

# MONITOR'S REPORT ON PLAN

COURT FILE NUMBER 2101-00814

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANTS IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, as amended

AND IN THE MATTER OF CALGARY OIL & GAS  
SYNDICATE GROUP LTD., CALGARY OIL AND GAS  
INTERCONTINENTAL GROUP LTD. (IN ITS OWN  
CAPACITY AND IN ITS CAPACITY AS GENERAL  
PARTNER OF T5 SC OIL AND GAS LIMITED  
PARTNERSHIP), CALGARY OIL AND SYNDICATE  
PARTNERS LTD., and PETROWORLD ENERGY LTD.

DOCUMENT **MONITOR'S REPORT ON PLAN OF COMPROMISE OR  
ARRANGEMENT**

**JUNE 28, 2021**

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**MONITOR’S REPORT ON PLAN OF COMPROMISE OR ARRANGEMENT  
BDO CANADA LIMITED  
JUNE 28, 2021**

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## **INTRODUCTION AND BACKGROUND**

1. On February 10 and February 11, 2021 (the “**Initial Application**”), Calgary Oil & Gas Syndicate Group Ltd., Calgary Oil & Gas Intercontinental Group Ltd. (“**COGL**”) (in its own capacity and in its capacity as General Partner of T5 SC Oil and Gas Limited Partnership (the “**Limited Partnership**”), Calgary Oil and Syndicate Partners Ltd. (“**COSP**”), and Petroworld Energy Ltd (collectively referred to as the “**Applicants**”) made an application to the Court of Queen’s Bench of Alberta (the “**Court**”) for an initial order (the “**Initial Order**”) pursuant to the *Companies Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the “**CCAA**”).
2. On February 11, 2021 (the “**Filing Date**”), the Initial Order was granted by the Honourable Mr. Justice D. B. Nixon of the Court providing certain relief to the Applicants as well as the Limited Partnership (collectively referred to as the “**Companies**”), including, but not limited to, an initial stay of proceedings (the “**Stay**”) against the Companies and their assets.
3. The Court appointed BDO Canada Limited (“**BDO**”) as monitor (the “**Monitor**”) of the Companies within the CCAA proceedings (the “**Proceedings**”).
4. On February 8, 2021, BDO prepared a pre-filing report with the Court in contemplation of the Initial Application.
5. On February 18, 2021, the Monitor prepared a report (the “**First Report**”) in advance of the Companies’ application to amend and restate the Initial Order.
6. On February 19, 2021, the Court granted the following two orders:
  - a. an Amended and Restated Initial Order providing for a brief extension of the Stay through to March 4, 2021; and
  - b. an order sealing the non-binding Letter of Intent entered into with a third party in respect of a potential transaction that was attached as Confidential Exhibit “A” to the Affidavit of Mr. Ryan Martin of the Companies, sworn February 17, 2021 and filed in the Proceedings.

7. On March 2, 2021, the Monitor prepared a report in advance of the hearing scheduled for March 4, 2021 (the “**Comeback Application**”) to address the following applications:
  - a. the application by Crown Capital Partnership Funding LP, by its general partner, Crown Capital LP Partner Funding Inc. (“**Crown Capital**”), the Companies’ principal secured lender, for an Order:
    - i. approving a strategic alternative process (the “**SA Process**”) and associated procedures;
    - ii. approving the engagement of Peters & Co. Limited (“**Peters**”) as the financial advisor (the “**Financial Advisor**”) to administer the SA Process, under the supervision of the Monitor;
    - iii. approving a Court-ordered charge in favour of the Financial Advisor; and
    - iv. enhancing the powers of the Monitor as it relates to the SA Process.
  - b. the Companies’ application for a second amended and restated initial order (the “**Second ARIO**”) seeking the following:
    - i. an increase in the amount of the Administration Charge from \$117,000 to \$350,000; and
    - ii. an extension of the Stay through to April 15, 2021.
8. At the Comeback Application, the Court granted the following orders:
  - a. the Second ARIO providing for:
    - i. an increase in the amount of the Administration Charge to \$350,000; and
    - ii. an extension of the Stay through to April 15, 2021.

- b. an order sealing:
  - i. Confidential Exhibits “1” to “4” to the Second Supplemental Affidavit of Ryan Martin sworn on March 3, 2021 filed in the Proceedings; and
  - ii. Confidential Exhibits “C” to “F” to the Supplemental Affidavit of Adam Jenkins of Crown, sworn on March 3, 2021, filed in the Proceedings.
- 9. On April 8, 2021, the Monitor prepared a report (the “**Third Report**”) in advance of the hearing scheduled for April 13, 2021, to address the Companies’ application seeking:
  - a. an extension of the Stay through to May 25, 2021;
  - b. the approval to pay certain pre-filing amounts to Sunchild First Nation (“**SFN**”); and
  - c. the approval of a creditor claims procedure to verify and identify creditor claims in the Proceedings for voting and distribution purposes (“**Claims Procedure**”).
- 10. Following the issuance of the Third Report, Westbrick Energy Ltd. (“**Westbrick**”) filed an application (the “**Westbrick Application**”) for an Order seeking, *inter alia*:
  - a. acceptance of a plan of compromise and arrangement (the “**Westbrick Plan**”), a copy of which was attached as Schedule “B” to the Westbrick Application, providing for, *inter alia*:
    - i. an updated Purchase Agreement, a copy of which is included as Exhibit “A” to the April 8, 2021 Affidavit of Maninder (Moe) Mangat, contemplating the acquisition of substantially all of the Company’s oil and gas interests for a cash purchase price of \$34,100,000. Westbrick subsequently advanced a revised offer that is attached as Confidential Exhibit “3” to the April 12, 2021 Supplemental Affidavit of Mr. Mangat;

- ii. repayment of the Companies' obligations owed to Crown Capital;  
and
    - iii. a partial recovery for the Companies' unsecured creditors.
  - b. the convening, holding and conducting of a creditors' meeting to vote on the Westbrick Plan.
- 11. On April 13, 2021, the Monitor prepared a supplemental third report to address the Westbrick Application, and provide its updated assessment and comments relative to the Companies' proposed restructuring path, which contemplated proceeding with the letter of intent executed with Spartan Delta Corp. ("**Spartan**") in relation to an equity transaction.
- 12. On April 13, 2021, the Court dismissed the Westbrick Application, authorized the Companies' continued pursuit of a transaction with Spartan, and granted the following orders:
  - a. an order approving the Claims Procedure (the "**Claims Procedure Order**");
  - b. an Order approving the extension of the Stay through to May 25, 2021, approving the pre-filing payment to SFN and dismissing the Westbrick Application (the "**Stay Extension Order**");
  - c. orders sealing:
    - i. Confidential Appendix "A" to the Third Report; and
    - ii. Confidential Exhibits "1", "2" to "3" to the Affidavit of Ryan Martin sworn April 6, 2021, and Confidential Exhibit "1" to the Supplemental Martin Affidavit sworn on April 12, 2021, as filed in the Proceedings.

13. On May 20, 2021, the Monitor prepared a fourth report in advance of the hearing scheduled for May 25, 2021, to address the Companies' application seeking:
  - a. an extension of the Stay through to July 31, 2021;
  - b. the approval of a late creditor claims procedure to verify and identify additional creditor claims in the Proceedings for voting and distribution purposes arising from certain disclaimed contracts ("**Late Claims Procedure**");
  - c. the sealing of Confidential Exhibit "1" ("**CE1**") to the Affidavit of Ryan Martin sworn May 17, 2021 (the "**May 17 Martin Affidavit**"), which includes the Definitive Agreement (defined herein);
  - d. an order terminating the Companies' agreement with Peters, the Companies' former Financial Advisor and extending the effective date for any disclaimers issued pursuant to section 32 of the CCAA to July 26, 2021 and conditional upon the approval of the Plan pursuant to the CCAA; and
  - e. an order approving the filing of the Companies *Plan of Compromise or Arrangement* dated May 25, 2021 (the "**Plan**") and the calling and convening of a meeting of creditors for the purposes of considering and voting on the Plan (including any amendment thereto).
14. On May 25, 2021, the Court approved the following orders:
  - a. an order (the "**Late Filed Claims Order**") approving:
    - i. an extension of the Stay through to July 31, 2021; and
    - ii. the Late Claims Procedure;
  - b. an order sealing the CE1 to the May 17 Martin Affidavit (the "**Sealing Order**");
  - c. an order terminating the Peters agreement and extending the effective date for any relevant disclaimers to July 26, 2021; and



- d. an order (the “**Creditors’ Meeting Order**”) approving the Plan for filing and the calling of a virtual meeting of creditors to vote on the Plan, scheduled for July 19, 2021 at 10:30 am Mountain Time (the “**Creditors’ Meeting**”).
15. On June 28, 2021 the Companies prepared an amended Plan updating the definition of “Distribution Funds” included therein to account for accrued net revenues up to May 31, 2021. This was the only change to the Companies’ Plan filed on May 25, 2021. The Plan, inclusive of this amendment, is hereafter referred to as the Plan.
16. The purpose of this report (the “**Monitor’s Report on Plan**”) is to provide information to the Companies’ creditors with respect to:
  - a. the Plan;
  - b. the status of the Claims Procedure and Late Claims Procedure as of the date of this Monitor’s Report on Plan;
  - c. an estimated distribution to the Affected Creditors (as defined in the Plan and later herein) in the event the Plan is approved pursuant to the CCAA;
  - d. information regarding the Creditors’ Meeting; and
  - e. the Monitor’s conclusions and recommendations in respect of the above, as applicable.

#### **TERMS OF REFERENCE AND DISCLAIMER**

17. In preparing this Monitor’s Report on Plan, the Monitor has been provided with, and has relied upon unaudited financial information, certain books and records of the Companies, financial information prepared by the Companies and discussions with the Companies’ management (“**Management**”) and the Companies’ legal counsel and information provided by Sayer Energy Services Inc. (“**Sayer**”) (collectively the “**Information**”).

18. Some of the Information referred to in this Monitor's Report on Plan consists of estimates. Readers are cautioned that actual results will vary from projections and such variances could be significant.
19. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars. Further, the terms and definitions not otherwise defined in this Monitor's Report on Plan shall take the meaning ascribed to them in the Companies' application materials and / or the former reports of the Monitor filed in these Proceedings.

### **SPARTAN TRANSACTION AND PLAN OF ARRANGMENT**

20. The Companies and the Limited Partnership entered into a definitive Investment Agreement between Spartan, COGL, the Limited Partnership and COSP effective April 21, 2021 (the "**Definitive Agreement**"), which forms the basis of the Plan.
21. The Definitive Agreement is subject to the Sealing Order. However, the salient terms of the Definitive Agreement and contemplated equity transaction therein (the "**Spartan Transaction**") are as follows:
  - a. \$37,500,000 purchase price (the "**Purchase Price Funds**") in exchange for limited partnership units from the treasury of the Limited Partnership; and
  - b. the Spartan Transaction is conditional upon, *inter alia*:
    - i. the approval of the Plan by the Statutory Majority (as defined subsequently herein) of creditors and the Court; and
    - ii. the exclusion of certain disclaimed agreements.
22. The Companies and Spartan, in consultation with the Monitor, developed the Plan, which has since been amended, as outlined. The Plan (inclusive of the amendment) is posted to the webpage established for the Proceedings (the "**Monitor's Website**") and is included with the Creditors' Meeting Notice (as defined subsequently). A summary of the key attributes of the Plan are, *inter alia*:
  - a. the Purchase Price Funds contemplated by the Spartan Transaction form the basis of the Plan;

- b. the Plan will allow the Companies to continue as a going concern;
  - c. Affected Creditors will constitute a single class for the purposes of considering and voting on the Plan, and their Affected Claims will be compromised and settled pursuant to the Plan;
  - d. the Companies' secured creditors, which include Crown Capital and other valid secured claims, will be unaffected by the Plan, in that their Unaffected Claims will not be compromised or settled and will be paid in full under the Plan;
  - e. the Purchase Price Funds and any funds in the Companies' accounts at May 31, 2021, plus revenues accrued to and including May 31, 2021, less funds utilized to satisfy accounts payable in the ordinary course of business, including outstanding cheques, amounts necessary to pay Post-Filing Liabilities, CCAA Charges, Priority Claims and the payment of Unaffected Claims (the "**Distribution Funds**"), are intended to fund the Plan and the distributions to Affected Creditors; and
  - f. the Distribution Funds will be distributed to Affected Creditors on account of Affected Claims on a pro rata basis.
23. An estimated distribution to Affected Creditors pursuant to the Plan is provided on page 13 of this Monitor's Report on Plan.
24. Pursuant to the Plan, the Monitor is to pay Affected Creditors their pro rata share of the Distribution Funds within 30 days from the Plan Implementation Date (defined in the Plan). The distribution may however be delayed depending on the resolution of certain pending creditor claims which are yet to be determined or finalized, as further outlined in this Monitor's Report on Plan.

## CLAIMS PROCEDURE AND LATE CLAIMS PROCEDURE

25. The Companies, with the assistance of the Monitor, have implemented the Claims Procedure and Late Claims Procedure in accordance with the Claims Procedure Order and Late Claims Procedure, respectively. Certain of the creditors' claims from the Claims Procedure and Late Claims Procedure are not yet determined and are therefore currently unresolved, as discussed subsequently.
26. A summary of the Claims Procedure is as follows:
- a. the Claims Procedure encompassed a "reverse claims process" such that no further action was required on the part of a creditor unless the creditor disputed the amount and / or categorization of its claim as recognized by the Companies, in which case a proof of claim form ("**Proof of Claim**") was to be filed with the Monitor by 5:00 p.m. on May 7, 2021 (the "**Claims Bar Date**"), absent which the creditor's claim would be deemed to be as set out by the Companies, unless otherwise ordered by the Court;
  - b. as a result of the Claims Procedure, 22 Proofs of Claim were submitted by the Claims Bar Date; and
  - c. as of the date of this Monitor's Report, 15 of the Proofs of Claim have been accepted as filed, four have been formally revised or disallowed and three are yet to be determined pursuant to the Claims Procedure as further discussed in this Monitor's Report on Plan.
27. A summary of the Late Claims Procedure is as follows:
- a. in order to effect the Spartan Transaction, the Companies issued three notices of disclaimer on May 26, 2021, pursuant to section 32 of the CCAA ("**Notices of Disclaimer**"), disclaiming certain agreements to which the Companies are party (the "**Disclaimed Agreements**"), resulting in the need to implement the Late Claims Procedure;

- b. the Late Claims Procedure approved by the Court permitted any party subject to the Disclaimed Agreements to submit a late proof of claim (“**Late Proof of Claim**”) by no later than June 16, 2021 (“**Late Claims Bar Date**”);
- c. one of the Notices of Disclaimer that was issued was thereafter determined not be effective and was rescinded; and
- d. as a result of the Late Claims Procedure, only one Late Proof of Claim was submitted, which was submitted by NOVA Gas Transmission Ltd. (“**NGTL**”) in the total amount of \$7,847,271, with \$375,000 claimed as secured and \$7,472,271 as unsecured (the “**NGTL Claim**”), the quantum of which the Companies dispute, as further discussed in the following section.

**SUMMARY OF CREDITOR CLAIMS**

28. The results and status of the Claims Procedure and Late Claims Procedure to date are summarized in the table below, with ranges provided since certain claims have not yet been determined pursuant to the Claims Procedure Order or Late Claims Procedure Order, as applicable:

<i>Creditor Claims</i>	<i>Count (#)</i>	<i>Amount (\$)</i>	
		<i>Low</i>	<i>High</i>
Secured / Unaffected Claims			
Crown Capital	1	29,213,975	29,465,530
Lien Claims	6	1,407,823	1,407,823
Other Secured	3	186,114	186,114
<b>Total Secured / Unaffected Claims</b>	<b>10</b>	<b>30,807,912</b>	<b>31,059,466</b>
Unsecured / Affected Claims	151	13,351,949	18,096,387
<b>Total Creditor Claims</b>	<b>161</b>	<b>44,159,861</b>	<b>49,155,854</b>

29. A detailed creditor list is attached as **Appendix “A”**.

### Secured / Unaffected Claims

30. The Monitor’s counsel has reviewed Crown Capital’s security and has confirmed it to be valid and enforceable. While the quantum of Crown Capital’s secured claim is not yet determined or finalized due to a dispute relating to professional fees in the amount of \$251,555, the final claim is expected to range between \$29,213,975 to \$29,465,530 as indicated in the table above. The Monitor understands that the matter will be brought before the Court for final determination by way of a taxation of Crown’s professional fees.
31. In addition to Crown Capital, six creditors hold valid secured lien claims (“**Lien Claims**”) pursuant to the *Builders’ Lien Act*. The Monitor’s legal counsel has conducted a review of the Lien Claims and has confirmed the Lien Claims to be valid and enforceable.
32. The “Other Secured” claims relate to three other secured claims accepted pursuant to the Claims Procedure and / or a review of the relevant security.

### Unresolved Unsecured / Affected Claims

33. In addition to the unresolved secured claim of Crown Capital referenced above, the Monitor notes that following unsecured claims which will or could be subject to change for the reasons provided:
  - a. NGTL –
    - i. as outlined, NGTL submitted a Late Proof of Claim in the amount of \$7,847,271, with \$375,000 claimed as secured and \$7,472,271 as unsecured;
    - ii. with respect of the secured portion of the NGTL Claim, the \$375,000 claimed is secured by way of an irrevocable letter of credit issued by the Toronto-Dominion Bank (“**TD**”), with NGTL having recourse against TD (holding cash collateral of the same amount) as opposed to a secured claim directly as against the Companies’ assets;

- iii. based on an expert report obtained by the Companies, which assessed the quantum of the NGTL Claim in detail (the “**Expert Report**”), the Companies’ position as at the date of this Monitor’s Report on Plan is that the NGTL Claim should not exceed \$3,355,000;
  - iv. as at the date of this Monitor’s Report on Plan, a formal Notice of Disallowance or Revision has not yet been issued to NGTL pursuant to the Late Claims Procedure as the Companies and the Monitor have engaged in discussions with NGTL to advise of the Companies’ position and to share the findings of the Expert Report; and
  - v. given the foregoing, for the purpose of estimating distributions to Affected Creditors under the Plan, the unsecured claim of NGTL as at the date of this Monitor’s Report on Plan is estimated to range from \$3,355,000 to \$7,472,271.
- b. Canada Revenue Agency (the “**CRA**”) – the CRA submitted an unsecured claim in the amount of \$527,167 which has been accepted for voting purposes; however, such claim is subject to change for distribution purposes because CRA’s claim will be reduced based on the distributions to certain other creditors. For the purposes of this Monitor’s Report on Plan and estimating distributions to Affected Creditors, the Monitor has estimated CRA’s final claim to range from \$250,000 to \$527,167; and
- c. Indian Oil and Gas Canada (“**IOGC**”) – IOGC filed an unsecured claim in the amount of \$753,320 which is still under review and the quantum to be accepted (if any) is unknown as at the date of this Monitor’s Report on Plan. The Monitor understands that the claim, or a portion thereof, may be a result of an accounting error in IOGC’s royalty system which is being reconciled. Based on recent discussions with IOGC, IOGC has indicated that its claim is expected to range from \$Nil to \$350,000.

## **ESTIMATED RECOVERY TO AFFECTED CREDITORS**

34. To assist the Affected Creditors in considering and voting on the Plan, the Monitor has prepared an estimated distribution to Affected Creditors in a low and high scenario, in accordance with the Plan, which is presented in the table below. A low and high range has been provided in light of the unresolved secured claim of Crown Capital and other unsecured claims, as previously discussed.

		<b>Low</b>	<b>High</b>
Purchase Price Funds		\$ 37,500,000	\$ 37,500,000
Plus: Cash at May 31, 2021		764,959	764,959
Plus: Revenue accrued to May 31, 2021		1,536,170	1,536,170
Less: Accounts Payable to May 31, 2021		(1,691,693)	(1,691,693)
Less: Post-Filing Obligations / CCAA Charges		(705,000)	(508,000)
Less: Priority Amounts		-	-
Less: Payment of Unaffected Claims		(31,059,466)	(30,807,912)
<b>Estimated Distribution Funds</b>	<b>A</b>	<b>\$ 6,344,970</b>	<b>\$ 6,793,524</b>
Affected Claims	B	\$ 18,096,387	\$ 13,351,949
<b>Estimated % to Affected Creditors</b>	<b>A / B</b>	<b>35%</b>	<b>51%</b>

35. The assumptions or notes with respect to the foregoing recovery estimate are as follows:
- a. Purchase Price Funds – pursuant to the Definitive Agreement;
  - b. Cash at May 31, 2021 – based on the Companies’ actual available cash at May 31, 2021, inclusive of any outstanding cheques;
  - c. Revenue – this includes revenues accrued to May 31, 2021, net of royalties;
  - d. Accounts Payable – this includes any accrued payables in the ordinary course of business, inclusive of restructuring related professional fees, post Filing Date to May 31, 2021, based on the Companies’ records;
  - e. Post-Filing Liabilities and / or CCAA Charges – this includes restructuring related professional fees estimated from June 1, 2021, to September 30, 2021, the estimated date to conclude these Proceedings;



- f. Priority Amounts – the Monitor and the Companies are not aware of any Priority Amounts;
  - g. Secured / Unaffected Claims – this based on the range of secured / unaffected claims summarized in the table provided on page 10 of this Monitor’s Report on Plan and further detailed in Appendix A attached hereto; and
  - h. Unsecured / Affected Claims – this is based on the range of unsecured / affected claims summarized in the table provided on page 10 of this Monitor’s Report on Plan and further detailed in Appendix A attached hereto.
36. Based on the foregoing, the Monitor estimates that Affected Creditors will receive a distribution ranging from approximately 35% to 51% of their Affected Claim.

## **MONITOR'S ASSESSMENT**

37. The Monitor is supportive of the Spartan Transaction and the Plan for the following reasons:
- a. the Purchase Price Funds:
    - i. are supported by the independent evaluation report the Monitor obtained from Sayer on the Companies' oil and gas assets which is attached as Confidential Appendix "A" to the Third Report of the Monitor; and
    - ii. are anticipated to result in a better recovery than a forced liquidation of the Companies' assets under the *Bankruptcy and Insolvency Act*, or other formal liquidation proceeding, particularly when factoring in the costs of any such proceeding and the Sayer report;
  - b. they provide for a restructuring that will allow the Companies to continue as a going concern; and
  - c. they provide for the full recovery of Crown Capital's secured claim, the Lien Claims and other secured claims, and are estimated to provide a 35% to 51% recovery to Affected Creditors.
38. The Monitor believes the classification of Affected Creditors into a single class of creditors is appropriate in these circumstances as these creditors share a commonality of interest being unsecured creditors whose claims are affected by the Plan.
39. As section 7.8 of the Plan provides that sections 38 and 95 to 101 of the *Bankruptcy and Insolvency Act* shall not apply to the Plan, the Monitor has not reviewed and is not commenting on any preferences or transfers at undervalue pursuant to section 36.1 of the CCAA, although no such potential transactions have been brought to the Monitor's attention.

## **CREDITORS' MEETING**

40. This Monitor's Report on Plan has been prepared in accordance with the Creditors' Meeting Order and will be posted to the Monitor's Website, sent to the service list established for the Proceedings and to Affected Creditors, by no later than June 28, 2021, along with the following documents to be distributed:
  - a. a copy of the Creditors' Meeting Order;
  - b. a copy of the Plan (inclusive of the amendment); and
  - c. a Voting Proxy (collectively, along with a cover letter including additional information about the Creditors' Meeting, (the "**Creditors' Meeting Notice**").
41. Pursuant to the Creditors' Meeting Order, the Monitor is authorized and directed to convene the virtual Creditors' Meeting which is scheduled on July 19, 2021, at 10:30 am Mountain Time to allow for the Affected Creditors to vote on the Plan.
42. The Creditors' Meeting will be chaired by the Monitor, and subject to any further order of the Court, the Monitor shall decide all matters relating to the conduct of the Creditors' Meeting.
43. Affected Creditors may vote either in person (virtually) or by proxy. In order for the Plan to be approved by Affected Creditors, a majority in number and 2/3 in value of Affected Creditors (the "**Statutory Majority**") voting on the Plan, must vote in favour of the Plan.
44. **Creditors are not required to attend the Creditors' Meeting to cast a vote as a Voting Proxy can be submitted in advance of the Creditors' Meeting.** However, if an Affected Creditor wishes to attend the Creditors' Meeting, instructions related to their attendance are provided in the Creditors' Meeting Notice. Affected Creditors should review the Creditors' Meeting Notice for further information on how to participate and cast a vote.


45. If the Plan is approved by the Statutory Majority of Affected Creditors, the Companies will, subject to the availability of the Court, make an application to the Court no later than July 31, 2021, to seek an Order approving and sanctioning the Plan (the “**Plan Sanction Hearing**”). The Monitor understands that a Court application is tentatively booked for 2:00 pm MT on July 26, 2021 for this purpose.
46. In the event the Plan is approved by the Statutory Majority of creditors, the Monitor will be issuing a further report to Court in advance of the Plan Sanction Hearing, which will detail the results of the vote and any other pertinent matters arising at the Creditors’ Meeting.

**RECOMMENDATION**

47. The Monitor is supportive of the Definitive Agreement / Spartan Transaction and the Plan and recommends that Affected Creditors approve the Plan.

All of which is respectfully submitted this 28<sup>th</sup> day of June, 2021.

BDO Canada Limited, in its capacity as  
the Monitor of Calgary Oil & Gas Syndicate Group Ltd., Calgary Oil & Gas  
Intercontinental Group Ltd., Calgary Oil and Syndicate Partners Ltd., Petroworld Energy  
Ltd. and T5 SC Oil and Gas Limited Partnership  
and not in its personal or corporate capacity

  
Per: Marc Kelly  
Senior Vice President

  
Breanne Barker  
Vice President

# APPENDIX “A”

**IN THE MATTER OF THE CCAA OF CALGARY OIL & GAS SYNDICATE GROUP LTD., CALGARY OIL AND GAS INTERCONTINENTAL GROUP LTD. (IN ITS OWN CAPACITY AND IN ITS CAPACITY AS GENERAL PARTNER OF T5 SC OIL AND GAS LIMITED PARTNERSHIP), CALGARY OIL AND SYNDICATE PARTNERS LTD., AND PETROWORLD ENERGY LTD**

**SECURED / UNAFFECTED CREDITORS**

<b>Creditor Name</b>	<b>Amount (\$)</b>		
	<b>Low</b>	<b>High</b>	<b>Difference</b>
Alberta Tubular Products Ltd	126,461	126,461	-
Black Iron Compression Ltd.	59,720	59,720	-
Bull Moose Capital Ltd.	33,495	33,495	-
Crown Capital Partners Inc.	29,213,975	29,465,530	251,555
Enerflex Ltd.	92,899	92,899	-
Essential Coil Well Service	158,669	158,669	-
Savanna Drilling Corp	589,792	589,792	-
Tier 1 Energy Solutions	303,030	303,030	-
Total Oilfield Rentals LP	30,546	30,546	-
WPW Pipeline and Facility Construction	199,325	199,325	-
	<b>30,807,912</b>	<b>31,059,466</b>	<b>251,555</b>

**UNSECURED / AFFECTED CREDITORS**

<b>Creditor Name</b>	<b>Amount (\$)</b>		
	<b>Low</b>	<b>High</b>	<b>Difference</b>
1684366 Alberta Ltd. (Lyle Mcgratton)	86,418	86,418	-
1791069 Ab Ltd.	1,764	1,764	-
2075980 Alberta Ltd.	1,134	1,134	-
2-Good Oilfield Services (2007) Ltd.	1,927	1,927	-
3ES Innovation Inc.	6,248	6,248	-
908750 Alberta Ltd O/A Shane Muyres Trucking	102,844	102,844	-
A M Gefle Consulting Services	55,300	55,300	-
Ace Power Tongs & Energy Services Inc.	56,653	56,653	-
Acme Energy Marketing Ltd.	263	263	-
Acr Oilfield Services Ltd.	3,402	3,402	-
Advanced Safety Paramedics Inc.	61,987	61,987	-
Alberta Treating Chemicals Ltd	16,333	16,333	-
Andy Prefontaine	4,400	4,400	-
Arrival Oil Tools Inc.	37,208	37,208	-
Aspire Energy Resources Ltd	11,641	11,641	-
Aztec Engineering Inc	84,745	84,745	-
Baker Hughes Canada	92,546	92,546	-
Baron Oilfield Supply & Partnership	9,771	9,771	-
Baseline Pressure Testers	5,187	5,187	-
Bicofaster Drilling Tools	7,875	7,875	-
Binscarth Resources Ltd.	16,050	16,050	-
Black Diamond Limited Partnership	57,170	57,170	-
Blackstone Controls	882	882	-
Blackstone Drilling Fluids Limited	472,041	472,041	-
Blue Arrow Communications	17,866	17,866	-
Break Away Hotshot Ltd.	1,696	1,696	-
Bronco Slickline Services	41,447	41,447	-
Buffalo Inspection Service (2005) Inc.	13,081	13,081	-
Canada Revenue Agency	250,000	527,167	277,167
Canadian Casing Accessories Inc.	23,862	23,862	-
Canadian Pressure Control Ltd.	2,048	2,048	-

**UNSECURED / AFFECTED CREDITORS**

<b>Creditor Name</b>	<b>Amount (\$)</b>		
	<b>Low</b>	<b>High</b>	<b>Difference</b>
Cathedral Energy Services	925,974	925,974	-
Certarus Ltd.	19,380	19,380	-
Cleantek Industries Inc.	40,885	40,885	-
Collicut Energy Services	6,062	6,062	-
Colter Energy Lp	444,599	444,599	-
Command Fishing + Pipe Recovery	185,690	185,690	-
Compass Access Solutions Ltd.	47,414	47,414	-
Connate Water Solutions (1867927 Ab Ltd)	7,315	7,315	-
Connect Automation	152,752	152,752	-
Core Completions	53,579	53,579	-
Core Laboratories Canada Ltd	2,449	2,449	-
D&J Enterprises & Maintenance Ltd.	998	998	-
Das Nitrogen Services Ltd.	6,292	6,292	-
Dash Energy Services Ltd.	10,927	10,927	-
Delta Rental Services	1,245	1,245	-
Diamond J Industries Ltd	19,416	19,416	-
Drilformance Ulc	60,150	60,150	-
Eclipse E-Line Services Inc.	88,205	88,205	-
Enercorp Engineered Solutions	80,975	80,975	-
Energetic Services Inc	177,671	177,671	-
EV Canada	16,716	16,716	-
Evergreen Energy Tank Rentals Ltd.	65,612	65,612	-
Fantasyland	75,845	75,845	-
Fedmet Tubulars	228,349	228,349	-
Firemaster Oilfield Services Inc.	9,430	9,430	-
Force Copps Piling Inc.	12,202	12,202	-
Force Inspection Services	35,655	35,655	-
Formula Powell LP	23,117	23,117	-
Fraction Energy Services Ltd	112,103	112,103	-
FSTIM Consulting Inc.	33,688	33,688	-
Garnet's Oilfield Trucking Inc.	3,392	3,392	-
Gmack Oilfield Services Ltd.	1,848	1,848	-
Goliath Snubbing Ltd	41,000	41,000	-
Grant Thornton Llp	10,238	10,238	-
Gs Equipment Ltd.	13,062	13,062	-
Gti Petroleum Ltd.	378,910	378,910	-
H2 Safety	11,471	11,471	-
Halliburton Group Canada	101,493	101,493	-
Harley H.K. Hoiles	21,166	21,166	-
Hayduk Picker Service Ltd.	99,090	99,090	-
HD Energy Rentals Ltd.	10,340	10,340	-
Hellbound Services Corp	65,836	65,836	-
High Arctic Energy Services	42,984	42,984	-
High Country Oilfield Transportation Inc.	148,787	148,787	-
Hopkins Heavy Haul Ltd.	1,286	1,286	-
Ihs Markit Canada Limited	52,258	52,258	-
Impulse Downhole Tools	100,383	100,383	-
Integrity Oilfield Inc.	8,279	8,279	-
Interra Energy Services	48,790	48,790	-
Iron Man Energy	36,347	36,347	-
Isolation Equipment Services	163,714	163,714	-
J.D.A. Ventures Ltd.	3,071	3,071	-
Karibu Industries Ltd	38,464	38,464	-
Katch Kan	8,006	8,006	-

**UNSECURED / AFFECTED CREDITORS**

Creditor Name	Amount (\$)		
	Low	High	Difference
Kemko Inc.	31,983	31,983	-
Longhorn Oilfield Services	113,385	113,385	-
M.W.G. Trucking Ltd.	23,847	23,847	-
Macpherson Energy Consulting Ltd.	7,350	7,350	-
Martex Ltd	15,855	15,855	-
Mcmeekin Resources Ltd	69,219	69,219	-
Mht Oilfield Services Inc.	29,453	29,453	-
Miquelon Meter Services Ltd.	12,915	12,915	-
Mrc Global (Canada) Ulc	1,994	1,994	-
Neway Oilfield Services	83,916	83,916	-
Nexsource Power Electric & Controls Inc.	277,192	277,192	-
Nova Gas Transmission Ltd.	3,355,000	7,472,271	4,117,271
O'Chiese First Nation	785	785	-
Pason Systems Corp	41,920	41,920	-
Petrosight Inc.	12,086	12,086	-
Priority Projects Ltd.	3,052	3,052	-
Progressive Wellsite Management Ltd.	6,379	6,379	-
Prospector Energy Services	124,660	124,660	-
Prowler Energy Services Ltd.	182,782	182,782	-
Ramdar Resource Management Ltd.	25,930	25,930	-
Raven Drilling Corp.	44,100	44,100	-
Rcm Transport Ltd	6,853	6,853	-
Receiver General for Canada C/O Indian Oil & Gas	-	350,000	350,000
Reliance Ofs Canada Ltd.	38,316	38,316	-
Rotor-Tech, Canada Ltd.	2,886	2,886	-
Rss Oilfield Services Ltd.	13,570	13,570	-
Schlumberger Canada Limited	261,026	261,026	-
Silver Fox Services Ltd.	1,843	1,843	-
Silver Springs Enterprises Ltd.	139,742	139,742	-
Silverback Steam & Heating Rentals Inc.	80,890	80,890	-
Stars	53	53	-
Steranko Inc.	25,576	25,576	-
Stream-Flo Industries	16,492	16,492	-
Summit Liability Solutions	6,275	6,275	-
Supreme Office Products	148	148	-
SW Energy Frontiers	2,581	2,581	-
Swift Oilfield Supply	148,464	148,464	-
Synergy Well Servicing Ltd.	4,864	4,864	-
Taqa North Ltd	4,977	4,977	-
Tectonic Energy Consulting Inc.	40,875	40,875	-
Ted Beath Welding Ltd.	161,647	161,647	-
Tenaris Global Services Canada Inc.	167,060	167,060	-
Tervita Corporation	39,095	39,095	-
The Safety Depot	655	655	-
Thru Tubing Solutions	105,439	105,439	-
TNT Hydro Vac & Line Locators Ltd.	10,404	10,404	-
Trican Well Service Ltd.	863,223	863,223	-
Triple Five Limited	237	237	-
Tryson Energy Services Inc	78,115	78,115	-
Tryton Tool Services	1,882	1,882	-
Tykan Systems Ltd.	30,310	30,310	-
Ulterra Lp	24,250	24,250	-
Vapor Nitrogen Services Ltd.	4,754	4,754	-
Vdm Trucking Service Ltd	11,142	11,142	-
Versatile Energy Services Ltd.	39,662	39,662	-



**UNSECURED / AFFECTED CREDITORS**

<b>Creditor Name</b>	<b>Amount (\$)</b>		
	<b>Low</b>	<b>High</b>	<b>Difference</b>
Watts Projects Inc.	10,959	10,959	-
Weatherford Canada Ltd.	6,207	6,207	-
Webco Consulting Ltd.	58,640	58,640	-
Weir Seaboard Oil & Gas Seaboard Canada Ltd.	49,954	49,954	-
Westbrick Energy Ltd.	83,218	83,218	-
Weyerhaeuser	6,033	6,033	-
Whirlybyrds Inc	55,049	55,049	-
Wolseley Industrial Canada Inc.	11,497	11,497	-
Wts Treatment Solutions Ltd.	56,226	56,226	-
X-Site Energy Services	311,487	311,487	-
Yamchi Services Ltd.	6,878	6,878	-
	<b>13,351,949</b>	<b>18,096,387</b>	<b>4,744,438</b>