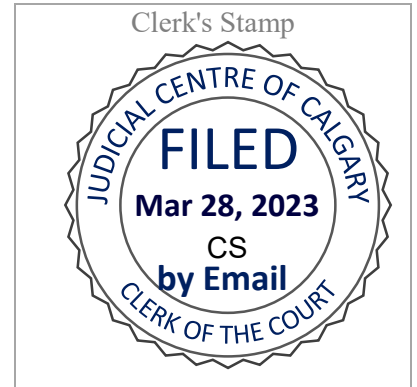


ENTERED

C32627

COURT FILE NO. 2001-13391
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
APPLICANT ORPHAN WELL ASSOCIATION
RESPONDENT BOW RIVER ENERGY LTD.
DOCUMENT **APPLICATION**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **BENNETT JONES LLP**
4500, 855 – 2nd Street S.W.
Calgary, Alberta T2P 4K7
Attention: Keely Cameron/Jeffrey Westman
Telephone No.: 403-298-3324/3235
Fax No.: 403-265-7219
Client File No.: 68775.5



\$50.00
COM
April 3 2023

NOTICE TO RESPONDENT(S):

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

You have the right to state your side of this matter before the applications judge/judge.

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

Date: April 3, 2023
Time: 3:00 p.m.
Where: Calgary Court Centre ([Virtual Courtroom 60](#))
Before Whom: Honourable Justice Dario of the Court of King's Bench of Alberta

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

Remedy claimed or sought:

1. BDO Canada Limited, in its capacity as the Court-appointed receiver (the "**Receiver**") of Bow River Energy Ltd. ("**Bow River**") seeks an Order substantially in the form attached hereto as **Schedule "A"**, which:
 - (a) Declares service to be good and sufficient;
 - (b) Approves and passes the accounts of the Receiver and its counsel, as set out in the Fourth Report of the Receiver dated March 27, 2023 ("**Fourth Report**");
 - (c) Approves the activities of the Receiver in these receivership proceedings as summarized in the Fourth Report;
 - (d) Authorizes the distribution of residual funds to the Alberta Energy Regulator in partial satisfaction of Bow River's outstanding environmental obligations;
 - (e) Authorizes the receiver to destroy Bow River's books and records; and
 - (f) discharges the Receiver upon filing of a discharge certificate;
2. The Receiver also seeks an Order substantially in the form attached hereto as **Schedule "B"**, which directs:
 - (a) Tallahassee Exploration Inc. ("**Tallahassee**") to pay to the Receiver \$122,716.25; and
 - (b) Awards costs to the Receiver on a solicitor client basis.
3. Such further and other relief, advice and directions as counsel may request and this Honourable Court may deem just and appropriate in the circumstances.

Grounds for making this application:

4. Any terms not otherwise defined herein shall bear the meaning provided in the Fourth Report.

5. The grounds for making this application are set out in the Fourth Report. These grounds include but are not limited to the following:

Background

6. Bow River was a Calgary, Alberta based oil and gas company with assets in Alberta and Saskatchewan.
7. These receivership proceedings follow unsuccessful proceedings under the *Companies' Creditors Arrangement Act*.
8. In December 2021, after the Receiver had exhausted efforts to sell Bow River's assets, it obtained a limited discharge order, providing for the discharge over the remaining assets upon the issuance of the Receiver's Certificates. This was done to minimize ongoing costs associated with unsold assets, while providing the Receiver with flexibility regarding submitting wells for funds through the government's Site Rehabilitation Program. Work pursuant to the Site Rehabilitation Program has been completed and the Receiver has issued the final Receiver's Certificate with respect to the remaining Alberta Assets.

Approval of the Discharge

9. Subject to collection efforts related to the outstanding Tallahassee obligation and final distribution, the Receiver has substantially completed its mandate and seeks its discharge upon the filing of a discharge certificate.
10. The discharge of the Receiver as proposed is just, appropriate and in the best interest of the administration of the receivership estate and the affected stakeholders.

Approval of the Receiver's Activities

11. In the Fourth Report, the Receiver has set out in detail a description of the activities undertaken by the Receiver. The Receiver seeks approval on the basis that the Receiver's activities were appropriate and in accordance with the Receiver's mandate.

Approval of the Accounts of the Receiver and Its Counsel

12. A summary of the Receiver's and its legal counsel's accounts is included in the Receiver's Report. The accounts of the Receiver and its counsel are fair and reasonable and have been validly incurred in connection with the conduct of the Receiver's obligations.

Distribution to the Alberta Energy Regulator

13. Approximately 250 Bow River sites have been designated as orphans and from discussions with the Orphan Well Association, it is unclear as to when the sites will be addressed. Further, the environmental obligations exceed the funds available for distribution. Accordingly, the Receiver intends to distribute any Net Proceeds to the Alberta Energy Regulator in accordance with *Orphan Well Association v. Grant Thornton Ltd.*, 2019 SCC 5, once the Receiver has paid all necessary fees, receipts and disbursements of the Receiver and its Legal Counsel.

Tallahassee

14. The Receiver entered into an Asset Purchase and Sale Agreement ("**PSA**") with Tallahassee dated November 29, 2021. The PSA was approved by the Court on December 13, 2021.
15. Pursuant to the PSA, Tallahassee agreed to pay for and indemnify the Receiver against all costs incurred during the interim period from the closing date to when the AER approved the transfer of the licensee. During this period, the Receiver incurred various expenses including utility charges related to the Tallahassee purchased assets. The Receiver paid \$122,716.25 to Epcor to address these utility charges. Tallahassee has been provided with copies of these invoices and demands for payment but has refused to pay, despite being obligated to do so under the PSA.
16. Such further and other grounds as counsel may advise and this Honourable Court may permit.

Material or evidence to be relied on:

17. The pleadings and prior Receiver's Reports filed in these proceedings.
18. The Fourth Report of the Receiver.
19. Such further and other material as counsel may advise and this Honourable Court may permit.

Applicable rules:

20. *Alberta Rules of Court*, AR 124/2010, and in particular Rules 1.3, 6.3, and 11.27.
21. Bankruptcy and Insolvency General Rules, and in particular Rules 6 and 11.
22. Such further and other rules as counsel may advise and this Honourable Court permits.

Applicable Acts and regulations:

23. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended; and
24. Such further and other Acts and regulations as counsel may advise.

Any irregularity complained of or objection relied on:

25. None.

How the application is proposed to be heard or considered:

26. Via WebEx, with the Applicant and any interested parties providing oral submissions before the Honourable Justice C. Dario.

WARNING

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

Schedule "A"

Clerk's Stamp

COURT FILE NO. 2001-13391

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT ORPHAN WELL ASSOCIATION

RESPONDENT BOW RIVER ENERGY LTD.

DOCUMENT **DISTRIBUTION AND DISCHARGE ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **BENNETT JONES LLP**
Barristers and Solicitors
4500, 855 – 2nd Street S.W.
Calgary, Alberta T2P 4K7

Attention: Keely Cameron/Jeffrey Westman
Telephone No.: 403-298-3324/3235
Fax No.: 403-265-7219
Client File No.: 68775.5

DATE ON WHICH ORDER WAS PRONOUNCED: April 3, 2023

LOCATION OF HEARING OR TRIAL: Calgary, Alberta

NAME OF JUDGE WHO MADE THIS ORDER: Justice C. Dario

UPON THE APPLICATION OF BDO Canada Limited, in its capacity as the Court-appointed receiver (the "**Receiver**" or "**BDO**") of Bow River Energy Ltd. ("**Bow River**"); AND UPON reading the Fourth Report of the Receiver dated March 27, 2023 ("**Fourth Report**"); AND UPON hearing counsel for Receiver and counsel for any other interested party;

IT IS ORDERED AND DECLARED THAT:

DEFINITIONS

1. All capitalized terms used but not defined herein shall bear their meanings as defined in the Fourth Report.

SERVICE

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 the Application is abridged to that actually given.

APPROVAL OF ACCOUNTS

3. The Receiver's accounts for fees and disbursements, as set out in the Fourth Report including estimated final accounts are hereby approved, without the necessity of a formal passing of its accounts.
4. The accounts of the Receiver's legal counsel, Bennett Jones LLP, for its fees and disbursements, as set out in the Fourth Report including estimated final accounts, are hereby approved without the necessity of a formal passing of its accounts.

APPROVAL OF THE RECEIVER'S ACTIVITIES

5. The Receiver's activities as set out in the Fourth Report, are hereby ratified and approved.

DISCHARGE OF RECEIVER

6. On the evidence before the Court, the Receiver has satisfied the obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of any fraud, gross negligence or willful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing, any claims against the Receiver in connection with the performance of its duties for the Residual Interests are hereby stayed, extinguished and forever barred.
7. Upon the Receiver filing with the Clerk of the Court a Certificate of Discharge, substantially in the form attached hereto as **Schedule "A"**, the Receiver is discharged as Receiver of Bow River. Notwithstanding the Receiver's discharge, the Receiver shall

remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and the Receiver shall continue to have the benefit of the provisions of all Orders made in these proceedings, including all approvals, protections and stays of proceedings in favour of the Receiver, in its capacity as receiver.

8. No action or proceeding shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on notice to the Receiver, and upon such terms as this Court may direct.

DISTRIBUTION OF FUNDS

9. The Receiver may distribute the Net Proceeds to the Alberta Energy Regulator, in partial satisfaction of Bow River's outstanding environmental obligations.

RECORDS

10. The Receiver is authorized to destroy the books and records of Bow River in its possession as proposed in the Fourth Report.

MISCELLANEOUS

11. The Receiver has leave to apply or reapply to this or any court or administrative body in any province of Canada for advice, assistance and directions as may be necessary to carry out the terms of this Order.
12. 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.
13. Service of this Order on any party not attending this application is hereby dispensed with.

A.J.C.K.B.A.

Schedule "A"
Form of Receiver's Discharge Certificate

Clerk's Stamp

COURT FILE NO.	2001-13391
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	ORPHAN WELL ASSOCIATION
RESPONDENT	BOW RIVER ENERGY LTD.
DOCUMENT	<u>RECEIVER'S DISCHARGE CERTIFICATE</u>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	BENNETT JONES LLP Barristers and Solicitors 4500, 855 – 2nd Street S.W. Calgary, Alberta T2P 4K7 Attention: Keely Cameron/Jeffrey Westman Telephone No.: 403-298-3324/3235 Fax No.: 403-265-7219 Client File No.: 68775.5

RECITALS

- A. Pursuant to an Order of the Honourable Justice D.L. Shelley of the Court of King's Bench of Alberta, Judicial District of Edmonton (the "**Court**"), dated October 29, 2020, BDO Canada Limited was appointed as the Receiver (the "**Receiver**") of the undertaking, property and assets of Bow River Energy Ltd. ("**Bow River**").
- B. Pursuant to an Order of the Honourable Justice C. Dario of the Court of King's Bench of Alberta, Judicial District of Calgary (the "**Court**"), dated April 3, 2023, the Court, among other things, ordered the discharge of the Receiver, upon the filing of a Receiver's Certificate.

THE RECEIVER CERTIFIES the following:

1. The Receiver hereby certifies that all steps required to complete the Receivership Proceedings have been completed.

2. This Certificate was delivered by the Receiver at Calgary, Alberta on _____.

BDO CANADA LIMITED in its capacity as Receiver of the undertaking, property and assets of Bow River, and not in its personal capacity.

Per: _____

Name:

Title:

Schedule "B"

Clerk's Stamp

COURT FILE NO. 2001-13391

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT ORPHAN WELL ASSOCIATION

RESPONDENT BOW RIVER ENERGY LTD.

DOCUMENT **ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **BENNETT JONES LLP**
Barristers and Solicitors
4500, 855 – 2nd Street S.W.
Calgary, Alberta T2P 4K7

Attention: Keely Cameron/Jeffrey Westman
Telephone No.: 403-298-3324/3235
Fax No.: 403-265-7219
Client File No.: 68775.5

DATE ON WHICH ORDER WAS PRONOUNCED: April 3, 2023

LOCATION OF HEARING OR TRIAL: Calgary, Alberta

NAME OF JUDGE WHO MADE THIS ORDER: Justice C. Dario

UPON THE APPLICATION OF BDO Canada Limited, in its capacity as the Court-appointed receiver (the "**Receiver**" or "**BDO**") of Bow River Energy Ltd. ("**Bow River**"); AND UPON reading the Fourth Report of the Receiver; AND UPON hearing counsel for Receiver and counsel for any other interested party;

IT IS ORDERED AND DECLARED THAT:

1. On or before April 7, 2023, Tallahassee Exploration Inc. shall pay to the Receiver \$122,716.25.

2. Costs on a solicitor client basis are awarded to the Receiver.

A.J.C.K.B.A.