



COM
Jan. 19, 2021
Justice Graesser

COURT FILE NUMBER 1901-14615

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF ORPHAN WELL ASSOCIATION

DEFENDENT HOUSTON OIL & GAS LTD.

IN THE MATTER OF THE RECEIVERSHIP OF
HOUSTON OIL & GAS LTD.

DOCUMENT **FOURTH REPORT OF THE RECEIVER,
BDO CANADA LIMITED
JANUARY 11, 2021**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Jack R. Maslen
Borden Ladner Gervais LLP
1900, 520 3rd Ave. S.W.
Calgary, AB T2P 0R3
Telephone: (403) 232-9790
Facsimile: (403) 266-1395
Email: JMaslen@blg.com
File No. 436743.24

**FOURTH REPORT OF THE RECEIVER
BDO CANADA LIMITED
JANUARY 11, 2021**

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INTRODUCTION

1. On October 29, 2019 (the “**Receivership Date**”), the Orphan Well Association (“**OWA**”) made an application to the Court of Queen’s Bench of Alberta (the “**Court**”) for the appointment of an interim receiver and receiver and manager (the “**Receiver**”) of the current and future assets, undertakings and property of Houston Oil & Gas Ltd. (“**Houston**” or the “**Company**”), pursuant to which the Court granted an Order (the “**Receivership Order**”) appointing Hardie & Kelly Inc. (“**H&K**”) as the Receiver of Houston.
2. On June 30, 2020, pursuant to a merger of H&K with BDO Canada Ltd. (“**BDO**”), Madam Justice K.M. Horner, of this Honourable Court granted an Order substituting H&K with BDO as Receiver, with the effect that references to the Receiver herein shall refer to both H&K and BDO in such capacity.
3. On December 2, 2019, the Receiver filed a report (the “**First Report**”) in advance of its application seeking the Court’s approval of the sale solicitation process (the “**SSP**”) as proposed by the Receiver and the engagement of Sayer Energy Advisors (“**Sayer**”) as its sales advisor to administer the SSP. On December 12, 2020, the Court granted an order approving the SSP and the engagement of Sayer.
4. The Receiver filed the following reports in support of its applications to seek the Court’s approval of twelve Purchase and Sale Agreements (“**PSA’s**”) and/or Quitclaim, Surrender and Assignment of Interest Agreements (“**QCA’s**”, and together with the PSA’s, the “**Transactions**”) that arose from the SSP:
 - a. Second Report of the Receiver dated August 24, 2020 (the “**Second Report**”);
 - b. Supplement to the Second Report of the Receiver dated September 30, 2020 (the “**Supplemental Report**”); and
 - c. Second Supplement to the Second Report of the Receiver dated November 2, 2020 (the “**Second Supplement**”).

5. On September 3, 2020, October 8, 2020 and November 12, 2020, this Honourable Court granted Sale and Approval Vesting Orders (“**SAVO’s**”) approving a total of 12 Transactions.
6. On November 27, 2020, the Receiver prepared a report (the “**Third Report**”) in advance of its application seeking:
 - a. a limited discharge in respect of Houston’s remaining interests in well, pipeline and facilities licences that were not the subject of the Transactions (the “**Remaining Properties**”);
 - approval of the Receiver’s actions, conduct and activities since the date of the Second Report; and
 - approval of the Receiver’s fees and those of its legal counsel incurred through to October 31, 2020.
7. On December 11, 2020 (the “**December Application**”), the Court granted two Orders as follows:
 - a. Limited Discharge Order discharging the Receiver from and over the Remaining Properties upon delivering a Receiver’s Certificate for Limited Discharge (“**Limited Discharge Certificate**”) to the Alberta Energy Regulator (the “**AER**”) with respect to those specific Remaining Properties listed with each such Receiver Certificate; and
 - b. Order Approving Receiver’s Activities and Fees approving the the Receiver’s actions, conduct and activities since the date of the Second Report and approving the fees of the Receiver and its legal counsel incurred through to October 31, 2020.
8. The purpose of this report (the “**Fourth Report**”) is to provide the Court with:
 - An update as to the status of the administration of the estate;
 - Background information in respect of the Receiver’s upcoming application to seek the authority to assign Houston into bankruptcy; and
 - An updated Statement of Receipts and Disbursements.

9. Unless otherwise indicated, capitalized terms used herein have the meanings given to them in the Receivership Order, the First Report, the Second Report, the Supplement Report, the Second Supplement and the Third Report as applicable.

TERMS OF REFERENCE

10. In preparing this Fourth Report, the Receiver has relied upon unaudited financial information, available books and records of the Company, information provided by the Receiver's legal counsel and discussions with and information provided by Veracity Energy Services Inc. ("**Veracity**"), the Receiver's operational consultants (collectively referred to as the "**Information**"). The Receiver has not performed an audit, review or otherwise attempted to verify the accuracy or completeness of the Information.

ADMINISTRATIVE STATUS UPDATE

11. Since the December Application, the Receiver has continued its administration of the Houston estate by continuing to finalize post-closing matters for the Transactions and by commencing the discharge process of the Remaining Properties contemplated by the Limited Discharge Order.
12. In respect of the former, Veracity continues to work with the counterparties of the Transactions to prepare final statements of adjustments.
13. Regarding the latter, the Receiver has now issued two Limited Discharge Certificates to the AER as follows:
 - a. December 14, 2020 – in respect of:
 - i. all of Houston's operated wells in which it held less than 100% interest;
 - ii. all of Houston's interests in non-operated wells;
 - iii. all of Houston's interests in operated and non-operated facilities; and
 - iv. all of Houston's interests in pipelines.
 - b. January 7, 2021 – six of Houston's 100% operated wells.

14. As of the date of this Fourth Report, the only Remaining Properties still with the receivership comprise 769 well licences held by Houston in respect of which Houston holds a 100% working interest. The Receiver is continuing to coordinate the issuance of Limited Discharge Certificates with the AER (and the OWA), and anticipates issuing additional Limited Discharge Certificates over the next several months.
15. Finally, as set out in the Third Report, the Receiver entered into an agreement with Vertex Professional Services Ltd. (“**Vertex**”) as its contractor to apply for funding available pursuant to “Grant Period 3” of the SRP made available by the Government of Alberta (“**Alberta**”) to perform well, pipeline, and oil and gas site closure and reclamation work. Vertex’s application for a grant of \$139,000 to abandon 10 of Houston’s wells (included within the list of Remaining Properties) was approved by Alberta and Vertex is in the process of completing the work.

POTENTIALLY REVIEWABLE TRANSACTIONS

16. As was set out in the Third Report, in reviewing Houston’s books and records, the Receiver identified several transactions between Houston and parties believed to be related to Houston, which may potentially be classified as reviewable transactions under applicable insolvency laws.
17. The identified transactions (the “**Potentially Reviewable Transactions**”) are payments made by Houston over the period of June 2017 to June 2019, totaling approximately \$3.9 Million. These payments were made to Randy Ruggles (the sole director and shareholder of Houston), and to companies controlled by family members of Mr. Ruggles, including Pioneer Wells Services Ltd. (which has been described in the Receiver’s prior Reports) (collectively, the “**Ruggles Recipients**”).

18. The Receiver (through its legal counsel) issued correspondence on September 17, 2020 to the Ruggles Recipients requesting information and documentation in support of the Potentially Reviewable Transactions. The Receiver received initial responses to its September 17, 2020 correspondence from each of the Ruggles Recipients, providing limited information respecting the Potentially Reviewable Transactions. The Receiver (through its legal counsel) then engaged in follow-up correspondence with the Ruggles Recipients between October and December of 2020 in an effort to obtain more fulsome and detailed information.
19. Through its correspondence with the Ruggles Recipients, the Receiver has obtained some information and documentation respecting the Potentially Reviewable Transactions, but has not obtained sufficient information to make a determination that Potentially Reviewable Transactions are not preferences, transfers at undervalue or otherwise reviewable transactions. Accordingly, the Receiver considers it necessary and appropriate to continue its investigations into the Potentially Reviewable Transactions.
20. Further, to carry-out its ongoing investigations, the Receiver requires the more extensive investigative powers, rights and remedies of a trustee pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “BIA”), and is thereby applying for this Court’s direction and permission to assign Houston into bankruptcy. An assignment into bankruptcy is also advisable so as to preserve limitations periods in the event the Potentially Reviewable Transactions are contrary to applicable insolvency laws.
21. As demonstrated from the other materials filed in these proceedings, including particularly the Receiver’s First Report, Houston is an insolvent person within the meaning of the BIA as, among other things:
 - a. As set out in the First Report, the books and records of Houston that came into the possession of the Receiver were incomplete and not up to date. Notwithstanding, the available books and records as of the Receivership Date reflected liabilities in excess of \$11.7 Million;

- b. Houston is and has been unable to meet its obligations as they generally become due, or has otherwise ceased paying current obligations in the ordinary course of business as they generally become due, given that:
- i. Houston advised the AER, on or about August 28, 2019, that due to its financial situation it intended to shut-in all of its operations;
 - ii. the AER issued Houston an order, on October 2, 2019, to abandon its remaining wells, facilities and pipelines and shut in its oil and gas facilities, to which Houston confirmed that it was unable to do so;
 - iii. as of the Receivership Date, Houston did not have any employees or contract personnel undertaking any responsibility for Houston's assets;
 - iv. Houston is in default and arrears of its various obligations to various working interest partners, surface lessors, and municipalities in respect of property taxes;
 - v. Attached as **Appendix "A"** is a recent search of the Alberta Personal Property Registry indicating various writs being registered between August and October 2019; and
 - vi. as of November 2, 2019, Houston's Liability Management Rating with the AER was 0.76;
- c. further, through the course of these proceedings, the Receiver has attempted to market and realize on Houston's property, through an eleven-month SSP, and through that process has sold or transferred whatever assets it could to third parties pursuant to the Transactions. The Receiver has received no material interest in the Remaining Properties given their large associated liabilities, and Houston no longer has any realizable or valuable Property. The proceeds from the Transactions will not be sufficient to be able to make distributions to creditors or stakeholders.

22. Accordingly, the Receiver seeks this Honourable Court's advice and direction, and permission, to assign Houston into bankruptcy so that the Potentially Reviewable Transactions may be investigated and pursued through any applications or actions under the BIA that may be appropriate. The Receiver considers it to be in the interests of creditors as a whole for such further investigations and measures to be taken in respect of the Potentially Reviewable Transactions.
23. The Receiver advises that the OWA is supportive of the Receiver's proposed course of action with respect to the Potentially Reviewable Transactions.
24. BDO also consents to acting as trustee of the bankrupt estate of Houston and attaches hereto as **Appendix "B"** a duly executed consent to act.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

25. Attached as **Appendix "C"** is a copy of the Receiver's Statement of Receipts and Disbursements as at January 8, 2021 (the "**R&D**") indicating the Receiver currently maintains approximately \$68,000 in its operational trust account.
26. As noted on the R&D, the OWA has to date advanced \$415,000 to fund the proceedings by way of Receiver Certificates. The Receiver anticipates that it will require additional funding to pay all expenses incurred through to the conclusion of the receivership proceedings.

RECOMMENDATIONS

27. For the reasons as set out in this Fourth Report, the Receiver respectfully requests and recommends that this Honourable Court:
 - a. direct and authorize the Receiver to assign Houston in bankruptcy;
 - b. appoint BDO as trustee of the bankrupt Houston estate; and
 - c. grant such other relief, or directions, as may be necessary or prudent to facilitate the foregoing.

All of which is respectfully submitted this 11th day of January 2021.

BDO CANADA LIMITED, in its capacity as
Receiver and Manager of **HOUSTON OIL & GAS LTD.**
and not in its personal capacity



Per: _____
Marc Kelly
Senior Vice President

APPENDIX “A”

Search ID #: Z13414689

Transmitting Party

BORDEN LADNER GERVAIS LLP

Centennial Place, East Tower
1900, 520-3rd Avenue SW
CALGARY, AB T2P 0R3

Party Code: 50008002

Phone #: 403 232 9500

Reference #: 436743.000024

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Business Debtor Search For:

HOUSTON OIL & GAS

Inexact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 13082708422

Registration Type: WORKERS' COMPENSATION BOARD CHARGE

Registration Date: 2013-Aug-27

Registration Status: Current

Registration Term: Infinity

The WCB Charge Amount is \$0.00

Inexact Match on: Debtor No: 1

Amendments to Registration

| | | |
|-------------|--------------|-------------|
| 19111250520 | Amendment | 2019-Nov-12 |
| 19111838652 | Amendment | 2019-Nov-18 |
| 19112240337 | Amendment | 2019-Nov-22 |
| 19112537510 | Distribution | 2019-Nov-25 |

Debtor(s)

Block

Status

Current

1 HOUSTON OIL & GAS LTD.
BOX 45 SITE 220 RR 2
STONY PLAIN, AB T7Z1X2

Secured Party / Parties

Block

Status

Deleted by
19111250520

1 WORKERS' COMPENSATION BOARD/COLLECTION UNIT
9925 - 107 STREET, 8TH FLOOR
EDMONTON, AB T5J 2S5
Phone #: 780 498 3999 Fax #: 780 498 7871

Search ID #: Z13414689

Block

2 WORKERS' COMPENSATION BOARD/COLLECTION UNIT
9912 107 STREET
EDMONTON, AB T5K 1G5
Phone #: 780 509 1395 Fax #: 780 498 7999

Status

Deleted by
19111838652

Block

3 WORKERS' COMPENSATION BOARD/COLLECTION UNIT
9912 107 STREET
EDMONTON, AB T5K 1G5
Phone #: 780 509 1395 Fax #: 780 498 7999

Status

Deleted by
19112240337

Block

4 WORKERS' COMPENSATION BOARD/COLLECTION UNIT
9912 107 STREET
EDMONTON, AB T5K 1G5
Phone #: 780 509 1395 Fax #: 780 498 7999

Status

Current by
19112240337

Collateral: Serial Number Goods

| <u>Block</u> | <u>Serial Number</u> | <u>Year</u> | <u>Make and Model</u> | <u>Category</u> | <u>Status</u> |
|---------------------|-----------------------------|--------------------|------------------------------|------------------------|----------------------|
| 1 | 1XP7D49X97D676748 | 2007 | Peterbilt | MV - Motor Vehicle | Current |

Collateral: General

| <u>Block</u> | <u>Description</u> | <u>Status</u> |
|---------------------|---|----------------------|
| 1 | ALL PRESENT AND AFTER-ACQUIRED PROPERTY AND ALL PROPERTY USED IN CONNECTION, PURSUANT TO WCB ACT S129 | Current |

Particulars

| <u>Block</u> | <u>Additional Information</u> | <u>Status</u> |
|---------------------|--------------------------------------|----------------------|
| 1 | acct: 6749600 | Current |

Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 16113035553

Registration Type: SECURITY AGREEMENT

Registration Date: 2016-Nov-30

Registration Status: Current

Expiry Date: 2021-Nov-30 23:59:59

Inexact Match on: Debtor No: 1

Inexact Match on: Debtor No: 2

Debtor(s)

Block

Status

1 HOUSTON OIL & GAS LTD.
53120A RANGE ROAD 13
STONY PLAIN, AB T7Z 1X2

Current

Block

Status

2 HOUSTON OIL & GAS LTD.
#800, 903-8TH AVENUE SW
CALGARY, AB T2P 0P7

Current

Secured Party / Parties

Block

Status

1 NOVA GAS TRANSMISSION LTD.
450-1ST STREET SW
CALGARY, AB T2P 5H1

Current

Collateral: General

Block

Description

Status

1 GENERAL COLLATERAL DESCRIPTION: Any and all of the Debtor's cash, monies, instruments, funds, accounts and intangibles delivered to, deposited with or held by or on behalf of the Secured Party pursuant to a Cash Collateral Agreement (as amended from time to time) entered into between the Debtor and the Secured Party, or otherwise.

Current

2 Proceeds: goods, inventory, chattel paper, securities, documents of title, instruments, money, intangibles, accounts and investment properties (all as defined in the Personal Property Security Act, any regulations thereunder and any amendments thereto) and insurance proceeds.

Current

Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 19032223604

Registration Type: STATUTORY CHARGE

Registration Date: 2019-Mar-22

Registration Status: Current

Registration Term: Infinity

The Statutory Charge Amount is \$327,651.65

Inexact Match on: Debtor No: 1

Debtor(s)

| <u>Block</u> | | <u>Status</u> |
|---------------------|---|----------------------|
| 1 | HOUSTON OIL & GAS LTD. 53120A RANGE ROAD 13 PARKLAND COUNTY, AB T7Y 2T2 | Current |

Secured Party / Parties

| <u>Block</u> | | <u>Status</u> |
|---------------------|---|----------------------|
| 1 | SEMCAMS ULC 2500, 450 - 1ST STREET SW CALGARY, AB T2P 5H1 | Current |

Collateral: General

| <u>Block</u> | <u>Description</u> | <u>Status</u> |
|---------------------|--|----------------------|
| 1 | First lien and charge against debtor's share of residue gas and plant products pursuant to Contract No. 161704 dated September 1, 2017 | Current |
| 2 | First lien and charge against debtor's gas pursuant to Contract No. 160491 dated August 1, 2006 | Current |
| 3 | First lien and charge against debtors' gas pursuant to Contract No. 160736 dated June 1, 2008 | Current |

Particulars

| <u>Block</u> | <u>Additional Information</u> | <u>Status</u> |
|---------------------|--|----------------------|
| 1 | First charge and lien arising pursuant to a contract between Creditor and Debtor | Current |

Search ID #: Z13414689

| <u>Block</u> | <u>Additional Information</u> | <u>Status</u> |
|---------------------|---|----------------------|
| 2 | First charge and lien arising pursuant to a contract between Creditor and predecessor to Debtor | Current |
| <u>Block</u> | <u>Additional Information</u> | <u>Status</u> |
| 3 | First charge and lien arising pursuant to a contract between Creditor and predecessor to Debtor | Current |

Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 19081530931

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2019-Aug-15

Registration Status: Current

Expiry Date: 2021-Aug-15 23:59:59

Issued in Edmonton Judicial Centre

Court File Number is 1903 14660

Judgment Date is 2019-Aug-12

This Writ was issued on 2019-Aug-15

Type of Judgment is Other

Original Judgment Amount: \$182,725.63

Costs Are: \$0.00

Post Judgment Interest: \$0.00

Current Amount Owing: \$181,942.39

Inexact Match on: Debtor No: 1

Amendments to Registration

19112537520

Distribution

2019-Nov-25

Solicitor / Agent

REYNOLDS MIRTH RICHARDS & FARMER LLP
#3200 10180 101 ST
EDMONTON, AB T5J3W8

Phone #: 780 425 9510

Fax #: 780 429 3044

Reference #: 110391-011

Debtor(s)

Block

Status

1 HOUSTON OIL & GAS LTD.
53120A RANGE ROAD 13
PARKLAND COUNTY, AB T7Y 2T2

Current

Search ID #: Z13414689

Creditor(s)

Block

Status

Current

1 MUNICIPAL DISTRICT OF TABER
C/O 3200, 10180-101 STREET
EDMONTON, AB T5J 3W8

Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 19091314439

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2019-Sep-13

Registration Status: Current

Expiry Date: 2021-Sep-13 23:59:59

Issued in Calgary Judicial Centre

Court File Number is 1901-09104

Judgment Date is 2019-Sep-10

This Writ was issued on 2019-Sep-13

Type of Judgment is Other

Original Judgment Amount: \$334,521.71

Costs Are: \$3,336.91

Post Judgment Interest: \$0.00

Current Amount Owing: \$334,418.99

Inexact Match on: Debtor No: 1

Amendments to Registration

| | | |
|-------------|--------------|-------------|
| 19091316779 | Amendment | 2019-Sep-13 |
| 19102327734 | Amendment | 2019-Oct-23 |
| 19102335418 | Amendment | 2019-Oct-23 |
| 19112537530 | Distribution | 2019-Nov-25 |

Solicitor / Agent

STIKEMAN ELLIOTT LLP-DAVID PRICE
4300, 888 3 STREET SW
CALGARY, AB T2P 5C5
Email: dprice@stikeman.com

Search ID #: Z13414689

Debtor(s)

Block

Status

Current

1 HOUSTON OIL & GAS LTD.
53120 RANGE ROAD 13
PARKLAND COUNTY, AB T7Y 2T2

Creditor(s)

Block

Status

Deleted by
19091316779

1 JOURNEY ENERGY PARTNERSHIP
700, 517-10TH AVENUE SW
CALGARY, AB T2R 0A8
Email: gerry.gilewicz@journeyenergy.ca

Block

Status

Current

2 JOURNEY ENERGY INC.
700, 517 10 AVENUE SW
CALGARY, AB T2R 0A8

Block

Status

Current by
19091316779

3 JOURNEY ENERGY PARTNERSHIP
700, 517-10TH AVENUE SW
CALGARY, AB T2R 0A8
Email: gerry.gilewicz@journeyenergy.ca

Block

Status

Deleted by
19102335418

4 JOURNEY ENERGY INC.
700, 517-10 AVENUE SW
CALGARY, AB T2R 0A8
Email: gerry.gilewicz@journeyenergy.ca

Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 19091607407

Registration Type: REPORT OF SEIZURE

Registration Date: 2019-Sep-16

Registration Status: Current

Registration Term: Infinity

Service Area 2

Property has been seized under Municipal Government Act.

Amount being seized for is \$3,252,971.18.

Property was seized on 2019-Sep-11

| <u>Registration Type</u> | <u>Date</u> | <u>Registration #</u> | <u>Value</u> |
|---------------------------------|--------------------|------------------------------|---------------------|
| Report of Seizure | 2019-Sep-11 | 19091607407 | \$3,252,971.18 |

Inexact Match on: Debtor No: 1

Amendments to Registration

| | | |
|-------------|-----------|-------------|
| 19091834222 | Amendment | 2019-Sep-18 |
|-------------|-----------|-------------|

Solicitor / Agent

VULCAN COUNTY
PO BOX 180
VULCAN, AB T0G 2K0

Phone #: 403 485 2241

Fax #: 403 485 2920

Civil Enforcement Agent

CONSOLIDATED CIVIL ENFORCEMENT INC.
200, 807 MANNING ROAD NE
CALGARY, AB T2E 7M8

Phone #: 403 262 8800

Fax #: 403 262 8801

Search ID #: Z13414689

Debtor(s)

Block

Status

1 HOUSTON OIL & GAS LTD.
SUITE 800, 903 - 8TH AVE SW
CALGARY, AB T2P 0P7

Current

Creditor(s)

Block

Status

1 VULCAN COUNTY
PO BOX 180
VULCAN, AB T0G 2K0
Phone #: 403 485 2241 Fax #: 403 485 2920

Current

Collateral: Serial Number Goods

| <u>Block</u> | <u>Serial Number</u> | <u>Year</u> | <u>Make and Model</u> | <u>Category</u> | <u>Status</u> |
|---------------------|-----------------------------|--------------------|------------------------------|------------------------|----------------------|
| 1 | 031240S4428ECB | 2003 | Alta Fab Skid Brown Ofc | TR - Trailer | Current |

Collateral: General

| <u>Block</u> | <u>Description</u> | <u>Status</u> |
|---------------------|--|----------------------|
| 1 | SITE 01 18 017 18 W4M - 2003 Alta Fab Skid Brown Office/Control Building s/n: 031240-S-4428-ECB, 1 Brown Shed, 1 Seacan s/n NSSC04A2215 - Triton, 1 Brown Shed with Overhead Door, Two Large Pumping Stations Brown, All Piping, Hoses, Misc Barrels, Metal, Parts, 1 GLM Tank s/n B03199S2 with Contents, 4 Fuel Tanks with Stands PWA-21561/PWA-21562/PWA-21563/PWA-21564, 1 Westeel Portable Tank and All Contents in All Tanks, 1 Large Metal Stand, All Belts, Garbage Cans, Plastic Tool Boxes, 1 Lawn Mower, 1 Red Workbench, 1 Grey Bench Grinder, 1 Bench Vice, 1 D251 Green Bench Grinder, 1 Two Shelf Metal Unit, 1 Yellow Metal Cabinet, 1 Black Metal Table, 1 White Wood Workbench, All other assets at the location to cover and satisfy the warrant. | Current |
| 2 | SITE 04 08 018 18 W4M - All Piping, Hoses, Stairs, Panels, 1 Tank with Contents, 1 Fuel Tank with Stand, 1 Large Tank with Contents, 1 Large Antenna, 1 Blue Portable Compressor Station Unit 801, 2 Black Tanks with Contents, 1 Grey Compressor Station Skid #0149, 1 Small Grey Metal Shed, 3 Brown Metal Pumping Stations, 1 Brown Shed with Overhead Door, 1 Brown Control Building, 1 Large Metal Stand - Black, 1 Brown Wood Desk with 2 Drawers, 1 Black chrome Chair, 1 Grey Metal 2 Shelf Unit with Vice, 1 Beige 2 Door Metal Cabinet, 1 Beige 4 Drawer File Cabinet, All Barrels, Fire Extinguishers, All other assets on site to cover the warrant. | Current |
| 3 | SITE 14 7 20 25 W4M - All Piping and Assets on-site, 1 Control Cabinet/Crimtech Enclosure, 1 Northstar Flow s/n ER09005, 1 Barton Meter s/n 202E-036214/Chart No. M100H, 1 Cata-Dyne with Cables, 1 Steel Blue Stairs, 1 Westeel Tank with Stand Tank ID#PWA-20630, 1 Black Plastic Tub, 1 Bromley Sphere s/n 477938 with Stand | Current |

Search ID #: Z13414689

- 4 SITE 12 36 18 20 W4M - 1 Brown Shed, Miscellaneous Parts, 1 Red Waterloo Workbench with Vice, 1 Two Shelf Plastic Unit, All Valves and All Fence Posts, 1 Shed with Overhead Door, All Garbage Cans, Fire Extinguishers, Hoses, Tool Boxes, 1 Tank, 1 Westeel Tank Empty Methanol Tank id PWA-20877 With Stand, 1 Blue Metal Trailer with Winch no visible serial number, 1 Westeel Methanol Tank with Pump, 1 Black Stand, 1 Transfer Pump with Star Panel s/n 12016646301/15842603, 1 Cata-Dyne s/n 9119, 3 Blue Metal Carts for Barrels, All Barrels, 1 GIm Tank s/n B0319951 Tank id PWA-16094, All Piping, 2 Blue Metal Cars for Barrels, 1 Westeel Methanol Tank no visible serial number, 1 Cool Building Model #144VC1B s/n 2003B157, 1 Black & Chrome Chair, 1 Barrel Pump, 1 Brown Building Pumping Station, 1 Westeel Tan with Stand id PWA-21526, 1 Orange Barrel Fence, 1 Lg Antenna, All Stairs, 1 Alta Fab Building s/n 031240529E0B, All Contents in Tanks, All other Assets on site to satisfy and cover the warrant. Current By 19091834222
- 5 SITE 32 17 19 W4M - All Piping, All Barrels, All Metal Stairs, 1 Wasea Pumping Station and Contents, 1 Westeel Tank id PWA-20876 with Stand and Contents, 1 GLM Tank s/n B0319953 and Contents, 1 White Shed locked and Contents, 1 Alta Fab Building s/n 03121654477ECB and Contents, All Garbage Cans, Fire Extinguishers, 1 Large Metal Ladder (Louisville), 1 Westeel Tank with Flexioil, 1 Pump Station Skid #0005, Makloc Building Contents, All Other Assets on site to cover the Warrant. Current By 19091834222
- 6 SITE 22 13 22 W4M - 1 Grey Stand, 1 White Ramp, All Piping, All Barrels, All Garbage Cans, All Fire Extinguishers, 1 Weatherford Artificial Lift System s/n 6958 (4.3L) with Tiwn Disc Transmission s/n 106714, 1 Grey and Red High Voltage Building and Contents, All Patio Furniture (chairs), 1 Grey Shed, Miscellaneous Part, 1 Blue Metal Workstation, 1 Alta Fab Shed with Overhead Door, 1 Dell Optiplex GX1CPU, 1 NEC 176OV Monitor, 1 APC Battery Backup, 1 Ricoh All In One Printer Atico s/n T383Q700514, 1 HP CPU, 1 Newpoint Switcher 2000 Plus, 2 Mouses, 1 GE Answering Phone, 1 Red and Beige Folding Table, 1 Plastic Tool Box, 1 Black & Chrome Rolling Chair, 1 Blue & Black Rolling Chair, 1 Citizen Microwave, 1 Greg ^ Chrome Chair, 1 Cole Beige 5 Drawer File Cabinet, 1 Black Rolling Office Chair, 1 Zee Emergency Blanket, 1 Wooden Workbench, 1 Blue Parts Unit, 1 Husqvarna 22R Trimmer, 1 Grey Pumping Station & Contents, 1 Lg Storage Area with 4 Tanks & Contents s/n PWA 9149, PWA 9146, PWA 8237, PWA 8238, All Stairs, 1 Grey Pumping Station with Two Overhead Doors (Pennwest), 1 Red Gas Tank with Black Stand and Contents, 1 Holding Tank and Contents s/n 5527 PWA 2543, All Containers of Any Kind or Size, 1 Brown Pumping Station & Contents, 1 Grey Pumping Station & Contents, 1 Portable Pumping Station Shelter King Unit 53320, 1 Penn West Pumping Station & Contents, 1 Plastic White Tub, 1 Baker Hughes Westeel Tank with Contents, 1 Green Tub, 1 Penn West Pumping Station with Contents, 1 Penn West Pumping Station, 1 Black Metal Stand, All Metal Fences, 2 Red Westeel Tanks with Black Holders and Contents, 3 Grey Metal Stands with Grey Tanks & Contents, 2 Fiber Glass Tubs, 1 Plastic Tub, 1 Penn West Grey Pumping Station & Contents, 1 Grey Metal Shed Containing Crude Oil 3 Water Samples, 1 Grey Pumping Station & Contents, 1 Plastic Tank on Black Metal Holder, Miscellaneous Hoses, All Lighting Structures, 1 Plastic Tank on Grey Holder, 1 Metal Barrel Holder, 1 Black Metal Barrel Stand, 1 Lg Propane Tank, 1 Lg Antenna, All Misc Metal Stands, 1 Grey & Beige Pumping Station & Contents, 1 Penn West Pumping Station with Contents, 1 Grey Parts Shed, 1 Promore Solar Panel with Stand, 1 Tidy Tank with Additional Storage on Grey Metal Stand with Contents, All Misc Parts, 1 Penn West sm Grey Pumping Station with Contents, All Other Contents, 2 Well Heads, All Piping, Metal Fence for Well Heads, All other Assets on Site to Satisfy the Warrant. Current By 19091834222

Particulars

| <u>Block</u> | <u>Additional Information</u> | <u>Status</u> |
|---------------------|--|----------------------|
| 1 | Collateral listed in Block One under Serial Number Goods is located at Site 01 18 017 18 W4M | Current |

Search ID #: Z13414689

| <u>Block</u> | <u>Additional Information</u> | <u>Status</u> |
|---------------------|---|---------------------------|
| 2 | Seized goods for all locations were left on-site. Our File: 137849-DM-2C | Current |
| <u>Block</u> | <u>Additional Information</u> | <u>Status</u> |
| 3 | Additional seizures were conducted on September 14, 2019 at the locations listed in Blocks 4, 5 and 6 under General Collateral. Seized goods for all locations were left on-site. | Current By 19091834222 |

Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 19091623086

Registration Date: 2019-Sep-16

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2024-Sep-16 23:59:59

Inexact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 HOUSTON OIL & GAS LTD
800, 903 - 8 AVENUE SW
CALGARY, AB T2P 0P7

Current

Secured Party / Parties

Block

Status

1 TAQA NORTH
2100, 308 - 4 AVE SW
CALGARY, AB T2P 0H7

Current

Collateral: General

Block

Description

Status

1 All of the Debtor's right, title and interest in:
all natural gas, solution gas and any other gas, together with associated substances,
delivered to the point or points of the gathering facilities of the Lathom Area Gathering Line
Gathering System commencing in Section 24, Township 020, Range 19, West of the 4
Meridian and ending in Section 06, Township 021, Range 18, West of the 4 Meridian,
owned or controlled by the Secured Party (the "Gathering System") and which may include
but is not limited to sulphur and all fluid hydrocarbons not defined as crude oil under the
provisions of the Oil and Gas Conservation Act (Alberta) and regulations and amendments
or substitutions to such Act(the "Gas") and owned or controlled by Debtor and produced
from the wells, but excludes Gas owned by a Gathering System owner (the "Producer
Gas").
For certainty, the collateral described above includes, without limitation, Producer Gas that
is produced from or in connection with the following source:
00/10-24-020-19W4/0
Proceeds: goods, investment property, documents of title, chattel paper, instruments,
money and intangibles.

Current

Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 19091623626

Registration Type: SECURITY AGREEMENT

Registration Date: 2019-Sep-16

Registration Status: Current

Expiry Date: 2024-Sep-16 23:59:59

Inexact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 HOUSTON OIL & GAS LTD
800, 903 - 8 AVENUE SW
CALGARY, AB T2P 0P7

Current

Secured Party / Parties

Block

Status

1 TAQA NORTH
2100, 308 - 4 AVE SW
CALGARY, AB T2P 0H7

Current

Collateral: General

Block

Description

Status

1 All of the debtor's right, title and interest in the facility products and the debtor's functional unit participation, all as further described in the agreement for the construction and ownership of the Arrowwood Gas Plant facilities, in the Southwest Quarter of Section 15 in Township 21, Range 25, West of the Fourth Meridian, between the secured party and the debtor, dated May 1, 2016.

Current

Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 19091623876

Registration Type: SECURITY AGREEMENT

Registration Date: 2019-Sep-16

Registration Status: Current

Expiry Date: 2024-Sep-16 23:59:59

Inexact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 HOUSTON OIL & GAS LTD
800, 903 - 8 AVENUE SW
CALGARY, AB T2P 0P7

Current

Secured Party / Parties

Block

Status

1 TAQA NORTH
2100, 308 - 4 AVE SW
CALGARY, AB T2P 0H7

Current

Search ID #: Z13414689

Collateral: General

| <u>Block</u> | <u>Description</u> | <u>Status</u> |
|---------------------|--|----------------------|
| 1 | <p>All of the Debtor's right, title and interest in:</p> <p>(i) all natural gas, solution gas and any other gas, together with associated substances, delivered to the acceptance point of either the gathering and compression facilities comprising the Brant Farrow Gathering System operated by the Secured Party (the "Gathering System") or to the plant facilities operated by the Secured Party located in LSD 6, Section 31, Township 20, Range 24, West of the 4th Meridian and LSD 14, Section 5, Township 19, Range 24, West of the 4th Meridian (the "Plant"), and which may include but is not limited to sulphur and all fluid hydrocarbons not defined as crude oil under the provisions of the Oil and Gas Conservation Act (Alberta) and regulations and amendments or substitutions to such Act (collectively, "Gas") remaining after processing, composed of methane and ethane, after Plant fuel requirements are satisfied and after Plant losses (collectively, the "Residue Gas"); and</p> <p>(ii) all substances which are recovered from Gas and are available for delivery from the Plant which may include, but shall not be limited to, sulphur, ethane, propane, butanes, and pentanes plus, or any mixture thereof, but excluding Residue Gas and also such substances which are lost or consumed as fuel in the operation of the Plant (collectively, the "Plant Products").</p> <p>For certainty, the collateral described in paragraphs (i) and (ii) above includes, without limitation, Residue Gas and Plant Products that are produced from or in connection with the following wells:</p> <p>100/06-30-021-24W4M/00 100/10-30-021-24W4M/02 100/03-25-020-25W4M/00 100/04-25-021-25W4M/00 100/11-01-022-25W4M/03 100/13-10-021-25W4M/02</p> <p>Proceeds: goods, investment property, documents of title, chattel paper, instruments, money and intangibles.</p> | Current |

Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 19091624268

Registration Type: SECURITY AGREEMENT

Registration Date: 2019-Sep-16

Registration Status: Current

Expiry Date: 2024-Sep-16 23:59:59

Inexact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 HOUSTON OIL & GAS LTD.
800, 903 - 8 AVENUE SW
CALGARY, AB T2P 0P7

Current

Secured Party / Parties

Block

Status

1 TAQA NORTH
2100, 308 - 4 AVE SW
CALGARY, AB T2P 0H7

Current

Search ID #: Z13414689

Collateral: General

| <u>Block</u> | <u>Description</u> | <u>Status</u> |
|---------------------|---|----------------------|
| 1 | <p>All of the Debtor's right, title and interest in:</p> <p>(i) the total of gas, liquids and associated substances that is delivered for processing (the "Petroleum Substances") to the oil treating facilities of the Grand Forks Battery Facilities operated by Secured Party and located at LSD 5, Section 3, Township 12, Range 13, West of the Fourth Meridian (the "Battery") and, to any of the water disposal wells operated by the Secured Party and located at 10-2, 7-3, 16-3 or 15-9-12-13 W4M (the "Disposal Wells") (the Battery and Disposal Wells are collectively, the "Facilities"), and produced from the wells owned or controlled by Debtor (the "Producer Petroleum Substances") that is delivered to the Facilities for processing; and</p> <p>(ii) all crude oil and condensate separated from the Petroleum Substances which meets relevant specifications for transmission and sale (the "Oil"); all natural gas, solution gas and any other gas, together with associated substances separated from the Petroleum Substances that is gaseous under the conditions at which it is separated (the "Gas"); and all water contained in Producer Petroleum Substances produced from the wells or the water separated from Producer Petroleum Substances at the Facilities, or both, ("Produced Water").</p> <p>For certainty, the collateral described in paragraphs (i) and (ii) above includes, without limitation, Producer Petroleum Substances that are produced from or in connection with the following sources:</p> <p>00/03-04-012-13-W4M 02/03-04-012-13-W4M 00/04-04-012-13-W4M 02/04-04-012-13-W4M 02/05-04-012-13-W4M 00/01-05-012-13-W4M 00/02-05-012-13-W4M 00/05-05-012-13-W4M 02/06-05-012-13-W4M 02/07-05-012-13-W4M 03/07-05-012-13-W4M 00/08-05-012-13-W4M</p> <p>Proceeds: goods, investment property, documents of title, chattel paper, instruments, money and intangibles.</p> | Current |

Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 19092041944

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2019-Sep-20

Registration Status: Current

Expiry Date: 2021-Sep-20 23:59:59

Issued in Edmonton Judicial Centre

Court File Number is 1903 19261

Judgment Date is 2019-Sep-09

This Writ was issued on 2019-Sep-20

Type of Judgment is Other

Original Judgment Amount: \$20,784.93

Costs Are: \$0.00

Post Judgment Interest: \$0.00

Current Amount Owing: \$20,695.84

Inexact Match on: Debtor No: 1

Amendments to Registration

19112537540

Distribution

2019-Nov-25

Solicitor / Agent

AFFINITY CREDIT SOLUTIONS INC.

#202, 10217-106 ST NW

EDMONTON, AB T5J 1H5

Phone #: 780 428 1463

Fax #: 780 428 1526

Reference #: 335706

Email: clientservices@affinitycredit.ca

Debtor(s)

Block

Status

1 HOUSTON OIL & GAS LTD.
53120A RR 13
PARKLAND COUNTY, AB T7Y 2T2

Current

Search ID #: Z13414689

Creditor(s)

Block

Status

Current

1 ALBERTA BOILERS SAFETY ASSOCIATION (ABSA)
C/O #202, 10217 106 ST
EDMONTON, AB T5J 1H5

Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 19100719350

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2019-Oct-07

Registration Status: Current

Expiry Date: 2021-Oct-07 23:59:59

Issued in Calgary Judicial Centre

Court File Number is 1901 13990

Judgment Date is 2019-Sep-26

This Writ was issued on 2019-Oct-07

Type of Judgment is Other

Original Judgment Amount: \$21,664.28

Costs Are: \$950.00

Post Judgment Interest: \$0.00

Current Amount Owing: \$22,517.35

Inexact Match on: Debtor No: 1

Amendments to Registration

19112537550

Distribution

2019-Nov-25

Solicitor / Agent

PRAIRIESKY ROYALTY LTD.
1700, 350 - 7TH AVENUE SW
CALGARY, AB T2P 3N9

Phone #: 587 293 4099 Fax #: 587 293 4001

Email: matthew.mcmahon@prairiesky.com

Debtor(s)

Block

Status

1 HOUSTON OIL & GAS LTD.
53120A RANGE ROAD 13
PARKLAND COUNTY, AB T7Y 2T2

Current

Search ID #: Z13414689

Creditor(s)

Block

Status

Current

1 PRAIRIESKY ROYALTY LTD.
1700, 350 - 7TH AVENUE SW
CALGARY, AB T2P 3N9
Email: matthew.mcmahon@prairiesky.com

Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 19102130441

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2019-Oct-21

Registration Status: Current

Expiry Date: 2021-Oct-21 23:59:59

Issued in Calgary Judicial Centre

Court File Number is 1901-06338

Judgment Date is 2019-Sep-27

This Writ was issued on 2019-Oct-21

Type of Judgment is Other

Original Judgment Amount: \$125,599.96

Costs Are: \$1,031.73

Post Judgment Interest: \$0.00

Current Amount Owing: \$126,631.69

Inexact Match on: Debtor No: 1

Solicitor / Agent

LAWSON LUNDELL LLP
1100, 225 - 6TH AVENUE SW
CALGARY, AB T2P 1N2

Phone #: 403 269 6900

Fax #: 403 269 9494

Reference #: 33989-144754

Email: asam@lawsonlundell.com

Debtor(s)

Block

Status

Current

1 HOUSTON OIL & GAS LTD.
53120A RANGE ROAD 13
PARKLAND COUNTY, AB T7Y 2T2

Creditor(s)

Block

Status

Current

1 CANAMAX ENERGY LTD.
SUITE 2500, 333 - 7TH AVENUE SW
CALGARY, AB T2P 2Z1

Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 19102132412

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2019-Oct-21

Registration Status: Current

Expiry Date: 2021-Oct-21 23:59:59

Issued in Edmonton Judicial Centre

Court File Number is 1903 21518

Judgment Date is 2019-Oct-16

This Writ was issued on 2019-Oct-21

Type of Judgment is Other

Original Judgment Amount: \$50,687.85

Costs Are: \$0.00

Post Judgment Interest: \$0.00

Current Amount Owing: \$50,687.85

Inexact Match on: Debtor No: 1

Solicitor / Agent

STERLING CREDIT ADJUSTORS INC.

705, 5241 CALGARY TRAIL

EDMONTON, AB T6H 5G8

Phone #: 780 450 7258

Fax #: 780 448 0739

Email: CRAIG@STERLINGCREDIT.CA

Debtor(s)

Block

Status

Current

1 HOUSTON OIL & GAS LTD.
53210A RANGE ROAD 13
PARKLAND COUNTY, AB T5Y 2T2

Creditor(s)

Block

Status

Current

1 NOR-ALTA ENVIRONMENTAL SERVICES LTD.
C/O 705, 5241 CALGARY TRAIL
EDMONTON, AB T6H 5G8

Search ID #: Z13414689

Email: CRAIG@STERLINGCREDIT.CA

Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 20052520511

Registration Type: SECURITY AGREEMENT

Registration Date: 2020-May-25

Registration Status: Current

Expiry Date: 2025-May-25 23:59:59

Inexact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 HOUSTON OIL & GAS LTD.
903 8 AVE SW STE 800
CALGARY, AB T2P 0P7

Current

Secured Party / Parties

Block

Status

1 OVINTIV CANADA ULC
500 CENTRE STREET SE
CALGARY, AB T2P 2S5
Email: legal.notices@ovintiv.com

Current

Collateral: General

Block

Description

Status

1 All natural gas, solution gas, and any other gas, together with associated substances (which may include but is not limited to sulphur and all fluid hydrocarbons not defined as crude oil) produced from wells, facilities or lands described in Exhibit "A" to the Gas Processing and Transpiration Agreement (the "Gas Processing Agreement") between the Debtor and the Secured Party dated August 1, 2000 (collectively, "Gas") which is delivered to the real and personal property constituting the pipeline operated by the Secured Party and through which the Gas is transported to the Compressor Station in the Shouldice Area, Alberta (as described in the Gas Processing Agreement);

Current

2 Proceeds: goods, chattel paper, investment property, documents of title, instruments, money and intangibles.

Current

Search ID #: Z13414689

Business Debtor Search For:

HOUSTON OIL & GAS

Search ID #: Z13414689

Date of Search: 2021-Jan-11

Time of Search: 11:06:55

Registration Number: 20100925087

Registration Type: SECURITY AGREEMENT

Registration Date: 2020-Oct-09

Registration Status: Current

Expiry Date: 2025-Oct-09 23:59:59

Inexact Match on: Debtor No: 1

Debtor(s)

Block

Status

Current

1 HOUSTON OIL & GAS LTD.
903 8 AVE SW, STE 800
CALGARY, AB T2P 0P7

Block

Status

Current

2 PROVIDENCE ENERGY CORPORATION
340 26 VAL GARDENA VIEW SW
CALGARY, AB T3H 5Z5

Block

Status

Current

3 RIDGEBACK RESOURCES INC.
525 8 AVE SW, STE 2800
CALGARY, AB T2P 1G1

Block

Status

Current

4 SIKSIKA ENERGY RESOURCES CORPORATION
PO BOX 1520
SIKSIKA, AB T0J 3W0

Secured Party / Parties

Block

Status

Current

1 OVINTIV CANADA ULC
500 CENTRE STREET SE
CALGARY, AB T2P 2S5
Email: legal.notices@ovintiv.com

Search ID #: Z13414689

Collateral: General

| <u>Block</u> | <u>Description</u> | <u>Status</u> |
|---------------------|--|----------------------|
| 1 | Each Debtors' share of production under the Production Sharing and Operating Agreement, Bassano Upper Mannville "O" Pool, dated October 31, 1997 (as amended, restated, supplemented or otherwise modified from time to time). | Current |
| 2 | Proceeds: Goods, chattel paper, documents of title, instruments, money, intangibles and investment property, including, without limitation, insurance proceeds. | Current |

Result Complete

APPENDIX “B”

COURT FILE NUMBER 1901-14615
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
APPLICANTS ORPHAN WELL ASSOCIATION
RESPONDENTS HOUSTON OIL & GAS LTD.
DOCUMENT **CONSENT TO ACT AS TRUSTEE**

Clerk's Stamp

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Jack R. Maslen
Borden Ladner Gervais LLP
1900, 520 3rd Ave. S.W.
Calgary, AB T2P 0R3
Telephone: (403) 232-9790
Facsimile: (403) 266-1395
Email: JM Maslen@blg.com
File No. 436743.24

BDO CANADA LIMITED a trustee within the meaning of subsection 2(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, does hereby consent to act as Trustee in bankruptcy of the estate of Houston Oil & Gas Ltd.

DATED at the City of Calgary, in the Province of Alberta, this 11th day of January, 2021.

BDO CANADA LIMITED



Per: Marc Kelly
Senior Vice President

APPENDIX “C”

Houston Oil & Gas Ltd., in receivership
Statement of Receipts and Disbursements
as at January 8, 2021

Receipts

| | | |
|-----------------------------------|---------------|--------------|
| Sale of assets | \$ 901,941.62 | |
| Receiver Certificate | 415,000.00 | |
| Fluid sales | 45,735.90 | |
| Accounts receivable | 43,656.94 | |
| Miscellaneous refunds/interest | 31,589.32 | |
| GST collected | 8,156.78 | |
| Funds recovered from bank account | 5,274.61 | |
| | | 1,451,355.17 |

Disbursements

| | | |
|----------------------------|------------|--------------|
| Operational consultants | 360,757.28 | |
| Legal fees | 280,489.54 | |
| Sayer Energy Advisors | 232,367.06 | |
| Insurance | 178,922.00 | |
| Receiver's fees | 139,684.00 | |
| Software licences | 63,359.72 | |
| Field operating expenses | 57,536.94 | |
| GST paid | 56,360.82 | |
| General and administrative | 13,974.60 | |
| | | 1,383,451.96 |
| Cash on hand | | \$ 67,903.21 |