1, 2017 to May 29, 2017 | 1740451 | 13-Oct-17 | 42,968.50 | 428.91 | 43,397.41 | 2,151.94 | 45,549.35 | 43,397.41 |
| For the period May 30, 2017 to July 25, 2017 | 1723648 | 28-Jul-17 | 56,166.50 | 287.43 | 56,453.93 | 2,818.81 | 59,272.74 | 56,453.93 |
| For the period July 26, 2017 to August 25, 2017 | 1729967 | 29-Aug-17 | 60,005.00 | 237.87 | 60,242.87 | 3,010.61 | 63,253.48 | 60,242.87 |
| For the period August 26, 2017 to September 30, 2017 | 1742553 | 30-Oct-17 | 63,327.00 | 366.84 | 63,693.84 | 3,181.60 | 66,875.44 | 63,693.84 |

COGI Limited Partnership, Canadian Oil & Gas International Inc. and Conserve Oil Group Inc. - In Receivership

Summary of Professional Fees and Disbursements
For the Period October 26, 2015 to August 31, 2018

| Description | Invoice Number | Invoice Date | Fees \$ | Disbursements \$ | Subtotal \$ | GST \$ | Total \$ | Amount Paid (Net of GST) \$ |
|--|----------------|--------------|---------------------|-------------------|---------------------|-------------------|---------------------|-----------------------------|
| For the period October 1, 2017 to October 27, 2017 | 1742993 | 31-Oct-17 | 19,812.50 | - | 19,812.50 | 990.63 | 20,803.13 | 19,812.50 |
| For the period October 1, 2017 to October 27, 2017 (DEL) | 1742995 | 31-Oct-17 | 11,860.00 | 4.20 | 11,864.20 | 593.21 | 12,457.41 | 11,864.20 |
| For the period October 28, 2017 to November 27, 2017 | 1749408 | 30-Nov-17 | 7,102.50 | 274.00 | 7,376.50 | 356.33 | 7,732.83 | 7,376.50 |
| For the period October 28, 2017 to November 27, 2017 (DEL) | 1749411 | 30-Nov-17 | 14,730.00 | 5.74 | 14,735.74 | 736.79 | 15,472.53 | 14,735.74 |
| For the period November 28, 2017 to December 18, 2017 | 1755298 | 20-Dec-17 | 4,057.50 | 50.00 | 4,107.50 | 202.88 | 4,310.38 | 4,107.50 |
| For the period November 28, 2017 to December 18, 2017 (DEL) | 1755297 | 20-Dec-17 | 7,350.00 | 50.00 | 7,400.00 | 367.50 | 7,767.50 | 7,400.00 |
| For the period December 18, 2017 to January 26, 2018 | 1762628 | 31-Jan-18 | 10,800.00 | 36.00 | 10,836.00 | 540.00 | 11,376.00 | 10,836.00 |
| For the period December 19, 2017 to January 26, 2018 (DEL) | 1762662 | 31-Jan-18 | 36,423.00 | - | 36,423.00 | 1,821.15 | 38,244.15 | 36,423.00 |
| For the period January 27, 2018 to February 26, 2018 | 1768690 | 28-Feb-18 | 9,708.00 | 335.06 | 10,043.06 | 488.97 | 10,532.03 | 10,043.06 |
| For the period January 27, 2018 to February 26, 2018 (DEL) | 1768794 | 28-Feb-18 | 39,917.50 | 665.67 | 40,583.17 | 2,010.16 | 42,593.33 | 40,583.17 |
| For the period February 19, 2017 to February 26, 2018 (Convega)(DEL) | 1768529 | 28-Feb-18 | 1,902.50 | - | 1,902.50 | 95.13 | 1,997.63 | 1,902.50 |
| For the period February 27, 2018 to April 27, 2018 | 1781506 | 30-Apr-18 | 23,441.00 | 110.12 | 23,551.12 | 1,173.16 | 24,724.28 | 23,551.12 |
| For the period February 27, 2018 to April 27, 2018 (DEL) | 1781587 | 30-Apr-18 | 82,064.50 | 11,030.23 | 93,094.73 | 4,153.18 | 97,247.91 | 93,094.73 |
| For the period April 28, 2018 to May 26, 2018 | 1788068 | 31-May-18 | 9,285.00 | 40.95 | 9,325.95 | 466.30 | 9,792.25 | 9,325.95 |
| For the period April 28, 2018 to May 26, 2018 (DEL) | 1788066 | 31-May-18 | 22,693.00 | 571.40 | 23,264.40 | 1,158.63 | 24,423.03 | 23,264.40 |
| For the period May 27, 2018 to June 26, 2018 | 1794938 | 29-Jun-18 | 15,641.00 | 5.00 | 15,646.00 | 782.30 | 16,428.30 | 15,646.00 |
| For the period May 27, 2018 to June 26, 2018 (DEL) | 1794928 | 29-Jun-18 | 19,952.50 | 44.50 | 19,997.00 | 999.51 | 20,996.51 | 19,997.00 |
| For the period May 30, 2018 to July 26, 2018 | 1802078 | 31-Jul-18 | 14,234.50 | 18.65 | 14,253.15 | 712.64 | 14,965.79 | 14,253.15 |
| For the period May 31, to July 26, 2018 (DEL) | 1802181 | 31-Jul-18 | 30,954.00 | 65.30 | 31,019.30 | 1,550.12 | 32,569.42 | 31,019.30 |
| For the period July 27, 2018 to August 24, 2018 | 1808268 | 31-Aug-18 | 10,994.50 | 77.00 | 11,071.50 | 549.73 | 11,621.23 | 11,071.50 |
| For the period July 27, 2018 to August 25, 2018 (DEL) | 1808266 | 31-Aug-18 | 4,082.50 | 45.69 | 4,128.19 | 206.42 | 4,334.61 | 4,128.19 |
| SubTotal - DLA Piper (Canada) LLP | | | 2,285,037.40 | 186,703.96 | 2,471,741.36 | 110,569.97 | 2,582,311.33 | 2,426,642.52 |
| Niven Fischer Energy Services Inc. (Consulting Services) | | | | | | | | |
| For the period October 22, 2015 to October 31, 2015 | 15-1164 | 15-Dec-15 | 23,712.50 | 825.00 | 24,537.50 | 1,226.88 | 25,764.38 | 24,537.50 |
| For the period November 1, 2015 to November 30, 2015 | 15-1677 | 15-Dec-15 | 182,862.50 | 29,797.57 | 212,660.07 | 10,632.64 | 223,292.71 | 212,660.07 |
| For the period December 1, 2015 to December 31, 2015 | 15-1180 | 31-Dec-15 | 178,866.25 | 20,357.17 | 199,223.42 | 9,961.17 | 209,184.59 | 199,223.42 |
| For the period January 1, 2016 to January 31, 2016 | 16-1200 | 15-Feb-16 | 246,040.00 | 2,875.42 | 248,915.42 | 12,445.77 | 261,361.19 | 248,915.42 |
| For the period February 1, 2016 to February 29, 2016 | 16-1213 | 15-Mar-16 | 251,800.00 | 11,391.64 | 263,191.64 | 13,131.56 | 276,323.23 | 263,191.64 |
| For the period March 1, 2016 to March 31, 2016 | 16-1229 | 18-Apr-16 | 250,273.75 | 13,983.38 | 264,257.13 | 13,212.86 | 277,469.99 | 264,257.13 |
| For the period April 1, 2016 to April 30, 2016 | 16-1248 | 15-May-16 | 220,328.75 | 17,078.31 | 237,407.06 | 11,870.04 | 249,277.10 | 237,407.06 |
| For the period May 1, 2016 to May 31, 2016 | 16-1264 | 15-Jun-16 | 206,711.25 | 3,595.68 | 210,306.93 | 10,515.35 | 220,822.28 | 210,306.93 |
| For the period June 1, 2016 to June 30, 2016 | 16-1280 | 15-Jul-16 | 191,117.50 | 1,344.38 | 192,461.88 | 9,623.09 | 202,084.97 | 192,461.88 |
| For the period July 1, 2016 to July 31, 2016 | 16-1296 | 15-Aug-16 | 172,747.50 | 2,446.82 | 175,194.32 | 8,759.92 | 183,954.04 | 175,194.32 |
| For the period August 1, 2016 to August 31, 2016 | 16-1310 | 16-Sep-16 | 193,472.50 | 29,602.70 | 223,075.20 | 11,153.66 | 234,228.86 | 223,075.20 |
| For the period September 1, 2016 to September 30, 2016 | 16-1325 | 14-Oct-16 | 224,080.00 | 3,452.55 | 227,532.55 | 11,376.62 | 238,909.17 | 227,532.55 |
| For the period October 1, 2016 to October 31, 2016 | 16-1334 | 09-Nov-16 | 193,707.50 | 6,705.29 | 200,412.79 | 10,020.64 | 210,433.43 | 200,412.79 |
| For the period November 1, 2016 to November 30, 2016 | 16-1353 | 15-Dec-16 | 190,155.00 | 3,099.54 | 193,254.54 | 10,322.39 | 203,576.93 | 193,254.54 |
| For the period December 1, 2016 to December 31, 2016 | 16-1370 | 31-Dec-16 | 159,190.00 | 16,292.75 | 175,482.75 | 8,114.48 | 183,597.23 | 175,482.75 |
| For the period January 1, 2017 to January 31, 2017 | 17-1387 | 15-Feb-17 | 177,927.50 | 4,627.45 | 182,554.95 | 9,127.75 | 191,682.70 | 182,554.95 |
| For the period February 1, 2017 to February 28, 2017 | 17-1402 | 15-Mar-17 | 155,070.00 | 3,368.69 | 158,438.69 | 7,919.43 | 166,358.12 | 158,438.69 |
| For the period February 1, 2017 to February 28, 2017 (Reactivations) | 17-1416 | 15-Mar-17 | 21,442.50 | 800.00 | 22,242.50 | 1,112.13 | 23,354.63 | 22,242.50 |
| For the period March 1, 2017 to March 31, 2017 | 17-1422 | 13-Apr-17 | 181,851.25 | 2,614.64 | 184,465.89 | 9,223.29 | 193,689.18 | 184,465.89 |
| For the period March 1, 2017 to March 31, 2017 (Reactivations) | 17-1432 | 13-Apr-17 | 24,600.00 | - | 24,600.00 | 1,230.00 | 25,830.00 | 24,600.00 |

COGI Limited Partnership, Canadian Oil & Gas International Inc. and Conserve Oil Group Inc. - In Receivship

Summary of Professional Fees and Disbursements
For the Period October 26, 2015 to August 31, 2018

| Description | Invoice Number | Invoice Date | Fees \$ | Disbursements \$ | Subtotal \$ | GST \$ | Total \$ | Amount Paid (Net of GST) \$ |
|--|----------------|--------------|---------------------|-------------------|---------------------|-------------------|---------------------|-----------------------------|
| For the period April 1, 2017 to April 30, 2017 | 17-1442 | 18-May-17 | 167,753.75 | 590.93 | 168,344.68 | 8,417.23 | 176,761.91 | 168,344.68 |
| For the period April 1, 2017 to April 30, 2017 (Reactivations) | 17-1451 | 18-May-17 | 13,987.50 | 450.00 | 14,437.50 | 721.88 | 15,159.38 | 14,437.50 |
| For the period May 1, 2017 to May 31, 2017 | 17-1461 | 16-Jun-17 | 172,585.00 | 3,024.75 | 175,609.75 | 8,780.49 | 184,390.24 | 175,609.75 |
| For the period May 1, 2017 to May 31, 2017 (Reactivations) | 17-1470 | 16-Jun-17 | 5,325.00 | 200.00 | 5,525.00 | 276.25 | 5,801.25 | 5,525.00 |
| For the period June 1, 2017 to June 30, 2017 | 17-1482 | 17-Jul-17 | 136,918.75 | 2,971.83 | 139,890.58 | 6,994.03 | 146,884.61 | 139,890.58 |
| For the period June 1, 2017 to June 30, 2017 (Reactivations) | 17-1491 | 17-Jul-17 | 675.00 | - | 675.00 | 33.75 | 708.75 | 675.00 |
| For the period July 1, 2017 to July 31, 2017 | 17-1500 | 08-Sep-17 | 120,300.00 | 18,043.62 | 138,343.62 | 6,917.18 | 145,260.80 | 138,343.62 |
| For the period July 1, 2017 to July 31, 2017 (Reactivations) | 17-1502 | 22-Aug-17 | 15,025.00 | 1,300.00 | 16,325.00 | 816.25 | 17,141.25 | 16,325.00 |
| For the period August 1, 2017 to August 31, 2017 | 17-1530 | 06-Oct-17 | 138,846.25 | 10,603.09 | 149,449.34 | 7,472.47 | 156,921.81 | 149,449.34 |
| For the period August 1, 2017 to August 31, 2017 (Reactivations) | 17-1531 | 06-Oct-17 | 26,227.50 | 100.00 | 26,327.50 | 1,316.38 | 27,643.88 | 26,327.50 |
| For the period September 1, 2017 to September 30, 2017 | 17-1593 | 24-Nov-17 | 123,523.75 | 12,579.02 | 136,102.77 | 6,805.14 | 142,907.91 | - |
| For the period September 1, 2017 to September 30, 2017 (Reactivations) | 17-1591 | 20-Nov-17 | 31,478.75 | - | 31,478.75 | 1,573.94 | 33,052.69 | 31,478.75 |
| For the period October 1, 2017 to October 31, 2017 | 17-1594 | 24-Nov-17 | 44,190.00 | 1,246.39 | 45,436.39 | 2,271.82 | 47,708.21 | 45,436.39 |
| For the period October 1, 2017 to October 31, 2017 (Reactivations) | 17-1592 | 20-Nov-17 | 14,737.50 | - | 14,737.50 | 736.88 | 15,474.38 | 14,737.50 |
| For the period October 1, 2017 to October 31, 2017 (DEL) | 17-1595 | 24-Nov-17 | 100,121.25 | 9,069.76 | 109,191.01 | 5,459.55 | 114,650.56 | 109,191.01 |
| For the period November 1, 2017 to November 30, 2017 | 17-1644 | 05-Feb-18 | 28,227.50 | 991.26 | 29,218.76 | 1,460.94 | 30,679.70 | 29,218.76 |
| For the period November 1, 2017 to November 30, 2017 (DEL) | 17-1646 | 05-Feb-18 | 145,546.25 | 9,473.92 | 155,020.17 | 7,751.01 | 162,771.18 | 155,020.17 |
| For the period December 1, 2017 to December 31, 2017 | 17-1645 | 05-Feb-18 | 12,740.00 | 1,560.08 | 14,300.08 | 715.00 | 15,015.08 | 14,300.08 |
| For the period December 1, 2017 to December 31, 2017 (DEL) | 17-1647 | 05-Feb-18 | 128,925.00 | 9,495.01 | 138,420.01 | 6,921.00 | 145,341.01 | 138,420.01 |
| For the period January 1, 2018 to January 31, 2018 | 18-1651 | 15-Mar-18 | 25,541.25 | - | 25,541.25 | 1,277.06 | 26,818.31 | - |
| For the period January 1, 2018 to January 31, 2018 (DEL) | 18-1652 | 15-Mar-18 | 161,752.50 | 11,834.45 | 173,586.95 | 8,640.86 | 182,227.81 | 173,586.95 |
| For the period February 1, 2018 to February 28, 2018 | 18-1671 | 01-Apr-18 | 18,826.25 | - | 18,826.25 | 941.31 | 19,767.56 | - |
| For the period February 1, 2018 to February 28, 2018 (DEL) | 18-1672 | 01-Apr-18 | 141,900.00 | 12,322.41 | 154,222.41 | 7,680.25 | 161,902.66 | 154,222.41 |
| For the period March 1, 2018 to March 31, 2018 | 18-1694 | 01-Jun-18 | 7,612.50 | 19.90 | 7,632.40 | 381.62 | 8,014.02 | 7,632.40 |
| For the period March 1, 2018 to March 31, 2018 (DEL) | 18-1695 | 01-Jun-18 | 175,027.50 | 12,541.11 | 187,568.61 | 9,378.43 | 196,947.04 | 187,568.61 |
| For the period April 1, 2018 to April 30, 2018 | 18-1700 | 01-Jun-18 | 3,598.75 | 17.75 | 3,616.50 | 180.83 | 3,797.33 | 3,616.50 |
| For the period April 1, 2018 to April 30, 2018 (DEL) | 18-1701 | 01-Jun-18 | 191,665.00 | 11,267.42 | 202,932.42 | 10,146.62 | 213,079.04 | 202,932.42 |
| For the period May 1, 2018 to May 31, 2018 | 18-1728 | 10-Aug-18 | 6,565.00 | 0.80 | 6,565.80 | 328.29 | 6,894.09 | - |
| For the period May 1, 2018 to May 30, 2018 (DEL) | 18-1729 | 10-Aug-18 | 193,311.25 | 18,048.17 | 211,359.42 | 10,567.97 | 221,927.39 | - |
| For the period June 1, 2018 to June 30, 2018 | 18-1785 | 16-Aug-18 | 3,030.00 | - | 3,030.00 | 151.50 | 3,181.50 | - |
| SubTotal - Niven Fischer Energy Services Inc. | | | 5,801,920.00 | 322,010.65 | 6,123,930.65 | 307,730.91 | 6,431,661.56 | 5,722,505.16 |

COGI Limited Partnership and Canadian Oil & Gas International Inc. (collectively, "COGI")
Companies' Creditors Arrangement Act
Schedule of Outstanding Obligations Covered by the Administration Charge

| Payee | Description | Invoice # | Invoice Date | Fees | Disbursements | SubTotal | Pro-Rata % | Pro-Rata Amount | GST | Total Payment | Remaining Balance |
|---|--|-----------|--------------|-----------|---------------|---------------------|-------------|---------------------|-------------------|---------------------|--------------------|
| MNP Ltd., Monitor | For the period October 1-26, 2015 | 7447801 | 28-Oct-15 | 67,737.50 | - | 67,737.50 | 23% | 46,939.02 | 2,346.95 | 49,285.97 | 20,798.48 |
| | | | | | | 67,737.50 | | | | | |
| DLA Piper (Canada) Ltd., Monitor's Legal Counsel | | 1589689 | 19-Nov-15 | 16,397.50 | 486.85 | 16,884.35 | 6% | 11,700.09 | 585.00 | 12,285.09 | 5,184.26 |
| Field LLP, COGI's Legal Counsel | For the period June 18 to August 28, 2015 | 366193 | 31-Aug-15 | 46,681.00 | 312.21 | 46,993.21 | | | | | |
| Field LLP, COGI's Legal Counsel | For the period August 31 to October 19, 2015 | 370749 | 20-Oct-15 | 84,775.00 | 501.91 | 85,276.91 | | | | | |
| Field LLP, COGI's Legal Counsel | For the period to October 26, 2015 | 372942 | 12-Nov-15 | 15,135.00 | 423.89 | 15,558.89 | | | | | |
| | Less: Retainer Held | | | | (90,000.00) | | 34% | 67,791.07 | 3,389.55 | 71,180.62 | 30,037.94 |
| | | | | | | 97,829.01 | | | | | |
| Blake, Cassels & Graydon LLP, ATB's Legal Counsel | For the period to September 29, 2015 | 1886199 | 30-Sep-15 | 37,022.00 | 116.40 | 37,138.40 | | | | | |
| Blake, Cassels & Graydon LLP, ATB's Legal Counsel | For the period to October 30, 2015 | 1872807 | 30-Oct-15 | 68,319.50 | 710.40 | 69,029.90 | 37% | 73,569.82 | - | 73,569.82 | 32,598.48 |
| | | | | | | 108,168.30 | | | | | |
| | | | | | | \$288,619.16 | 100% | \$200,000.00 | \$6,321.51 | \$206,321.51 | \$88,619.16 |

*** Administration Charge is to a maximum of \$200,000.

EXHIBIT "B"

PURCHASE AND SALE AGREEMENT
Boundary Lake Area, Alberta

THIS AGREEMENT made as of the 26th day of September, 2018.

BETWEEN:

MNP LTD., solely in its capacity as receiver and manager of **COGI LIMITED PARTNERSHIP, CANADIAN OIL AND GAS INTERNATIONAL INC., CONSERVE OIL GROUP INC.** and **CONSERVE OIL 1st CORPORATION** and not in its personal or corporate capacity (hereinafter referred to as "**Vendor**")

- and -

WHITECAP RESOURCES INC., a corporation incorporated under the laws of Alberta (hereinafter referred to as "**Purchaser**")

WHEREAS pursuant to an order of the Honourable Justice A.D. Macleod of the Alberta Court of Queen's Bench (the "**Court**") dated October 26, 2015 (the "**Appointment Order**"), MNP Ltd. (the "**Receiver**") was appointed receiver and manager of Conserve Oil Group Inc., Canadian Oil & Gas International Inc. and COGI Limited Partnership (collectively, "**COGI**");

AND WHEREAS Vendor wishes to sell, and Purchaser wishes to purchase, all of the interest of Vendor in and to the Assets, subject to and in accordance with the terms and conditions hereof;

NOW THEREFORE, THIS AGREEMENT WITNESSETH that in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the Parties have agreed as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement, unless the context otherwise requires:

- (a) "**Abandonment and Reclamation Obligations**" means all past, present and future obligations to:
- (i) abandon, shut-down, close, decommission, dismantle or remove any and all Wells and Tangibles, including all structures, foundations, buildings, pipelines, equipment and other facilities located on the Lands or used or previously used in respect of Petroleum Substances produced or previously produced from the Lands; and
 - (ii) restore, remediate and reclaim the surface and subsurface locations of the Wells and the Tangibles and any lands used to gain access thereto, including such obligations relating to wells, pipelines and facilities comprising the Wells or Tangibles which were abandoned or decommissioned prior to the Effective Date that were located on the Lands or that were located on other lands and used in respect of Leased Substances produced or previously produced from the Lands, and including the remediation, restoration and reclamation of any other surface and sub-surface lands affected by any environmental damage, contamination or

other environmental issues emanating from or relating to the sites for the Wells or the Tangibles;

all in accordance with generally accepted oil and gas industry practices and in compliance with all Applicable Laws;

- (b) **"Affiliate"** means, with respect to any Person, any other Person or group of Persons acting in concert, directly or indirectly, that controls, is controlled by or is under common control with such Person. The term **"control"** as used in the preceding sentence means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person whether through ownership or more than fifty percent (50%) of the voting securities of such Person, by contract or otherwise;
- (c) **"Applicable Law"** means, in relation to any person, property or circumstance, all laws, statutes, rules, regulations, official directives and orders of Governmental Authorities (whether administrative, legislative, executive or otherwise), including judgments, orders and decrees of courts, commissions or bodies exercising similar functions, as amended, and includes the provisions and conditions of any permit, license or other governmental or regulatory authorization, that are in effect as at the relevant time and are applicable to such person, property or circumstance;
- (d) **"Assets"** means the Petroleum and Natural Gas Rights, the Tangibles, and the Miscellaneous Interests;
- (e) **"Business Day"** means a day other than a Saturday, a Sunday or a statutory holiday in Calgary, Alberta;
- (f) **"Court Order"** means an order to be granted by the Court substantially in the form of **Schedule "D"** which authorizes, approves and confirms this Agreement and the sale of the Assets by Vendor to Purchaser in accordance with the terms and conditions contained herein, and vests beneficial title to the Assets in Purchaser free and clear of all encumbrances, liens, security interests or claims, other than Permitted Encumbrances;
- (g) **"Closing"** means the transfer of possession, beneficial ownership and risks of the Assets from the Vendor to the Purchaser, the exchange of Specific Conveyances and payment of the Purchase Price by the Purchaser to the Vendor, and all other items and considerations required to be delivered on the Closing Date pursuant hereto;
- (h) **"Closing Date"** means the fifth (5th) Business Day following receipt of the Court Order, unless otherwise agreed upon in writing by the Parties;
- (i) **"Closing Place"** means the office of Vendor, or such other place as may be agreed upon in writing by the Parties;
- (j) **"Date of Appointment"** means October 26, 2015;
- (k) **"Effective Date"** means 8:00 a.m., September 1, 2018;
- (l) **"Environmental Liabilities"** means all liabilities in respect of the environment which relate to the Assets or which arise in connection with the ownership thereof or operations pertaining thereto, including without limitation, liabilities related to or arising from:
 - (i) transportation, storage, use or disposal of toxic or hazardous substances;
 - (ii) release, spill, escape, emission, leak, discharge, migration or dispersal of toxic or hazardous substances; or

(iii) pollution or contamination of or damage to the environment;

including, without limitation, liabilities to compensate Third Parties for damages and Losses resulting from the items described in items (i), (ii) and (iii) above (including, without limitation, damage to property, personal injury and death) and obligations to take action to prevent or rectify damage to or otherwise protect the environment and, for purposes of this Agreement, "the environment" includes, without limitation, the air, the surface and subsurface of the earth, bodies of water (including, without limitation, rivers, streams, lakes and aquifers) and plant and animal life (including humans);

(m) **"General Conveyance"** means the general conveyance agreement in the form attached hereto as Schedule "B";

(n) **"Governmental Authority"** means any federal, national, provincial, territorial, municipal or other government, any political subdivision thereof, and any ministry, sub-ministry, agency or sub-agency, court, board, bureau, office, or department, including any government-owned entity, having jurisdiction over a Party, the Assets or the Transaction;

(o) **"GST"** means the goods and services tax payable pursuant to the GST Legislation;

(p) **"GST Legislation"** means Part IX of the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended, and the regulations promulgated thereunder;

(q) **"Lands"** means the lands set out and described in **Schedule "A"**, and the Petroleum Substances within, upon or under such lands (subject to the restrictions and exclusions identified in **Schedule "A"** and in the Title Documents as to Petroleum Substances and geological formations, if any);

(r) **"Leased Substances"** means all Petroleum Substances, rights to or in respect of which are granted, reserved or otherwise conferred by or under the Title Documents (but only to the extent that the Title Documents pertain to the Lands);

(s) **"Licence Transfers"** means, in relation to the Assets, the transfer of any permits, approvals, licences and authorizations granted by any applicable Governmental Authority;

(t) **"Losses"** means all losses, costs, claims, damages, expenses and liabilities which a Party suffers, sustains, pays or incurs, including reasonable legal fees on a solicitor and his own client basis but notwithstanding the foregoing shall not include any liability for indirect or consequential damages including business loss, loss of profit, economic loss, punitive damages or income tax liabilities;

(u) **"Miscellaneous Interests"** means, subject to any and all limitations and exclusions provided for in this definition, Vendor's entire interest in and to all property, assets, interests and rights pertaining to the Petroleum and Natural Gas Rights and the Tangibles (other than the Petroleum and Natural Gas Rights and the Tangibles), or either of them, but only to the extent that such property, assets, interests and rights pertain to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including without limitation any and all of the following:

(i) all contracts and agreements to the extent relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them (including the Title Documents), but excluding all agreements for the sale, processing, transmission or transportation of Petroleum Substances unless terminable on not more than thirty (30) days' notice (without an early termination penalty or other cost) or expressly described in a Schedule hereto;

- (ii) all technical data, including geological and geophysical data and maps, and any and all proprietary seismic and seismic shot records across the Lands;
- (iii) all subsisting rights to carry out operations relating to the Lands or the Tangibles, and without limitation, all easements and other permits, licenses and authorizations pertaining to the Tangibles;
- (iv) rights to enter upon, use, occupy and enjoy the surface of any lands which are used or may be used to gain access to or otherwise use the Petroleum and Natural Gas Rights and the Tangibles, or either of them;
- (v) all records, books, documents, files, licences, reports and data which relate to the Petroleum and Natural Gas Rights and the Tangibles, or either of them including any of the foregoing that pertain to proprietary seismic, geological or geophysical matters; and
- (vi) the Wells, including the wellbores and any and all casing.

Notwithstanding the foregoing, unless otherwise agreed in writing by the Parties, the Miscellaneous Interests shall not include agreements, documents or data to the extent that: (i) they are owned or licensed by Third Parties with restrictions on their deliverability or disclosure by COGI to an assignee, or (ii) they comprise the Vendor's and COGI's tax and financial records, and economic evaluations;

- (v) **"Party"** means a party to this Agreement;
- (w) **"Permitted Encumbrances"** means:
 - (i) all encumbrances, overriding royalties, net profits interests and other burdens identified in **Schedule "A"**;
 - (ii) any Right of First Refusal or any similar restriction applicable to any of the Assets;
 - (iii) the terms and conditions of the Title Documents, provided that any encumbrance constituting a royalty (other than any Crown royalties), net profits interest, carried interest, penalty, or reduction in interest created under or pursuant to any such Title Documents will be a Permitted Encumbrance only if it also satisfies another provision of this section 1.1(w);
 - (iv) the right reserved to or vested in any grantor, Governmental Authority or other public authority by the terms of any Title Document or by Applicable Law to terminate any Title Document;
 - (v) easements, rights of way, servitudes or other similar rights in land, including, without in any way limiting the generality of the foregoing, rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
 - (vi) taxes on Petroleum Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions of general application on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Assets;

- (vii) agreements for the sale, processing, transmission or transportation of Petroleum Substances, which are terminable on not more than thirty (30) days' notice (without an early termination penalty or other cost);
 - (viii) any obligation of COGI or Vendor to hold any portion of its legal interest in and to any of the Assets in trust for Third Parties;
 - (ix) the right reserved to or vested in any municipality, Governmental Authority or other public authority to control or regulate any of the Assets in any manner, including any directives or notices received from any municipality, Governmental Authority or other public authority pertaining to the Assets;
 - (x) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards Vendor's or COGI's share of the costs and expenses thereof which are not due or delinquent as of the date hereof or the Closing Date;
 - (xi) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
 - (xii) agreements and plans relating to pooling or unitization of any of the Petroleum and Natural Gas Rights;
 - (xiii) agreements respecting the operation of Wells by contract field operators;
 - (xiv) provisions for penalties and forfeitures under agreements as a consequence of non-participation in operations that arise after the date of this Agreement due to an election by Purchaser; and
 - (xv) liens granted in the ordinary course of business to a public utility, municipality or Governmental Authority with respect to operations pertaining to any of the Assets, provided that no amounts are due or owing thereto; and
 - (xvi) without limiting the generality of the foregoing, the provisions within the Title Documents and all remedies and requirements of all Applicable Laws, rules, regulations, orders and directions of Governmental Authorities and other competent authorities at law, respecting the interest of Summerfield Energy Inc., a defunct partner of Vendor.
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- (x) **"Person"** means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executor, Governmental Authority or other entity;
 - (y) **"Petroleum and Natural Gas Rights"** means Vendor's entire interest in and to all rights to and in respect of the Leased Substances and the Title Documents (but only to the extent that the Title Documents pertain to the Lands), including, without limitation, any working interests, royalty interests, overriding royalty interests, gross overriding royalty interests, production payments, profits interests, net profits interests, revenue interests, economic interests and other interests, fractional or undivided interests in any of the foregoing, and the interests set out and described in **Schedule "A"**;
 - (z) **"Petroleum Substances"** means any of crude oil, crude bitumen and products derived therefrom, synthetic crude oil, petroleum, natural gas, natural gas liquids, and any and all other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including without limitation, sulphur;

- (aa) **"Prime Rate"** means the rate of interest, expressed as a rate per annum, designated by the main branch in Calgary of ATB Financial as the reference rate used by it to determine rates of interest charged by it on Canadian dollar commercial loans made in Canada and which is announced by such bank, from time to time, as its prime rate, provided that whenever such bank announces a change in such reference rate the "Prime Rate" shall correspondingly change effective on the date the change in such reference rate is effective;
- (bb) **"Representative"** means, with, respect to any Party, its Affiliates, and its and their respective directors, officers, servants, agents, advisors, employees and consultants;
- (cc) **"Rights of First Refusal"** means a preferential, pre-emptive or first purchase right that becomes operative by virtue of this Agreement or the Transaction;
- (dd) **"Sales Taxes"** means all transfer, sales, excise, stamp, license, production, value-added and other like taxes, assessments, charges, duties, fees, levies or other governmental charges of any kind, and includes, but is not limited to, additions by way of penalties, interest and other amounts with respect thereto, but excludes GST;
- (ee) **"Specific Conveyances"** means all conveyances, assignments, transfers, novations and other documents or instruments that are reasonably required or desirable to convey, assign and transfer the interest of Vendor in and to the Assets to Purchaser and to novate Purchaser in the place and stead of Vendor with respect to the Assets;
- (ff) **"Tangibles"** means Vendor's entire interest in and to any and all tangible depreciable property and assets, if any, which are located within, upon or in the vicinity of the Lands and which are used or are intended to be used to produce, process, gather, treat, measure, make marketable or inject the Leased Substances or any of them;
- (gg) **"Third Party"** means any individual or entity other than Receiver, COGI, Vendor and Purchaser, including without limitation any partnership, corporation, trust, unincorporated organization, union, government and any department and agency thereof and any heir, executor, administrator or other legal representative of an individual;
- (hh) **"this Agreement", "herein", "hereto", "hereof"** and similar expressions mean and refer to this Agreement;
- (ii) **"Title Documents"** means, collectively, any and all certificates of title, leases, reservations, permits, licences, assignments, trust declarations, operating agreements, royalty agreements, gross overriding royalty agreements, participation agreements, farm-in agreements, sale and purchase agreements, pooling agreements and any other documents and agreements granting, reserving or otherwise conferring rights to (i) explore for, drill for, produce, take, use or market Petroleum Substances, (ii) share in the production of Petroleum Substances, (iii) share in the proceeds from, or measured or calculated by reference to the value or quantity of, Petroleum Substances which are produced, and (iv) rights to acquire any of the rights described in items (i) to (iii) of this definition; but only if the foregoing pertain in whole or in part to Petroleum Substances within, upon or under the Lands; including, without limitation, those instruments, if any, set out and described in **Schedule "A"**;
- (jj) **"Transaction"** means the transaction for the purchase and sale of the Assets as contemplated by this Agreement; and
- (kk) **"Wells"** means Vendor's entire interest in and to the wells listed in Schedule "A", whether producing, shut-in, suspended, abandoned, capped, injection or disposal wells (including the associated wellbores and casing).

1.2 Headings

The expressions "Article", "section", "subsection", "clause", "subclause", "paragraph" and "Schedule" followed by a number or letter or combination thereof mean and refer to the specified article, section, subsection, clause, subclause, paragraph and schedule of or to this Agreement.

1.3 Interpretation Not Affected by Headings

The division of this Agreement into Articles, sections, subsections, clauses, subclauses and paragraphs and the provision of headings for all or any thereof are for convenience and reference only and shall not affect the construction or interpretation of this Agreement.

1.4 Included Words

When the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and *vice versa*, and words suggesting gender or gender neutrality shall be construed as suggesting the masculine, feminine and neutral genders.

1.5 Schedules

There are appended to this Agreement the following schedules pertaining to the following matters:

| | | |
|---------------------|---|---|
| Schedule "A" | - | Lands, Petroleum and Natural Gas Rights and Wells |
| Schedule "B" | - | General Conveyance |
| Schedule "C" | - | Form of Officer's Certificate |
| Schedule "D" | - | Form of Court Order |

Such schedules are incorporated herein by reference as though contained in the body hereof. Wherever any term or condition of such schedules conflicts or is at variance with any term or condition in the body of this Agreement, such term or condition in the body of this Agreement shall prevail.

1.6 Damages

All losses, costs, claims, damages, expenses and liabilities in respect of which a Party has a claim pursuant to this Agreement include, without limitation, reasonable legal fees and disbursements on a solicitor and client basis.

1.7 Derivatives

Where a term is defined herein, a capitalized derivative of such term shall have a corresponding meaning unless the context otherwise requires.

1.8 Interpretation if Closing Does Not Occur

In the event that Closing does not occur, each provision of this Agreement which presumes that Purchaser has acquired the Assets hereunder shall be construed as having been contingent upon Closing having occurred.

1.9 Conflicts

If there is any conflict or inconsistency between a provision of the body of this Agreement and that of a schedule or a Specific Conveyance, the provision of the body of this Agreement shall prevail. If

any term or condition of this Agreement conflicts with a term or condition of a Title Document or any Applicable Law, the term or condition of such Title Document or the Applicable Law shall prevail, and this Agreement shall be deemed to be amended to the extent required to eliminate any such conflict.

1.10 Currency

All dollar (\$) amounts referenced in this Agreement are expressed in the lawful currency of Canada.

**ARTICLE 2
PURCHASE AND SALE AND CLOSING**

2.1 Purchase and Sale

Vendor, exercising the powers of sale granted pursuant to the Appointment Order, hereby agrees to sell, assign, transfer, convey and set over to Purchaser, and Purchaser hereby agrees to purchase from Vendor, all of the right, title, estate and interest of Vendor (whether absolute or contingent, legal or beneficial) in and to the Assets, subject to and in accordance with the terms of this Agreement.

2.2 Purchase Price

REDACTED

2.3 Allocation of Purchase Price

REDACTED

REDACTED
REDACTED

REDACTED
REDACTED

2.4 Assumption of Abandonment and Reclamation Obligations

In determining the Purchase Price, the Parties have taken into account the Purchaser's assumption of responsibility for the payment of all costs for existing or future Abandonment and Reclamation Obligations associated with the Assets, as set forth in this Agreement, and the absolute release of COGI and Vendor of all and any responsibility or liability therefor.

2.5 Closing

Closing shall take place at the Closing Place on the Closing Date if there has been satisfaction or waiver of the conditions of Closing herein contained. Subject to all other provisions of this Agreement, possession, risk and beneficial ownership of Vendor's interest in and to the Assets shall pass from Vendor to Purchaser on the Closing Date, effective as of the Effective Date.

- (a) On the Closing Date, Vendor shall deliver to Purchaser:
 - (i) the General Conveyance in the form attached as **Schedule "B"**, duly executed by Vendor; and
 - (ii) a certified copy of the Court Order.

- (b) On the Closing Date, Purchaser shall deliver to Vendor:
 - (i) the Purchase Price, as adjusted herein plus applicable GST and/or Sales Taxes;
 - (ii) the General Conveyance in the form attached as **Schedule "B"**, duly executed by Purchaser; and
 - (iii) the Officer's Certificate substantially in the form attached as **Schedule "C"**, duly executed by Purchaser.

2.6 Specific Conveyances

The Parties shall cooperate in the preparation of the Specific Conveyances. At a reasonable time prior to Closing, Purchaser shall use reasonable efforts to prepare and provide for Vendor's review all Specific Conveyances at Purchaser's own cost and expense. The Parties shall execute such Specific Conveyances at Closing. None of the Specific Conveyances shall confer or impose upon either Party any greater right or obligation than as contemplated in this Agreement. Promptly after Closing, Purchaser shall register and/or distribute (as applicable) all such Specific Conveyances and shall bear all costs incurred therewith and in preparing and registering any further assurances required to convey the Assets to Purchaser.

2.7 Title Documents and Miscellaneous Interests

As soon as practicable following Closing, Vendor shall deliver to Purchaser such original copies of the Title Documents and any other agreements and documents to which the Assets are subject and such original copies of contracts, agreements, records, books, documents, licenses, reports and data comprising Miscellaneous Interests which are now in the possession of Vendor or of which Vendor gains possession of prior to Closing.

2.8 Form of Payment

All payments to be made pursuant to this Agreement shall be in Canadian funds. All payments to be made pursuant to this Agreement shall be made by certified cheque, bank draft or wire transfer.

2.9 Taxes

Each of Purchaser and Vendor is a registrant for GST purposes and will continue to be a registrant at the Closing Date in accordance with the provisions of the GST Legislation. Their respective GST registration numbers are:

| | |
|-----------|-------------------|
| Vendor | 80090 5937 RT0002 |
| Purchaser | 83360 0422 RT0001 |

Purchaser shall, at Closing, pay to Vendor, in accordance with section 2.2 hereof, the amount of GST payable in respect of its purchase of the Assets and Vendor shall remit such amount to the applicable Governmental Authority. Purchaser shall be responsible for the payment of any additional GST or any interest and penalties payable in respect of such additional GST and shall indemnify and save harmless Vendor in respect thereof. The Parties acknowledge that the Purchase Price is exclusive of all Sales Taxes. Purchaser shall be solely responsible for all Sales Taxes which may be imposed by any Governmental Authority and which pertain to Purchaser's acquisition of the Assets or to the registration of any Specific Conveyances necessitated hereby.

ARTICLE 3 CONDITIONS OF CLOSING

3.1 Required Consents

Both before and after Closing, each of the Parties shall use all reasonable efforts to obtain any and all approvals required under Applicable Law and any and all material consents of Third Parties required to permit the Transaction. The Parties acknowledge that the acquisition of such consents shall not be a condition precedent to Closing. It shall be the sole obligation of Purchaser, at Purchaser's sole cost and expense, to provide any and all financial assurances required by Governmental Authorities to permit the transfer to Purchaser, and registration of Purchaser as owner and/or operator, of any of the Assets including, but not limited to, the Wells.

3.2 Mutual Conditions

The obligation of Purchaser to purchase Vendor's interest in and to the Assets, and of Vendor to sell its interest in and to the Assets to Purchaser, is subject to the following conditions precedent:

- (a) Vendor obtaining the Court Order; and
- (b) there shall not have been instituted any legal proceedings to obtain, and no court or Governmental Authority of competent jurisdiction shall have issued, promulgated, enforced or entered any judgment, decree, injunction or other order, whether temporary, preliminary or permanent, that restrains, enjoins or otherwise prohibits consummation of the Transaction.

Unless otherwise agreed to by the Parties, if the conditions contained in this section 3.2 have not been performed or satisfied on or before the Closing Date, this Agreement and the obligations of Vendor and Purchaser under this Agreement shall automatically terminate without any further action on the part of either Vendor or Purchaser.

3.3 Purchaser's Conditions

The obligation of Purchaser to purchase Vendor's interest in and to the Assets is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of Purchaser and may be waived by Purchaser in whole or in part:

- (a) the representations and warranties of Vendor herein contained shall be true in all material respects when made and as of the Closing Date; and
- (b) all obligations of Vendor contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by Purchaser, at or before the Closing Date, Purchaser may terminate this Agreement by written notice to Vendor. If Purchaser terminates this Agreement, Vendor and Purchaser shall be released and discharged from all obligations hereunder except as provided in section 11.13.

3.4 Vendor's Conditions

The obligation of Vendor to sell its interest in and to the Assets to Purchaser is subject to the following conditions precedent, which are inserted herein and made part hereof for the exclusive benefit of Vendor and may be waived by Vendor in whole or in part:

- (a) the representations and warranties of Purchaser herein contained shall be true in all material respects when made and as of the Closing Date;

- (b) all obligations of Purchaser contained in this Agreement to be performed prior to or at Closing shall have been timely performed in all material respects; and
- (c) all amounts to be paid by Purchaser to Vendor at Closing, including, without limitation, the Purchase Price, shall have been paid to Vendor in the form stipulated in this Agreement.

If any one or more of the foregoing conditions precedent has or have not been satisfied, complied with, or waived by Vendor, at or before the Closing Date, Vendor may terminate this Agreement by written notice to Purchaser. If Vendor terminates this Agreement, Vendor and Purchaser shall be released and discharged from all obligations hereunder except as provided in section 11.13.

3.5 Efforts to Fulfil Conditions Precedent

Purchaser and Vendor shall proceed diligently and in good faith and use all reasonable efforts to satisfy and comply with and assist in the satisfaction and compliance with the foregoing conditions precedent.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of Vendor and Receiver

Vendor makes only the following representations to Purchaser, no claim in respect of which shall be made or be enforceable by Purchaser unless written notice of such claim, with reasonable particulars, is given by Purchaser to Vendor within a period of six (6) months following the Closing Date:

- (a) Receiver has been appointed by the Court as receiver and manager of COGI and such appointment is valid and subsisting;
- (b) subject to obtaining the Court Order, Vendor has the right to enter into this Agreement and to complete the Transaction; and
- (c) provided the Court Order is obtained, this Agreement and any other agreements delivered in connection herewith constitute valid and binding obligations of Vendor enforceable against Vendor in accordance with their terms.

4.2 Representations and Warranties of Purchaser

Purchaser makes the following representations and warranties to Vendor, no claim in respect of which shall be made or be enforceable by Vendor unless written notice of such claim, with reasonable particulars, is given by Vendor to Purchaser within a period of six (6) months following the Closing Date:

- (a) Purchaser is a corporation duly organized, validly existing and is authorized to carry on business in the provinces in which the Lands are located;
- (b) Purchaser has good right, full power and absolute authority to purchase and acquire the interest of Vendor in and to the Assets according to the true intent and meaning of this Agreement;
- (c) except for obtaining the Court Order, the execution, delivery and performance of this Agreement has been duly and validly authorized by any and all requisite corporate, shareholders', directors' or equivalent actions and will not result in any violation of, be in conflict with, or constitute a default under, any articles, charter, bylaw or other governing document to which Purchaser is bound;

- (d) the execution, delivery and performance of this Agreement will not result in any violation of, be in conflict with, or constitute a default under, any term or provision of any agreement or document to which Purchaser is party or by which Purchaser is bound, nor under any judgement, decree, order, statute, regulation, rule or license applicable to Purchaser;
- (e) provided the Court Order is obtained, this Agreement and any other agreements delivered in connection herewith constitute valid and binding obligations of Purchaser enforceable against Purchaser in accordance with their terms;
- (f) no authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body exercising jurisdiction over the Assets is required for the due execution, delivery and performance by Purchaser of this Agreement, other than authorizations, approvals or exemptions from requirement therefor previously obtained and currently in force or to be obtained prior to or after Closing;
- (g) Purchaser has adequate funds available in an aggregate amount sufficient to pay: (i) all amounts required to be paid by Purchaser under this Agreement; and (ii) all expenses which have been or will be incurred by Purchaser in connection with this Agreement and the Transaction;
- (h) Purchaser has not incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees in respect of this Agreement or the Transaction for which Vendor shall have any obligation or liability; and
- (i) Purchaser is not a non-resident of Canada within the *Income Tax Act* (Canada).

4.3 Limitation of Representations by Vendor

- (a) Subject to section 4.1, Vendor expressly negates any representations or warranties, whether written or verbal, made by Vendor or its Representatives and in particular, without limiting the generality of the foregoing, Vendor disclaims all liability and responsibility for any such representation, warranty, statement or information made or communicated, whether verbal or in writing, to Purchaser or any of its Representatives. Vendor's interest in and to the Assets shall be purchased on a strictly "as is, where is" basis and there are no collateral agreements, conditions, representations or warranties of any nature whatsoever made by Vendor, express or implied, arising at law, by statute, in equity or otherwise, with respect to the Assets and in particular, without limiting the generality of the foregoing, there are no collateral agreements, conditions, representations or warranties made by Vendor, express or implied, arising at law, by statute, in equity or otherwise with respect to:
 - (i) any engineering, geological or other interpretation or economic evaluations respecting the Assets;
 - (ii) the quality, quantity or recoverability of Petroleum Substances within or under the Lands or any lands pooled or unitized therewith;
 - (iii) any estimates of the value of the Assets or the revenues or cash flows from future production from the Lands;
 - (iv) the rates of production of Petroleum Substances from the Lands;
 - (v) the quality, condition, fitness or merchantability of any tangible depreciable equipment or property interests which comprise the Assets (including the Tangibles);

- (vi) the accuracy or completeness of the data or information supplied by the Vendor or any of its Representatives in connection with the Assets;
 - (vii) the suitability of the Assets for any purpose;
 - (viii) compliance with Applicable Laws; or
 - (ix) the title and interest of Vendor in and to the Assets.
- (b) Without restricting the generality of the foregoing, Purchaser acknowledges that it has made its own independent investigation, analysis, evaluation and inspection of Vendor's interests in the Assets and the state and condition thereof and that it is satisfied with, and has relied solely on, such investigation, analysis, evaluation and inspection as to its assessment of the condition, quantum and value of the Assets.
- (c) Except with respect to the representations and warranties in section 4.1 or in the event of fraud, Purchaser forever releases and discharges Vendor and its Representatives from any claims and all liability to Purchaser or Purchaser's assigns and successors, as a result of the use or reliance upon advice, information or materials pertaining to the Assets which was delivered or made available to Purchaser by Vendor or its Representatives prior to or pursuant to this Agreement, including, without limitation, any evaluations, projections, reports and interpretive or non-factual materials prepared by or for Vendor, or otherwise in Vendor's possession.

ARTICLE 5 INDEMNITIES FOR REPRESENTATIONS AND WARRANTIES

5.1 Vendor's Indemnities for Representations and Warranties

Vendor shall be liable to Purchaser for and shall, in addition, indemnify Purchaser from and against, all Losses suffered, sustained, paid or incurred by Purchaser which would not have been suffered, sustained, paid or incurred had all of the representations and warranties contained in section 4.1 been accurate and truthful; provided, that nothing in this section 5.1 shall be construed so as to cause Vendor to be liable to or indemnify Purchaser in connection with any representation or warranty contained in section 4.1 if and to the extent that Purchaser did not rely upon such representation or warranty.

5.2 Purchaser's Indemnities for Representations and Warranties

Purchaser shall be liable to Vendor for and shall, in addition, indemnify Vendor from and against, all Losses suffered, sustained, paid or incurred by Vendor which would not have been suffered, sustained, paid or incurred had all of the representations and warranties contained in section 4.2 been accurate and truthful; provided, that nothing in this section 5.2 shall be construed so as to cause Purchaser to be liable to or indemnify Vendor in connection with any representation or warranty contained in section 4.2 if and to the extent that Vendor did not rely upon such representation or warranty.

5.3 Survival of Representations and Warranties

Each Party acknowledges that the other may rely on the representations and warranties made by such Party pursuant to section 4.1 or 4.2, as the case may be. The representations and warranties in sections 4.1 and 4.2 shall be true as of the date hereof and on the Closing Date, and such representations and warranties shall continue in full force and effect and shall survive the Closing Date for a period of six (6) months, for the benefit of the Party to which such representations and warranties were made. In the absence of fraud, however, no claim or action shall be commenced with respect to a breach of any such representation and warranty, unless, within such period, written notice specifying such breach in reasonable detail has been provided to the Party which made such representation or warranty.

ARTICLE 6 INDEMNITIES

6.1 Post-Closing Date Indemnity

Provided that Closing has occurred, Purchaser shall:

- (a) be solely liable and responsible for any and all Losses which Vendor may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless Vendor and its Representatives from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by Vendor or which it may sustain, pay or incur,

as a result of any matter or thing resulting from, attributable to or connected with the Assets and accruing after the Closing Date.

6.2 Environmental Matters and Abandonment and Reclamation Obligations

Purchaser acknowledges that, insofar as the environmental condition of the Assets is concerned, it will acquire the Assets pursuant hereto on an "as is, where is" basis. Purchaser acknowledges that it is familiar with the condition of the Assets, including the past and present use of the Lands and the Tangibles, that Vendor has provided Purchaser with a reasonable opportunity to inspect the Assets at the sole cost, risk and expense of Purchaser (insofar as Vendor could reasonably provide such access) and that Purchaser is not relying upon any representation or warranty of Vendor as to the environmental condition of the Assets, Environmental Liabilities or Abandonment and Reclamation Obligations. Provided that Closing has occurred, Purchaser shall:

- (a) be solely liable and responsible for any and all Losses which Vendor may suffer, sustain, pay or incur; and
- (b) indemnify, release and save harmless Vendor from any and all Losses, actions, proceedings and demands, whatsoever which may be brought against or suffered by Vendor or which it may sustain, pay or incur,

as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Environmental Liabilities or any Abandonment and Reclamation Obligations. Once Closing has occurred, Purchaser shall be solely responsible for all Environmental Liabilities and all Abandonment and Reclamation Obligations as between Vendor and Purchaser (including, without limitation, whether occurring or accruing prior to, on or after the Closing Date), and hereby releases Vendor from any claims Purchaser may have against Vendor with respect to all such liabilities and responsibilities.

6.3 Third Party Claims

The following procedures shall be applicable to any claim by a Party (the "**Indemnitee**") for indemnification pursuant to this Agreement from another Party (the "**Indemnitor**") in respect of any Losses in relation to a Third Party (a "**Third Party Claim**"):

- (a) upon the Third Party Claim being made against or commenced against the Indemnitee, the Indemnitee shall within ten (10) Business Days of notice thereof, provide written notice thereof to the Indemnitor. The notice shall describe the Third Party Claim in reasonable detail and indicate the estimated amount, if practicable, of the indemnifiable Losses that have been or may be sustained by the Indemnitee in respect thereof. If the Indemnitee does not provide notice to the Indemnitor within such ten (10) Business Day period, then such failure shall only lessen or limit the Indemnitee's rights to indemnity hereunder to the extent that the defence of the Third Party Claim was prejudiced by such lack of timely notice;

- (b) if the Indemnitor acknowledges to the Indemnitee in writing that the Indemnitor is responsible to indemnify the Indemnitee in respect of the Third Party Claim pursuant hereto, the Indemnitor shall have the right to do either or both of the following:
 - (i) assume carriage of the defence of the Third Party Claim using legal counsel of its choice and at its sole cost; and/or
 - (ii) settle the Third Party Claim, provided the Indemnitor pays the full monetary amount of the settlement and the settlement does not impose any restrictions or obligations on the Indemnitee;
- (c) each Party shall co-operate with the other Party in the defence of the Third Party Claim, including making available to the other Party and its Representatives whose assistance, testimony or presence is of material assistance in evaluating and defending the Third Party Claim;
- (d) the Indemnitee shall not enter into any settlement, consent order or other compromise with respect to the Third Party Claim without the prior written consent of the Indemnitor (which consent shall not be unreasonably withheld or delayed), unless the Indemnitee waives its rights to indemnification in respect of the Third Party Claim;
- (e) upon payment of the Third Party Claim, the Indemnitor shall be subrogated to all claims the Indemnitee may have relating thereto. The Indemnitee shall give such further assurances and co-operate with the Indemnitor to permit the Indemnitor to pursue such subrogated claims as reasonably requested by it; and
- (f) if the Indemnitor has paid an amount pursuant to the indemnification obligations herein and the Indemnitee shall subsequently be reimbursed from any source in respect of the Third Party Claim from any Third Party, the Indemnitee shall promptly pay the amount of the reimbursement (including interest actually received) to the Indemnitor, net of taxes required to be paid by the Indemnitee as a result of any such receipt.

ARTICLE 7 ADJUSTMENTS

7.1 Costs and Revenues to be Apportioned

- (a) Subject to paragraph 7.1(b) below and except as otherwise provided in this Agreement, all costs and expenses relating to the Assets (including, without limitation, maintenance, development, capital and operating costs) and all revenues relating to the Assets (including, without limitation, proceeds from the sale of production and fees from processing, treating or transporting Petroleum Substances on behalf of Third Parties) shall be apportioned as of the Effective Date between Vendor and Purchaser on an accrual basis in accordance with generally accepted accounting principles, provided that:
 - (i) advances made by Vendor in respect of the costs of operations on Lands or lands pooled or unitized therewith or facilities interests included in the Assets which have not been applied to the payment of costs incurred after the Effective Date and stand to the credit of COGI or Vendor will be transferred to Purchaser and an adjustment will be made in favour of Vendor equal to the amount of the advance transferred;
 - (ii) deposits made by COGI or Vendor relative to operations on the Lands shall be returned to Vendor, other than deposits pertaining to operations arising or costs incurred prior to the Effective Date;

- (iii) costs and expenses of work done, services provided and goods supplied shall be deemed to have been incurred or to accrue for the purposes of this Article when the work is done or the goods or services are provided, regardless of when such costs and expenses become payable;
 - (iv) no adjustments shall be made in respect of COGI's or Vendor's income taxes;
 - (v) revenues from the sale of Petroleum Substances will be deemed to accrue when the Petroleum Substances are produced;
 - (vi) all rentals and similar payments in respect of the Leased Substances or surface rights comprised in the Assets and all taxes (other than income taxes) levied with respect to the Assets or operations in respect thereof shall be apportioned between Vendor and Purchaser on a per diem basis as of the Effective Date; and
 - (vii) any and all unpaid rentals and royalties which accrue to the Assets and are not a corporate debt (including without limitation, unpaid surface lease rentals, mineral lease rentals, Crown royalties and municipal taxes for surface sites) which are identified by Purchaser prior to the preparation of the interim accounting statement shall be credited to Purchaser.
- (b) Vendor and its Representatives shall not be liable to make any adjustment in favour of, or make any payment to, Purchaser pursuant hereto in respect of any liability which relates to the period which arose prior to the Date of Appointment and which will not constitute a liability to or obligation of Purchaser.
- (c) Petroleum Substances which were produced, but not sold, as of the Effective Date shall be retained by Vendor and Vendor shall be responsible for all royalties or other encumbrances thereon and all processing, treating and transportation expenses pertaining thereto. Petroleum Substances will be deemed to be sold on a first in, first out basis.

7.2 Adjustments to Account

- (a) An interim accounting of the adjustments pursuant to section 7.1 shall be made at Closing, based on Vendor's and Purchaser's good faith estimate of the costs and expenses paid by Vendor prior to Closing and the revenues received by Vendor prior to Closing. Vendor and Purchaser shall cooperate in preparing such interim accounting and Vendor shall provide a statement setting forth the adjustments to be made at Closing not later than three (3) Business Days prior to Closing and shall assist Purchaser in verifying the amounts set forth in such statement. A final accounting of the adjustments pursuant to section 7.1 shall be conducted within ninety (90) days following the Closing Date (the "**Final Statement of Adjustments**"), and no further or other adjustments whatsoever will be made thereafter. All adjustments after Closing shall be settled by payment by the Party required to make payment to the other Party hereunder within fifteen (15) Business Days of being notified of the determination of the amount owing.
- (b) All adjustments provided for in this Article shall be adjustments to the amount of the Purchase Price allocated to the Petroleum and Natural Gas Rights. An adjustment payable by a Party after Closing pursuant to this section 7.2 which is not paid within fifteen (15) Business Days of a written request for payment from the other Party, shall bear interest at the Prime Rate plus one percent (1%) per annum payable by the paying Party to the other Party from the end of such fifteen (15) Business Day period until the adjustment is paid.

ARTICLE 8 MAINTENANCE OF ASSETS

8.1 Maintenance of Assets

From the date hereof until the Closing Date, Vendor shall, to the extent that the nature of its interest permits, and subject to the Title Documents and any other agreements and documents to which the Assets are subject, pay or cause to be paid all costs and expenses relating to the Assets which become due from the Date of Appointment to the Closing Date.

8.2 Consent of Purchaser

Notwithstanding section 8.1, Vendor shall not from the date hereof to the Closing Date, without the written consent of Purchaser, which consent shall not be unreasonably withheld by Purchaser and which, if provided, shall be provided in a timely manner:

- (a) make any commitment or propose, initiate or authorize any capital expenditure with respect to the Assets, other than in respect of normal course operating and maintenance expenses and except in case of an emergency or in respect of amounts which Vendor may be committed to expend or be deemed to authorize for expenditure without its consent; provided, however, that should Purchaser withhold its consent or fail to provide its consent in a timely manner and a reduction in the value of the Assets results, there shall be no abatement or reduction in the Purchase Price;
- (b) surrender or abandon any of the Assets, unless an expenditure of money is required to avoid the surrender or abandonment and Purchaser does not provide same in a timely fashion, in which event the Assets in question shall be surrendered or abandoned without abatement or reduction in the Purchase Price;
- (c) amend or terminate any Title Document or enter into any new agreement or commitment relating to the Assets, other than agreements for the sale of Petroleum Substances produced from the Assets which may be terminated upon thirty (30) days' notice or less; or
- (d) sell, encumber or otherwise dispose of any of the Assets or any part or portion thereof excepting sales of the Leased Substances in the normal course of business.

8.3 Proposed Actions

If an operation or the exercise of any right or option respecting the Assets is proposed in circumstances in which such operation or the exercise of such right or option would result in Purchaser incurring an obligation pursuant to section 8.2, the following shall apply to such operation or the exercise of such right or option (hereinafter referred to as the "**Proposal**"):

- (a) Vendor shall promptly give Purchaser notice of the Proposal, describing the particulars in reasonable detail;
- (b) Purchaser shall, not later than twenty four (24) hours prior to the time Vendor is required to make its election with respect to the Proposal, advise Vendor, by notice, whether Purchaser wishes Vendor to exercise Vendor's rights with respect to the Proposal on Purchaser's behalf, provided that Purchaser's failure to make such election within such period shall be deemed to be Purchaser's election to participate in the Proposal;
- (c) Vendor shall make the election authorized (or deemed to be authorized) by Purchaser with respect to the Proposal within the period during which Vendor may respond to the Proposal; and

- (d) Purchaser's election (including, its deemed election) to not participate in any Proposal required to preserve the existence of any of the Assets shall not entitle Purchaser to any reduction of the Purchase Price if Vendor's interest therein is terminated as a result of such election, and such termination shall not constitute a failure of Vendor's representations and warranties pertaining to such Assets, notwithstanding section 5.3.

8.4 Post-Closing Transition

Following Closing and to the extent to which Purchaser must be novated into operating agreements and other agreements or documents to which the Assets are subject, until the novation has been effected:

- (a) Vendor shall not initiate any operation with respect to the Assets, except upon receiving Purchaser's written instructions, or if Vendor reasonably determines that such operation is required for the protection of life or property, in which case Vendor may take such actions as it reasonably determines are required, without Purchaser's written instructions, and shall promptly notify Purchaser of such intention or actions and of Vendor's estimate of the costs and expenses therewith associated;
- (b) Vendor shall forthwith deliver to Purchaser all revenues, proceeds and other benefits received by Vendor with respect to the Assets, provided that Vendor shall not be permitted to deduct from such revenues, proceeds and other benefits, any other costs and expenses which it incurs as a result of such delivery to Purchaser;
- (c) Vendor shall, in a timely manner, deliver to Purchaser all Third Party notices and communications, including authorizations for expenditures and mail ballots and all notices and communications received in respect of the Assets or events and occurrences affecting the Assets, and Vendor shall respond to such notices pursuant to Purchaser's written instructions, if received on a timely basis, provided that Vendor may refuse to follow any instructions which it reasonably believes to be unlawful, unethical or in conflict with any applicable agreement or contract, and provided that nothing shall preclude Vendor from taking such actions as Vendor reasonably determines are necessary for the protection of life or property, or as are required by all Applicable Laws, rules, regulations, orders and directions of Governmental Authorities and other competent authorities; and
- (d) Vendor shall, in a timely manner, deliver to Third Parties all such notices and communications which Purchaser may reasonably request and all such monies and other items as Purchaser may reasonably provide in respect of the Assets, provided that Vendor may (but shall not be obligated to) refuse to follow instructions which it reasonably believes to be unlawful, unethical or in conflict with any applicable agreement or contract.

8.5 Vendor Deemed Purchaser's Agent

- (a) Insofar as Vendor maintains the Assets and takes actions in relation thereto on Purchaser's behalf pursuant to this Article 8, provided Closing occurs Vendor shall be deemed to have been Purchaser's agent hereunder. Provided Closing occurs, Purchaser ratifies all actions taken by Vendor or refrained from being taken by Vendor pursuant to this Article 8 in such capacity during such period, with the intention that all such actions shall be deemed to be Purchaser's actions.
- (b) Insofar as Vendor participates in either operations or the exercise of rights or options as Purchaser's agent pursuant to this Article 8, Vendor may require Purchaser to secure costs to be incurred by Vendor on Purchaser's behalf pursuant to such election in such manner as may be reasonably appropriate in the circumstances.

- (c) Provided Closing occurs, Purchaser shall indemnify Vendor and its Representatives against all Losses which Vendor or its Representatives may suffer or incur as a result of Vendor maintaining the Assets as Purchaser's agent pursuant to this Article 8, insofar as such Losses are not a direct result of the gross negligence or wilful misconduct of Vendor or its Representatives. An action or omission of Vendor or of its Representatives shall not be regarded as gross negligence or wilful misconduct to the extent to which it was done or omitted from being done in accordance with Purchaser's instructions (including any election deemed pursuant to section 8.3(b)) or concurrence.

8.6 Transfer of Operatorship

Insofar as Vendor operates any of the Assets, Purchaser acknowledges that Vendor may not be able to transfer operatorship of some or all of such Assets to Purchaser at or after Closing. Vendor covenants with Purchaser that Vendor shall reasonably cooperate with Purchaser to obtain appropriate consents and approvals for the assignment and transfer to Purchaser of operatorship of those of the Assets of which Vendor is currently the operator.

ARTICLE 9 RIGHTS OF FIRST REFUSAL

9.1 Rights of First Refusal

Vendor and Purchaser hereby acknowledge and agree that there are no Rights of First Refusals applicable to the Transaction.

ARTICLE 10 PURCHASER'S REVIEW AND ACCESS TO BOOKS AND RECORDS

10.1 Vendor to Provide Access

Prior to Closing, Vendor shall, subject to all contractual and fiduciary obligations, at the Calgary offices of Vendor during normal business hours, provide reasonable access for Purchaser and its Representatives to Vendor's records, books, accounts, documents, files, reports, information, materials, filings, and data, to the extent they relate directly to the Assets, as well as physical access to the Assets (insofar as Vendor can reasonably provide such access) for the purpose of Purchaser's review of the Assets and title thereto.

10.2 Access to Information

After Closing and subject to contractual restrictions in favour of Third Parties relative to disclosure, Purchaser shall, on request from Vendor, provide reasonable access to Vendor at Purchaser's offices, during its normal business hours, to the agreements and documents to which the Assets are subject and the contracts, agreements, records, books, documents, licenses, reports and data included in the Miscellaneous Interests and the Title Documents which are then in the possession or control of Purchaser and to make copies thereof, as Vendor may reasonably require for purposes relating to:

- (a) COGI's or Vendor's ownership of the Assets (including taxation matters and liabilities and claims that arise from or relate to acts, omissions, events, circumstances or operations on or before the Closing Date);
- (b) enforcing its rights under this Agreement;
- (c) compliance with Applicable Law; or
- (d) any claim commenced or threatened by any Third Party against COGI or Vendor.

10.3 Maintenance of Information

All of the information, materials and other records delivered to Purchaser pursuant to the terms hereof shall be maintained in good order and good condition and kept in a reasonably accessible location by Purchaser for a period of two (2) years from the Closing Date.

ARTICLE 11 GENERAL

11.1 Further Assurances

Each Party will, from time to time and at all times after Closing, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required to fully perform and carry out the terms of this Agreement.

11.2 No Merger

The covenants, representations, warranties and indemnities contained in this Agreement shall be deemed to be restated in any and all assignments, conveyances, transfers and other documents conveying the interests of Vendor in and to the Assets to Purchaser, subject to any and all time and other limitations contained in this Agreement. There shall not be any merger of any covenant, representation, warranty or indemnity in such assignments, conveyances, transfers and other documents notwithstanding any rule of law, equity or statute to the contrary and such rules are hereby waived.

11.3 Receiver

Purchaser acknowledges that Receiver is acting solely in its capacity as the Court-appointed receiver and manager of COGI, and not in its personal or corporate capacity. Under no circumstances shall Receiver or any of its Representatives have any liability pursuant to this Agreement, or in relation to the Transaction, in its or their personal or corporate capacity, whether such liability be in contract, tort or otherwise.

11.4 Entire Agreement

The provisions contained in any and all documents and agreements collateral hereto shall at all times be read subject to the provisions of this Agreement and, in the event of conflict, the provisions of this Agreement shall prevail. This Agreement supersedes all other agreements, documents, writings and verbal understandings between the Parties relating to the subject matter hereof and expresses the entire agreement of the Parties with respect to the subject matter hereof.

11.5 Governing Law

This Agreement shall, in all respects, be subject to, interpreted, construed and enforced in accordance with and under the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta. The Parties irrevocably attorn and submit to the jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Agreement.

11.6 Signs and Notifications

Within sixty (60) days following Closing, Purchaser shall remove or modify any signage which indicates COGI's ownership or operation of the Assets. It shall be the responsibility of Purchaser to modify, erect or install any signage required by applicable Governmental Authorities indicating Purchaser to be the owner or operator of the Assets.

11.7 Assignment and Enurement

This Agreement may not be assigned by a Party without the prior written consent of the other Party, which consent may be unreasonably and arbitrarily withheld. This Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective administrators, trustees, receivers, successors and permitted assigns.

11.8 Time of Essence

Time shall be of the essence in this Agreement.

11.9 Notices

The addresses and fax numbers of the Parties for delivery of notices hereunder shall be as follows:

| | |
|-------------|--|
| Vendor - | MNP Ltd. 1500, 640 – 5 th Avenue SW Calgary, AB T2P 3G4 |
| | Attention: Mr. Victor P. Kroeger Email: vic.kroeger@mnp.ca Fax: 403-537-8437 |
| Purchaser - | Whitecap Resources Inc. 3800, 525 8 th Avenue SW Calgary, AB T2P 1G1 |
| | Attention: Vice President, Land Fax: 403-266-6975 |

All notices, communications and statements required, permitted or contemplated hereunder shall be in writing, and shall be delivered as follows:

- (a) by delivery to a Party between 8:00 a.m. and 4:00 p.m. on a Business Day at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party when it is delivered;
- (b) by facsimile to a Party to the facsimile number of such Party for notices, in which case, if the notice was faxed prior to 4:00 p.m. on a Business Day, the notice shall be deemed to have been received by that Party when it was faxed and if it is faxed on a day which is not a Business Day or is faxed after 4:00 p.m. on a Business Day, it shall be deemed to have been received on the next following Business Day;
- (c) by email to a Party to the email address of such Party for notices, in which case the notice shall be deemed to have been received by that Party on the day in which such email was sent; or
- (d) except in the event of an actual or threatened postal strike or other labour disruption that may affect mail service, by first class registered postage prepaid mail to a Party at the address of such Party for notices, in which case, the notice shall be deemed to have been received by that Party on the fourth (4th) Business Day following the date of mailing.

A Party may from time to time change its address for service, facsimile number for service or designated representative by giving written notice of such change to the other Party.

11.10 Invalidity of Provisions

In case any of the provisions of this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

11.11 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

11.12 Amendment

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

11.13 Confidentiality and Public Announcements

Until Closing has occurred, each Party shall keep confidential all information obtained from the other Party in connection with the Assets and shall not release any information concerning this Agreement and the Transaction without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Nothing contained herein shall prevent a Party at any time from furnishing information (i) to any Governmental Authority or regulatory authority or to the public if required by Applicable Law; or (ii) in connection with obtaining the Court Order; or (iii) as required to COGI's secured creditors.

11.14 Counterpart Execution

This Agreement may be executed and delivered in counterpart and transmitted by facsimile or other electronic means and all such executed counterparts, including electronically transmitted copies of such counterparts, shall together constitute one and the same agreement.

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

MNP LTD. solely in its capacity as receiver and manager of COGI LIMITED PARTNERSHIP, CANADIAN OIL AND GAS INTERNATIONAL INC., CONSERVE OIL GROUP INC. and CONSERVE OIL 1st CORPORATION and not in its personal or corporate capacity

WHITECAP RESOURCES INC.

Per: 
Name: Victor P. Kroeger
Title: Senior Vice President

Per: _____
Name: Gary Lebsack
Title: Vice President, Land

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WHITECAP RESOURCES INC.

Per: _____
Name: Victor P. Kroeger
Title: Senior Vice President

Per: 
Name: Gary Lebsack
Title: Vice President, Land

THE FOLLOWING COMPRISES SCHEDULE "A" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 26th DAY OF SEPTEMBER, 2018 BETWEEN MNP LTD., solely in its capacity as receiver and manager of COGI LIMITED PARTNERSHIP, CANADIAN OIL AND GAS INTERNATIONAL INC., CONSERVE OIL GROUP INC. and CONSERVE OIL 1st CORPORATION, and not in its personal or corporate capacity, and WHITECAP RESOURCES INC.

Lands, Petroleum and Natural Gas Rights and Wells

Country: CANADA
 Prov/State: BRITISH COLUMBIA
 Prospect: BOUNDARY BC

WHITECAP RESOURCES INC.
 MINERAL LEASE REPORT
 As At: 2018-SEP-21

Date: 2018-SEP-21 02:03 PM
 Rept: L143.01.82
 Page: 1

| File | Lessor Name/No Lease/Int Type Royalty/Encumbrances | Lease Date Expiry Date | Prod | Devel Hect Gross/Net | Undeveloped Hect Gross/Net Payor | Working Interest | Legal Description Contracts Wells | ROFR WI Roy |
|------|--|---------------------------|------|-------------------------|--|------------------|---|------------------|
|------|--|---------------------------|------|-------------------------|--|------------------|---|------------------|

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|--------|-----------------|---|---|----------------|--|---|--|---|---|
| M1941B | 13126 PNG WI | 1982-AUG-04 3000-JAN-01 Ext: 58(3)(A) | N | 0.000 0.000 | 66.000 62.758 WCPPART COGI PAVILION 0.8593750 | WI 95.0880250 O 4.0526000 100.0000000 | TWP 84 RGE 14 W6M SE 4 Petroleum in BOUNDARY LAKE (Undivided Interest : 100.0000000) | C1143 *C1272 C1325 C1557 C1585 C1634 C1635 C1766 C1770 C1772 C1985 C1986 C2020 C2021 *C2022 C2343 C2352 | 2014-MAR-14 PURSAL 1956-DEC-31 OPAGMT N 2014-JUL-22 MISC 2015-MAY-01 PURSAL 2015-MAY-01 MISC 2015-JUL-28 PURSAL 2015-AUG-19 MISC 2016-JAN-19 PURSAL 2016-JAN-21 MISC 1954-APR-20 ROY 2015-OCT-01 TRUST 2016-SEP-02 PURSAL 2016-SEP-13 MISC 2017-JAN-10 CONVEYANCE 2017-JAN-10 MISC 1961-SEP-01 ROY 2018-APR-11 PURSAL 2018-MAY-14 MISC |
|--------|-----------------|---|---|----------------|--|---|--|---|---|

Lessor: Convertible No: Ownership 100%
 ALL MINERAL Crown Sliding Scale Based on 100% Production
 Deductions: STANDARD CSS
 GOR - Paid to SARACEN EXPLORATION LTD. Borne by CANLIN
 RES(93.984375) WCPART(6.015625) Non-conv
 -ALL: 1.5625% Based on 3.125% of Production Deductions:
 SARACEN TO BEAR ALL GROSS PRODUCTION,
 PIPELINES AND SEVERANCE TAXES AND ANY OTHER
 TAXES THAT MAY BE LEVIED OR ASSESSED AGAINST,
 OR THAT MAY BECOME PAYALBE WITH RESPECT TO,
 THE OVERRIDING ROYALTY INTEREST GRANTED
 HEREUNDER.

| | | | | | | | | | |
|--------|-----------------|---|---|----------------|--|--|--|--|--|
| M1941C | 13126 PNG WI | 1982-AUG-04 3000-JAN-01 Ext: 58(3)(A) | N | 0.000 0.000 | 0.000 0.000 WCPPART CANLIN RES COGI 4.0526000 | WI 53.4474000 O 42.5000000 100.0000000 | TWP 84 RGE 14 W6M SE 4 Petroleum to Top CHARLIE LAKE FM (Undivided Interest : 100.0000000) | C1143 *C1272 C1325 C1634 C1635 C1985 C1986 C2343 C2352 | 2014-MAR-14 PURSAL 1956-DEC-31 OPAGMT N 2014-JUL-22 MISC 2015-JUL-28 PURSAL 2015-AUG-19 MISC 2016-SEP-02 PURSAL 2016-SEP-13 MISC 2018-APR-11 PURSAL 2018-MAY-14 MISC |
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Lessor: Convertible No: Ownership 100%
 ALL MINERAL Crown Sliding Scale Based on 100% Production
 Deductions: STANDARD CSS
 Eff. date: 2018-MAR-01

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|--------|-----------------|---|---|----------------|-----------------------------------|---------------------------------|--|--|--|
| M1941F | 13126 PNG WI | 1982-AUG-04 3000-JAN-01 Ext: 58(3)(A) | N | 0.000 0.000 | 0.000 0.000 WCPPART COGI | WI 95.9474000 100.0000000 | TWP 84 RGE 14 W6M SE 4 Petroleum From Top CHARLIE LAKE FM To Top BOUNDARY LAKE (Undivided Interest : 100.0000000) | C1143 *C1272 C1325 C1634 C1635 C1766 C1767 | 2014-MAR-14 PURSAL 1956-DEC-31 OPAGMT N 2014-JUL-22 MISC 2015-JUL-28 PURSAL 2015-AUG-19 MISC 2016-JAN-19 PURSAL 2016-JAN-21 MISC |
|--------|-----------------|---|---|----------------|-----------------------------------|---------------------------------|--|--|--|

Lessor: Convertible No: Ownership 100%
 ALL MINERAL Crown Sliding Scale Based on 100% Production
 Deductions: STANDARD CSS
 Eff. date: 2018-MAR-01

Country: CANADA
 Prov/State: BRITISH COLUMBIA
 Prospect: BOUNDARY BC

WHITECAP RESOURCES INC.
 MINERAL LEASE REPORT
 As At: 2018-SEP-21

Date: 2018-SEP-21 02:03 PM
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 Page: 2

| File | Lessor Name/No Lease/Int Type Royalty/Encumbrances | Lease Date Expiry Date | Prod | Devel Hect Gross/Net | Undeveloped Hect Gross/Net | Payor | Legal Description Contracts Wells | ROFR WI Roy |
|------|--|---------------------------|------|-------------------------|-------------------------------|-------|---|------------------|
|------|--|---------------------------|------|-------------------------|-------------------------------|-------|---|------------------|

M1941F
 - Continued
 GOR - Paid to SARACEN EXPLORATION LTD.(79.264)
 WESTMONT ROYALTY TRUST(20.736) Borne by
 WCPART Non-conv
 -ALL: 1.5625% Based on 6.25% of Production

M1935A
 10666 1979-AUG-04 P 0.000 0.000
 PNG WI 3000-JAN-01
 Ext: 58(3)(A)

Lessor: Convertible No: Ownership 100%
 ALL MINERAL Crown Sliding Scale Based on 100% Production
 Deductions: STANDARD CSS
 GOR - Paid to CALLERA ENERGY LTD. Borne by WCPART
 Non-conv
 -ALL: 0.75% Based on 16.1367% of Production

Eff. date: 2018-MAR-01
 WI 100.0000000
 WCPART 60.9357000 O
 CANLIN RES 32.1429000
 COGI 5.5000000
 ENERCAPITA 1.4214000
 C1143 2014-MAR-14 PURSAL
 C1272 1956-DEC-31 OPAGMT N |
 C1325 2014-JUL-22 MISC
 C1557 2015-MAY-01 PURSAL
 *C1579 1984-DEC-01 ROY
 C1585 2015-MAY-01 MISC
 C1634 2015-JUL-28 PURSAL
 C1635 2015-AUG-19 MISC
 C1985 2016-SEP-02 PURSAL
 C1986 2016-SEP-13 MISC
 C2343 2018-APR-11 PURSAL
 *C2348 1984-DEC-01 ROY
 C2352 2018-MAY-14 MISC

M1935G
 10666 1979-AUG-04 P 66.000 0.000
 PNG WI 3000-JAN-01
 Ext: 58(3)(A)

Lessor: Convertible No: Ownership 100%
 ALL MINERAL Crown Sliding Scale Based on 100% Production
 Deductions: STANDARD CSS
 GOR - Paid to CALLERA ENERGY LTD. Borne by WCPART
 Non-conv
 -ALL: 0.75% Based on 16.1367% of Production

Eff. date: 2018-MAR-01
 WI 100.0000000
 WCPART 93.0786000
 COGI 5.5000000
 ENERCAPITA 1.4214000
 C1143 2014-MAR-14 PURSAL
 C1272 1956-DEC-31 OPAGMT N |
 C1325 2014-JUL-22 MISC
 C1557 2015-MAY-01 PURSAL
 *C1579 1984-DEC-01 ROY
 C1585 2015-MAY-01 MISC
 C1634 2015-JUL-28 PURSAL
 C1635 2015-AUG-19 MISC
 C1766 2016-JAN-19 PURSAL
 C1767 2016-JAN-21 MISC
 C1772 2015-OCT-01 TRUST
 C1985 2016-SEP-02 PURSAL
 C1986 2016-SEP-13 MISC
 C2343 2018-APR-11 PURSAL
 *C2348 1984-DEC-01 ROY
 C2352 2018-MAY-14 MISC

| File | Lessors Name/No Lease/Int Type Royalty/Encumbrances | Lease Date Expiry Date | Prod | Devel Hect Gross/Net | Undeveloped Hect Gross/Net | Payor | Legal Description Contracts Wells | ROFR WI Roy |
|------|---|---------------------------|------|-------------------------|-------------------------------|-------|---|------------------|
|------|---|---------------------------|------|-------------------------|-------------------------------|-------|---|------------------|

M1935G - Continued
 WHITECAP ET AL BOUNDARY 16-5-84-14
 100/16-05-084-14W6/00 PROD OIL BNDYLK

M1940B
 13125 1982-AUG-04 P 66,000 0,000 WI
 PNG WI 3000-JAN-01 62,067 0,000
 Ext: 58(3)(A)
 WCPART 94,040,6250 O
 COGI 4,052,6000
 ENERCAPITA 1,047,4000
 PAVILION 0,859,3750
 Lessor: Convertible No: Ownership 100%
 ALL MINERAL Crown Sliding Scale Based on 100% Production
 Deductions: STANDARD CSS
 GOR - Paid to SARACEN EXPLORATION LTD. Borne by CANLIN
 RES(93,984375) WCPART(6,015625) Non-conv
 -ALL: 1.6625% Based on 3.125% of Production Deductions:
 SARACEN TO BEAR ALL GROSS PRODUCTION,
 PIPELINES AND SEVERANCE TAXES AND ANY OTHER
 TAXES THAT MAY BE LEVIED OR ASSESSED AGAINST,
 OR THAT MAY BECOME PAYABLE WITH RESPECT TO,
 THE OVERRIDING ROYALTY INTEREST GRANTED
 HEREUNDER.
 GOR - Paid to CALLERA ENERGY LTD. Borne by WCPART
 Non-conv
 -ALL: 0.75% Based on 11.8902% of Production

Eff. date: 2018-MAR-01
 100,000,0000
 C1143 2014-MAR-14 PURSAL
 *C1272 1956-DEC-31 OPAGMT N |
 C1325 2014-JUL-22 MISC
 C1557 2015-MAY-01 PURSAL
 *C1579 *T* 1984-DEC-01 ROY
 C1585 2015-MAY-01 MISC
 C1634 2015-AUG-19 PURSAL
 C1634 2015-AUG-19 MISC
 C1766 2016-JAN-19 PURSAL
 C1767 2016-JAN-21 MISC
 C1772 2015-OCT-01 TRUST
 C1985 2016-SEP-02 PURSAL
 C1986 2016-SEP-13 MISC
 C2021 2017-JAN-10 CONVEYANCE
 C2021 2017-JAN-10 MISC
 *C2022 1961-SEP-01 ROY
 C2343 2018-APR-11 PURSAL
 *C2348 1984-DEC-01 ROY
 C2352 2018-MAY-14 MISC

WHITECAP ET AL BOUNDARY 6-9-84-14
 100/06-09-084-14W6/00 PROD OIL BNDYLK

M1940E
 13125 1982-AUG-04 N 0,000 0,000 WI
 PNG WI 3000-JAN-01 0,000
 Ext: 58(3)(A)
 WCPART 52,400,0000 O
 CANLIN RES 42,500,0000
 COGI 4,052,6000
 ENERCAPITA 1,047,4000
 Lessor: Convertible No: Ownership 100%
 ALL MINERAL Crown Sliding Scale Based on 100% Production
 Deductions: STANDARD CSS
 GOR - Paid to CALLERA ENERGY LTD. Borne by WCPART
 Non-conv
 -ALL: 0.75% Based on 11.8902% of Production

Eff. date: 2018-MAR-01
 100,000,0000
 C1143 2014-MAR-14 PURSAL
 *C1272 1956-DEC-31 OPAGMT N |
 C1325 2014-JUL-22 MISC
 C1634 2015-JUL-28 PURSAL
 C1635 2015-AUG-19 MISC
 C1986 2016-SEP-02 PURSAL
 C1986 2016-SEP-13 MISC
 C2343 2018-APR-11 PURSAL
 *C2348 1984-DEC-01 ROY
 C2352 2018-MAY-14 MISC

| File | Lessor Name/No Lease/Int Type Royalty/Encumbrances | Lease Date Expiry Date | Prod | Devel Hect Gross/Net | Undeveloped Hect Gross/Net | Payor | Working Interest | Legal Description Contracts Wells | ROFR WI Roy |
|------|--|---------------------------|------|-------------------------|-------------------------------|-------|------------------|---|------------------|
|------|--|---------------------------|------|-------------------------|-------------------------------|-------|------------------|---|------------------|

| | | | | | | | | | |
|--------|-----------------|---|---|----------------|-------|------------------------------|--|--|--|
| M1940N | 13125 PNG WI | 1982-AUG-04 3000-JAN-01 Ext: 58(3)(A) | N | 0.000 0.000 | 0.000 | WCPART COGI ENERCAPITA | WI ----- 94.9000000 4.0526000 1.0474000 ----- 100.0000000 2018-MAR-01 | TWP 84 RGE 14 W6M SW 9 Petroleum From Top CHARLIE LAKE FM To Top BOUNDARY LAKE (Undivided Interest : 100.0000000) | |
|--------|-----------------|---|---|----------------|-------|------------------------------|--|--|--|

Lessor: Convertible No: Ownership 100%
 ALL MINERAL Crown Sliding Scale Based on 100% Production

Deductions: STANDARD CSS
 GOR - Paid to SARACEN EXPLORATION LTD.(79,264)
 WESTMONT ROYALTY TRUST(20,736) Borne by
 WCPART Non-conv

-ALL: 1.5625% Based on 6.25% of Production
 GOR - Paid to CALLERA ENERGY LTD. Borne by WCPART
 Non-conv
 -ALL: 0.75% Based on 11.8902% of Production

| | | | | | | | | | |
|--------|--|--|--|--|--|--|--|--------------------|---|
| C1143 | | | | | | | | 2014-MAR-14 PURSAL | N |
| *C1272 | | | | | | | | 1956-DEC-31 OPAGMT | |
| C1325 | | | | | | | | 2014-JUL-22 MISC | |
| C1634 | | | | | | | | 2015-JUL-28 PURSAL | |
| C1635 | | | | | | | | 2015-AUG-19 MISC | |
| C1766 | | | | | | | | 2016-JAN-19 PURSAL | |
| C1767 | | | | | | | | 2016-JAN-21 MISC | |
| *C1770 | | | | | | | | 1954-APR-20 ROY | |
| C1772 | | | | | | | | 2015-OCT-01 TRUST | |
| C1985 | | | | | | | | 2016-SEP-02 PURSAL | |
| C1986 | | | | | | | | 2016-SEP-13 MISC | |
| C2343 | | | | | | | | 2018-APR-11 PURSAL | |
| *C2348 | | | | | | | | 1984-DEC-01 ROY | |
| C2352 | | | | | | | | 2018-MAY-14 MISC | |

| | Devel Hect | Undeveloped Hect |
|---------------------|------------------------------|----------------------------|
| Prospect totals - | Gross 132,000 Net 123,499 | Gross 66,000 Net 62,758 |
| Prov/State totals - | Gross 132,000 Net 123,499 | Gross 66,000 Net 62,758 |
| Country totals - | Gross 132,000 Net 123,499 | Gross 66,000 Net 62,758 |
| Company totals - | Gross 132,000 Net 123,499 | Gross 66,000 Net 62,758 |

Country: CANADA
 Prov/State: BRITISH COLUMBIA
 Prospect: BOUNDARY BC

WHITECAP RESOURCES INC.
 MINERAL LEASE REPORT
 As At: 2018-SEP-21

Date: 2018-SEP-21 02:03 PM
 Rept: L143.01.82
 Page: 5

| File | Lessor Name/No | Lease Date | Prod | Devel Hect | Undevelop Hect | Working Interest | Legal Description |
|------|----------------------|-------------|------|------------|----------------|------------------|-------------------|
| | Lease/Int Type | Expiry Date | | Gross/Net | Gross/Net | Payor | Contracts |
| | Royalty/Encumbrances | | | | | | Wells |
| | | | | | | | ROFR |
| | | | | | | | WI Roy |

***** REPORT SELECTION SUMMARY *****

Job Number: 121710 Submitted by: HDARRAH At: 2018-SEP-21 14.03

Profile: COGI Profile Owner: HDARRAH

A New Profile

Selection Value

Active Mineral: Yes

Inc and Complete Documents: Yes

Lease Specific: OVERRIDE

Select Specific Terminated: N

Split: Include M1940B

Split: Include M1940E

Split: Include M1940N

Split: Include M1935G

Split: Include M1941F

Split: Include M1941C

Split: Include M1941B

Split: Include M1935A

***** END SELECTION SUMMARY *****

THE FOLLOWING COMPRISES SCHEDULE "B" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 26th DAY OF SEPTEMBER, 2018 BETWEEN MNP LTD., solely in its capacity as receiver and manager of COGI LIMITED PARTNERSHIP, CANADIAN OIL AND GAS INTERNATIONAL INC., CONSERVE OIL GROUP INC. and CONSERVE OIL 1st CORPORATION, and not in its personal or corporate capacity, and WHITECAP RESOURCES INC.

GENERAL CONVEYANCE

THIS GENERAL CONVEYANCE made this ♦ day of October, 2018.

BETWEEN:

MNP LTD., in its capacity as receiver and manager of **COGI LIMITED PARTNERSHIP, CANADIAN OIL AND GAS INTERNATIONAL INC., CONSERVE OIL GROUP INC. and CONSERVE OIL 1st CORPORATION** and not in its personal or corporate capacity (hereinafter referred to as "**Vendor**")

- and -

WHITECAP RESOURCES INC., a corporation incorporated under the laws of Alberta (hereinafter referred to as "**Purchaser**")

WHEREAS pursuant to an order of the Honourable Justice A.D. Macleod of the Alberta Court of Queen's Bench dated October 26, 2015, MNP Ltd. was appointed receiver and manager of Conserve Oil Group Inc., Canadian Oil & Gas International Inc. and COGI Limited Partnership;

AND WHEREAS Vendor wishes to sell, and Purchaser wishes to purchase, the Assets subject to and in accordance with the terms and conditions contained herein;

NOW THEREFORE for the consideration provided in the Purchase Agreement and in consideration of the premises hereto and the covenants and agreements hereinafter set forth and contained, the Parties covenant and agree as follows:

1. Definitions

In this General Conveyance, including the recitals hereto, the definitions set forth in the Purchase Agreement are adopted herein by reference and, in addition:

"Purchase Agreement" means that Purchase and Sale Agreement between Vendor and Purchaser dated September 26, 2018.

2. Conveyance

Pursuant to and for the consideration provided for in the Purchase Agreement, subject to and in accordance with the Purchase Agreement and the Court Order, Vendor hereby sells, assigns, transfers, conveys and sets over to Purchaser the entire right, title, estate and interest of Vendor in and to the Assets, to have and to hold the same absolutely, together with all benefit and advantage to be derived therefrom, effective as of 8:00 a.m., September 1, 2018.

3. Subordinate Document

This General Conveyance is executed and delivered by the Parties pursuant to the Purchase Agreement and the provisions of the Purchase Agreement shall prevail in the event of a conflict between the provisions of the Purchase Agreement and the provisions of this General Conveyance.

4. No Merger

The covenants, representations, warranties and indemnities contained in the Purchase Agreement are incorporated herein as fully and effectively as if they were set out herein and there shall be no merger of any covenant, representation, warranty or indemnity contained in the Purchase Agreement by virtue of the execution and delivery hereof, any rule of law, equity or statute to the contrary notwithstanding.

5. Governing Law

This General Conveyance shall be subject to and interpreted, construed and enforced in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein and shall, in every regard, be treated as a contract made in the Province of Alberta. The Parties irrevocably attorn and submit to the jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Agreement.

6. Enurement

This General Conveyance shall be binding upon and shall enure to the benefit of each of the Parties and their respective administrators, trustees, receivers, successors and assigns.

7. Further Assurances

Each Party will, from time to time and at all times hereafter, at the request of the other Party but without further consideration, do all such further acts and execute and deliver all such further documents as shall be reasonably required in order to fully perform and carry out the terms hereof.

8. Counterpart Execution

This Agreement may be executed in counterpart and by facsimile or other electronic means and all such executed counterparts together shall constitute one and the same agreement.

IN WITNESS WHEREOF the Parties have executed this General Conveyance on the date first above written.

MNP LTD. solely in its capacity as receiver and manager of COGI LIMITED PARTNERSHIP, CANADIAN OIL AND GAS INTERNATIONAL INC., CONSERVE OIL GROUP INC. and CONSERVE OIL 1st CORPORATION, and not in its personal or corporate capacity

WHITECAP RESOURCES INC.

Per: _____
Name: [◆]
Title: [◆]

Per: _____
Name: [◆]
Title:[◆]

THE FOLLOWING COMPRISES SCHEDULE "C" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 26th DAY OF SEPTEMBER, 2018 BETWEEN MNP LTD., solely in its capacity as receiver and manager of COGI LIMITED PARTNERSHIP, CANADIAN OIL AND GAS INTERNATIONAL INC., CONSERVE OIL GROUP INC. and CONSERVE OIL 1st CORPORATION, and not in its personal or corporate capacity, and WHITECAP RESOURCES INC.

PURCHASER'S OFFICER'S CERTIFICATE

TO: MNP Ltd., solely in its capacity as receiver and manager of COGI Limited Partnership, Canadian Oil and Gas International Inc., Conserve Oil Group Inc. and Conserve Oil 1st Corporation

AND TO: COGI Limited Partnership

RE: Purchase and Sale Agreement dated September 26, 2018 between MNP Ltd., solely in its capacity as receiver and manager of COGI Limited Partnership, Canadian Oil and Gas International Inc., Conserve Oil Group Inc. and Conserve Oil 1st Corporation, and not in its personal capacity and Whitecap Resources Inc. (the "Agreement")

Unless otherwise defined herein, the definitions provided for in the Agreement are adopted in this certificate (the "**Certificate**").

I, [◆], [**Officer Position**] of Whitecap Resources Inc. ("**Purchaser**") hereby certify that as of the date of this Certificate:

1. The undersigned is personally familiar, in his capacity as an officer of Purchaser, with the matters hereinafter mentioned.
2. Each of the covenants, representations and warranties of the Purchaser contained in Article 4 of the Agreement were true and correct in all material respects when made and are true and correct in all material respects as of the Closing Date.
3. All obligations of Purchaser contained in the Agreement to be performed prior to or at Closing have been timely performed in all material respects.
4. This Certificate is made for and on behalf of the Purchaser and is binding upon it, and I am not incurring, and will not incur, any personal liability whatsoever with respect to it.
5. This Certificate is made with full knowledge that the Purchaser is relying on the same for the Closing of the transactions contemplated by the Agreement.

IN WITNESS WHEREOF I have executed this Certificate this ____ day of October, 2018

WHITECAP RESOURCES INC.

Per: _____

[◆]
[◆]

THE FOLLOWING COMPRISES SCHEDULE "D" ATTACHED TO AND FORMING PART OF A PURCHASE AND SALE AGREEMENT DATED THE 26th DAY OF SEPTEMBER, 2018 BETWEEN MNP LTD., solely in its capacity as receiver and manager of COGI LIMITED PARTNERSHIP, CANADIAN OIL AND GAS INTERNATIONAL INC., CONSERVE OIL GROUP INC. and CONSERVE OIL 1st CORPORATION, and not in its personal or corporate capacity, and WHITECAP RESOURCES INC.

COURT ORDER

See attached draft Approval and Vesting Order containing 9 pages.

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.,
CONSERVE OIL GROUP INC. AND
CONSERVE OIL 1ST CORPORATION**
DOCUMENT **APPROVAL AND VESTING ORDER
(Sale by Receiver)**

Clerk's Stamp

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF PARTY
FILING THIS DOCUMENT

G. 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
Email: brian.davison@dlapiper.com
File No.: 16155-00002

UPON THE APPLICATION by MNP Ltd., in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of the assets, undertakings and properties of COGI Limited Partnership, Canadian Oil & Gas International Inc., Conserve Oil Group Inc. and Conserve Oil 1st Corporation (collectively, the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an asset purchase and sale agreement dated September 26, 2018 between the Receiver and Whitecap Resources Inc. ("**Whitecap**" or the "**Purchaser**", and the purchase and sale agreement, as amended, the "**Sale Agreement**"), which Sale Agreement is appended as **Exhibit "♦"** to Confidential Supplement to the ♦ Report of the Receiver dated ♦, 2018 (the "**Confidential Supplement**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the Purchased Assets listed in **Schedule "B"** hereto (the "Purchased Assets");

AND UPON HAVING READ the Receivership Order dated **[Date]** (the "Receivership Order"), the Report and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser **[Names of other parties appearing]**, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. All capitalized terms in this Order and the Appendices that are not otherwise defined herein shall have the meaning ascribed to them in the Sale Agreement.
2. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, and no other person is required to have been served with notice of this application, and time for service of this application is abridged to that actually given.

APPROVAL OF ACTIVITIES

3. The activities of the Receiver, including with respect to its activities in connection with the Purchaser Agreement, are hereby approved to the date of this Order.

APPROVAL OF TRANSACTIONS

4. The Transaction and Sale Agreement are hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction or for the conveyance of the Purchased Assets to the Purchaser.

VESTING OF PROPERTY

5. Upon the delivery of a Receiver's certificate to the Purchaser substantially in the form set out in **Schedule "A"** hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on **Schedule "B"** hereto shall vest absolutely in the name of the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, caveats, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing:
 - (a) any encumbrances or charges created by the Receivership Order or any other Orders granted in these proceedings;
 - (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; and

- (c) those Claims listed on **Schedule “C”** hereto (all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the permitted encumbrances, caveats, easements and restrictive covenants listed on **Schedule “D”**) and

for greater certainty, this Court orders that all of the Claims including the Encumbrances affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

6. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver’s Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
7. The Purchaser shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Debtor.
8. The Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Purchased Assets and, to the extent that any such persons remains in possession or control of any of the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser.
9. The Purchaser shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by or through or against the Debtor.
10. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver or the Debtor.
11. The Receiver is to file with the Court a copy of the Receiver’s Certificate, forthwith after delivery thereof to the Purchaser.
12. Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and

payroll information in the Debtor's records pertaining to the Debtor's past and current employees, including personal information of those employees listed in the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

13. Notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "BIA") in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

14. The Receiver, the Purchaser and any other interested party, shall be at liberty to apply for further advice, assistance and directions as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

MISCELLANEOUS MATTERS

15. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
16. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or

courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.

17. Service of this Order on any party not attending this application is hereby dispensed with.

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

Schedule "A" to Approval and Vesting Order

Form of Receiver's Certificate

FORM OF RECEIVER'S CERTIFICATE

| | |
|---|---|
| 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 | <u>RECEIVER'S CERTIFICATE</u> |
| 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 nd 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.: 16155-00002 |

RECITALS

On October 26, 2015, MNP Ltd. was appointed as the Receiver (the "**Receiver**") of the undertaking, property and assets of the Respondents (collectively, "**COGI**").

Pursuant to an Order of the Court dated October 10, 2018, the Court approved the purchase and sale agreement made as of ♦, 2018 (the "**PSA**") between the Receiver and ♦ (the "**Purchaser**") and provided for the vesting in the Purchaser of COGI's right, title and interest in and to the [**Purchased Assets**], which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article ♦ of the PSA (and defined therein) have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the PSA.

THE RECEIVER CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the PSA;
2. The conditions to Closing as set out in Article ♦ of the PSA have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at [Time] on [Date].

MNP LTD. solely in its capacity as receiver and manager of COGI Limited Partnership, CANADIAN OIL AND GAS INTERNATIONAL INC., CONSERVE OIL GROUP INC. and CONSERVE OIL 1st CORPORATION and not in its personal or corporate capacity

Per: _____

Name: ♦

Title: ♦

Schedule "B" to Approval and Vesting Order

Schedule "C" to Approval and Vesting Order
Claims

Schedule "D"

Permitted Encumbrances

N/A