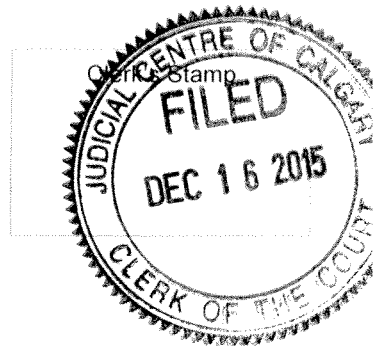
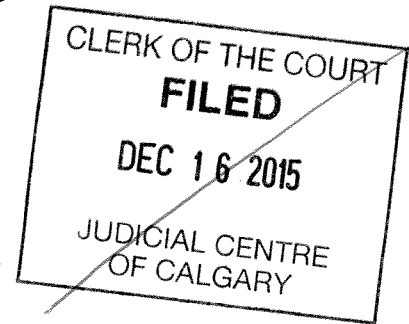


COURT FILE NUMBER 1501-11517  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY



IN THE MATTER OF THE RECEIVERSHIP  
OF GROUNDFORCE GEODRILLING  
SOLUTIONS INC.

PLAINTIFF HSBC BANK CANADA  
DEFENDANT GROUNDFORCE GEODRILLING  
SOLUTIONS INC.  
DOCUMENT **APPROVAL AND VESTING ORDER  
(Sale by Receiver)**



ADDRESS FOR SERVICE AND CONTACT  
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I hereby certify this to be a true copy of  
the original DMK  
Dated this 16 day of December  
A. G. Jones  
for Clerk of the Court

**DATE ON WHICH ORDER WAS PRONOUNCED:** December 16, 2015  
**LOCATION WHERE ORDER WAS PRONOUNCED:** Calgary, Alberta  
**NAME OF JUSTICE WHO MADE THIS ORDER:** Justice C.M. Jones

**UPON** the application of Deloitte Restructuring Inc., in its capacity as the court-appointed receiver and manager (the "**Receiver**") of the assets, undertakings, and properties (collectively, the "**Property**") of GroundForce GeoDrilling Solutions Inc. (the "**Debtor**") pursuant to the Consent Receivership Order issued on October 2, 2015 (the "**Receivership Order**") in the within proceedings (the "**Receivership Proceedings**"); **AND UPON** having read the Application (as defined below) and the First Report of the Receiver, dated November 13, 2015 (the "**First Receiver's Report**"), filed; **AND UPON** having read the Confidential Supplement to the First Receiver's Report, dated November 13, 2015 (the "**First Confidential Supplement**"); **AND UPON** having read the Second Report of the Receiver, dated December 9, 2015 (the "**Second Receiver's Report**"), filed; **AND UPON** having read the Confidential Supplement to the Second Receiver's

Report, dated December 10, 2015 (the "**Second Confidential Supplement**"); **AND UPON** having read the Affidavit of Service of Marcia Smith, sworn December 10, 2015 (the "**Service Affidavit**"); **AND UPON** hearing counsel for the Receiver and any other counsel present:

**IT IS HEREBY ORDERED AND DECLARED THAT:**

**SERVICE**

1. The Notice of Application in respect of this Order (the "**Application**") is properly returnable on December 16, 2015, service of the Application, the First Receiver's Report, and the Second Receiver's Report, in the manner described in the Service Affidavit, is validated and declared to be good and sufficient, and no persons, other than those listed on the Service List (being the persons listed in Exhibit "**A**" to the Service Affidavit), are entitled to be served with or given notice of the Application or served with a copy of the First Receiver's Report or the Second Receiver's Report.

**APPROVAL OF RECEIVER'S ACTIONS**

2. The actions, conduct, and activities of the Receiver, as outlined in the First Receiver's Report and the Second Receiver's Report, are hereby approved.

**APPROVAL OF TRANSACTIONS**

**The Predator Transaction**

3. The Receiver, for and on behalf of the Debtor, is authorized and directed, *nunc pro tunc*, to execute and deliver the Purchase and Sale Agreement, dated December 8, 2015 (the "**Predator PSA**"), between the Debtor, as vendor, and Predator Drilling Inc. ("**Predator**"), as purchaser, attached as Confidential Appendix "**A**" to the Second Confidential Supplement, pursuant to which certain property is to be sold and transferred to Predator (the "**Predator Property**").

4. The Receiver, for and on behalf of the Debtor, is authorized and directed to conclude the transaction contemplated by the Predator PSA with such minor amendments as the Receiver may deem necessary (the "**Predator Transaction**"). The Predator Transaction is hereby approved and 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 Predator

Transaction or for the conveyance of the Predator Property to Predator (or its nominee). The Predator Transaction is hereby declared to be commercially reasonable.

### **The Wexford Transaction**

5. The Receiver, for and on behalf of the Debtor, is authorized and directed, *nunc pro tunc*, to execute and deliver the Purchase and Sale Agreement, dated December 10, 2015 (the "**Wexford PSA**"), between the Debtor, as vendor, and Wexford Capital LP ("**Wexford**"), as purchaser, attached as Confidential Appendix "**B**" to the Second Confidential Supplement, pursuant to which certain property is to be sold and transferred to Wexford (the "**Wexford Property**").

6. The Receiver, for and on behalf of the Debtor, is authorized and directed to conclude the transaction contemplated by the Wexford PSA with such minor amendments as the Receiver may deem necessary (the "**Wexford Transaction**"). The Wexford Transaction is hereby approved and 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 Wexford Transaction or for the conveyance of the Wexford Property to Wexford (or its nominee). The Wexford Transaction is hereby declared to be commercially reasonable.

### **VESTING OF PROPERTY**

#### **The Predator Transaction**

7. Upon the delivery of a Receiver's certificate to Predator (or its nominee), substantially in the form set out in Schedule "**A**" hereto (the "**Predator Certificate of Closing**"), all of the Debtor's right, title, and interest in the Predator Property shall vest in Predator (or its nominee) 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 "**Predator Property Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order; and

- (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.

8. For the purposes of determining the nature and priority of Predator Property Claims, the net proceeds from the sale of the Predator Property (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Predator Property, and from and after the delivery of the Predator Certificate of Closing all Predator Property Claims shall attach to the net proceeds from the sale of the Predator Property with the same priority as they had with respect to the Predator Property immediately prior to the sale, as if the Predator Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

9. Predator (and its nominee, if any) shall, by virtue of the completion of the Predator Transaction, have no liability of any kind whatsoever in respect of any Predator Property Claims against the Debtor.

10. The Debtor and all persons who claim by, through or under the Debtor in respect of the Predator Property, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Predator Property and, to the extent that any such persons remains in possession or control of any of the Predator Property, they shall forthwith deliver possession thereof to Predator (or its nominee).

11. Predator (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Predator Property 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.

12. The Receiver is to file with the Court a copy of the Predator Certificate of Closing, forthwith after delivery thereof to Predator (or its nominee).

### **The Wexford Transaction**

13. Upon the delivery of a Receiver's certificate to Wexford (or its nominee), substantially in the form set out in Schedule "A" hereto (the "**Wexford Certificate of Closing**"), all of the Debtor's right, title, and interest in the Wexford Property shall vest in Wexford (or its nominee) 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 "**Wexford Property Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Receivership Order; and
- (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.

14. For the purposes of determining the nature and priority of Wexford Property Claims, the net proceeds from the sale of the Wexford Property (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Wexford Property, and from and after the delivery of the Wexford Certificate of Closing all Wexford Property Claims shall attach to the net proceeds from the sale of the Wexford Property with the same priority as they had with respect to the Wexford Property immediately prior to the sale, as if the Wexford Property had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

15. Wexford (and its nominee, if any) shall, by virtue of the completion of the Wexford Transaction, have no liability of any kind whatsoever in respect of any Wexford Property Claims against the Debtor.

16. The Debtor and all persons who claim by, through or under the Debtor in respect of the Wexford Property, shall stand absolutely barred and foreclosed from all estate, right, title, interest, royalty, rental and equity of redemption of the Wexford Property and, to the extent that any such persons remains in possession or control of any of the Wexford Property, they shall forthwith deliver possession thereof to Wexford (or its nominee).

17. Wexford (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Wexford Property 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.

18. The Receiver is to file with the Court a copy of the Wexford Certificate of Closing, forthwith after delivery thereof to Wexford (or its nominee).

19. 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) 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 Predator Property in Predator (or its nominee) and of the Wexford Property in Wexford (or its nominee), 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 *Bankruptcy and Insolvency Act* (Canada) 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.

## **DISTRIBUTION**

20. The security granted by the Debtor to HSBC Bank Canada (“**HSBC**”) represents a valid and enforceable charge against the assets, properties, and undertakings of the Debtor. The Receiver is expressly authorized and empowered to distribute any and all funds held by the Receiver to HSBC, in accordance with HSBC’s priority to any such funds, and the Receiver is hereby expressly authorized and empowered to continue to make ongoing distributions from the funds periodically held by the Receiver, on behalf of the Debtor, to HSBC, until all of the indebtedness, liabilities, and obligations owed by the Debtor to HSBC are indefeasibly paid in full.

## **SEALING**

21. Part 6, Division 4 of the *Alberta Rules of Court*, Alta. Reg. 124/2010 does not apply to the Application and the Clerk of the Court is hereby directed to seal the Confidential Supplements on the Court file until the conclusion of the Receivership Proceedings and that the Confidential Supplements shall not be made publically accessible until such time. The Confidential Supplements shall be sealed and filed in an envelope containing the following endorsement thereon:

THIS ENVELOPE CONTAINS THE CONFIDENTIAL SUPPLEMENT TO THE FIRST REPORT OF THE RECEIVER, DATED NOVEMBER 13, 2015, AND THE CONFIDENTIAL SUPPLEMENT TO THE SECOND REPORT OF THE RECEIVER, DATED DECEMBER 10, 2015. THE CONFIDENTIAL SUPPLEMENT TO THE FIRST REPORT OF THE RECEIVER AND THE CONFIDENTIAL SUPPLEMENT TO THE SECOND REPORT OF THE RECEIVER ARE SEALED PURSUANT TO AN ORDER ISSUED BY THE HONOURABLE JUSTICE C.M. JONES, DATED DECEMBER 16, 2015, AND ARE NOT TO BE PLACED ON THE PUBLIC RECORD OR MADE PUBLICALLY ACCESSIBLE.

22. Any person may apply, on reasonable notice to the Debtor, the Receiver, and any other persons likely to be affected, to vary or amend the terms of paragraph 21 of this Order.

## **FURTHER ASSISTANCE AND SERVICE**

23. The Receiver, Predator (or its nominee), Wexford (or its nominee), 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 Predator Transaction and the Wexford Transaction.

24. 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.

25. 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.

26. Service of this Order on any party not attending this Application is hereby dispensed with.



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J.C.Q.B.A.



**Schedule "A"**  
**Form of Receiver's Certificate**

Clerk's Stamp

COURT FILE NUMBER            1501-11517  
COURT                                COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE                CALGARY

IN THE MATTER OF THE RECEIVERSHIP  
OF GROUNDFORCE GEODRILLING  
SOLUTIONS INC.

PLAINTIFF                         HSBC BANK CANADA  
DEFENDANT                        GROUNDFORCE GEODRILLING  
    SOLUTIONS INC.

DOCUMENT                        **RECEIVER'S CERTIFICATE**

ADDRESS FOR SERVICE  
AND CONTACT  
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    403-260-3568  
Facsimile:    403-260-3501  
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    tstathakos@mccarthy.ca

**RECITALS**

- A. Pursuant to an Order of the Honourable Justice C.M. Jones of the Court of Queen's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated October 2, 2015, Deloitte Restructuring Inc. was appointed as the receiver (the "**Receiver**") of the assets, undertakings, and properties of GroundForce GeoDrilling Solutions Inc. (the "**Debtor**").
- B. Pursuant to an Order of the Court dated December 16, 2015, the Court approved the agreement of purchase and sale made as of December ●, 2015 (the "**Sale Agreement**") between the Receiver and ● (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Assets, which vesting is to be effective with respect to the 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 Assets; (ii) that the conditions to Closing as set out in section ● of the Sale Agreement have been satisfied or

waived by the Receiver and the Purchaser; and (iii) the transaction contemplated by the Sale Agreement (the "**Transaction**") has been completed to the satisfaction of the Receiver.

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

**THE RECEIVER CERTIFIES** the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section • of the Sale Agreement 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]**.

**Deloitte Restructuring Inc., in its capacity as Receiver of the assets, undertakings, and properties of GroundForce GeoDrilling Solutions Inc., and not in its personal capacity.**

**Per:** \_\_\_\_\_

**Name:**

**Title:**