

COURT FILE NUMBER BK NO: 25-2523592
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PROCEEDING IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF OAN RESOURCES LTD.
DOCUMENT **APPLICATION FOR SECOND EXTENSION**



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Josef G.A. Kruger, Q.C. / Jack R. Maslen
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File No. 445340.000001

NOTICE TO THE ATTACHED SERVICE LIST (SCHEDULE "B")

This application is made against you or may affect you. You are a respondent, a party to this proceeding, or an interested party.

You have the right to state your side of this matter before the Judge.

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

Date: August 26, 2019
Time: 3:00 PM
Where: Calgary Courts Centre, 601 – 5th Street SW, Calgary, AB T2P 5P7
Before Whom: The Honourable Mr. Justice P. R. Jeffrey

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

REMEDY CLAIMED OR SOUGHT:

1. The applicant, OAN Resources Ltd. (“OAN”), seeks an Order substantially in the form attached hereto as **Schedule “A”**, which includes the following relief:
 - (a) Abridging the time for service of this Application and the supporting materials, as necessary, and deeming service thereof to be good and sufficient;
 - (b) Extending the period for OAN to file a proposal (the “**Proposal**”), pursuant to Section 50.4(9) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c.B-3 (the “**BIA**”), for a further period of 45 days from August 28, 2019 to October 12, 2019;
 - (c) Sealing the Confidential Supplement (the “**Confidential Supplement**”) to the Second Report of Hardie & Kelly Inc. in its capacity as proposal trustee (the “**Proposal Trustee**”); and
 - (d) Granting such further and other relief as counsel may advise and this Honourable Court deems appropriate in the circumstances.

GROUND FOR MAKING THIS APPLICATION:

Extension to File Proposal

2. OAN is an insolvent corporation, which filed a Notice of Intention to make a Proposal on June 14, 2019 (the “**NOI**”).
3. On July 8, 2019, OAN applied for and obtained a 45-day extension (the “**Initial Extension**”) of the period for the filing of a Proposal under the *BIA*. The current stay of proceedings will expire on August 28, 2019.
4. Since the Initial Extension was granted, OAN has continued to work diligently and in good faith, including with its professional advisors, with the Proposal Trustee, and with various debentureholders (“**Debentureholders**”), which are its primary secured creditors.
5. However, OAN’s financial restructuring efforts, consultations and analysis are continuing, and OAN requires additional time to determine the most appropriate structure for a viable Proposal.
6. A second extension of the period for the filing of a Proposal is therefore appropriate since:
 - (a) OAN has acted, and is acting, in good faith and with due diligence;
 - (b) OAN anticipates it will likely be able to make a viable Proposal if the second extension it is applying for is granted; and

- (c) no creditor will materially be prejudiced if the extension OAN is applying for is granted.
7. The Proposal Trustee supports a second extension of the period for the filing of a Proposal.
 8. If a second extension is not granted, and OAN is deemed to have made an assignment into bankruptcy pursuant to Section 50.4(8) of the *BIA*, OAN does not expect there will be any recoveries for unsecured creditors.

Sealing Order

9. The Confidential Supplement to the Proposal Trustee's Second Report, to be filed in support of the relief sought by OAN in this Application, contains commercially sensitive information of OAN. If this information was disseminated, OAN's ability to financially restructure and make a viable Proposal would be placed in serious risk.
10. The sealing order sought for the Confidential Supplement is the least restrictive and prejudicial alternative to preventing the risks to OAN's financial restructuring and ability to make a viable Proposal.

MATERIAL OR EVIDENCE TO BE RELIED ON:

11. Affidavit of David Fricker sworn August 19, 2019 and filed.
12. The Second Report of the Proposal Trustee, to be filed.
13. The Confidential Supplement to the Second Report of the Proposal Trustee, to be filed.
14. The pleadings, orders, affidavits and other materials or reports previously filed in these proceedings.
15. Such further and other materials as counsel may advise and this Honourable Court deems fit.

APPLICABLE RULES:

16. The *Alberta Rules of Court*, AR 124/2010.
17. The *Bankruptcy and Insolvency General Rules*, CRC, c 368.
18. Such further and other rules as counsel may advise and this Honourable Court may permit.

APPLICABLE ACTS AND REGULATIONS:

19. *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended.
20. Such further and other Acts or regulations as counsel may advise and this Honourable Court may permit.

ANY IRREGULARITY COMPLAINED OF OR OBJECTION RELIED ON:

21. None.

HOW THE APPLICATION IS PROPOSED TO BE HEARD OR CONSIDERED:

22. In person with some or all of the parties' present.

WARNING:

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

Schedule "A"

Form of Order

See attached.

Clerk's Stamp

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MAKE A PROPOSAL OF OAN RESOURCES LTD.

DOCUMENT **ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Josef G.A. Kruger, Q.C. / Jack R. Maslen
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1900, 520 3rd Ave. S.W.
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Email: Jkruger@blg.com / JMaslen@blg.com
File No. 445340.000001

DATE ON WHICH ORDER WAS PRONOUNCED: August 26, 2019

NAME OF JUSTICE WHO MADE THE ORDER: The Honourable Mr. Justice P.R. Jeffrey

UPON the Application for a Second Extension of OAN Resources Ltd. ("OAN"), filed on August 19, 2019; **AND UPON** having read the Affidavit of David Fricker sworn August 19, 2019 and filed, and the Second Report of Hardie & Kelly Inc. in its capacity as proposal trustee (the "**Proposal Trustee**") for these proceedings, filed; **AND UPON** having read the other materials, reports and/or affidavits filed in these proceedings; **AND UPON** hearing from counsel to OAN and any other interested parties appearing at the hearing of this Application;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of this Application, together with all supporting materials, is hereby abridged, if necessary, and declared to be good and sufficient and no other person is required to have been served with such documents, and this hearing is properly returnable before this Honourable Court today and further service thereof is hereby dispensed with.

EXTENSION TO FILE PROPOSAL

2. The period of time within which OAN is required to file a proposal to its creditors with the Official Receiver, under Section 50.4 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3 (the “*BIA*”), shall be and is hereby extended by forty-five (45) days, from August 28, 2019 to and including October 12, 2019.

SEALING ORDER

3. The Confidential Supplement (the “**Confidential Supplement**”) to the Second Report of the Proposal Trustee shall be sealed on the Court file, kept confidential and not form part of the public record. The Clerk of the Court shall file the Confidential Supplement in a sealed envelope attached to a notice that sets out the style of cause of these proceedings and states that:

THIS ENVELOPE CONTAINS THE CONFIDENTIAL SUPPLEMENT TO THE SECOND REPORT OF HARDIE & KELLY INC., AS PROPOSAL TRUSTEE, FILED IN COURT FILE BK NO. 25-2523592, WHICH SHALL BE SEALED FOR A PERIOD OF SIX (6) MONTHS, PURSUANT TO AN ORDER ISSUED BY THE HONOURABLE JUSTICE P.R. JEFFREY DATED AUGUST 26, 2019, AND IS NOT TO BE PLACED ON THE PUBLIC RECORD OR MADE PUBLICLY ACCESSIBLE.

4. The Proposal Trustee is empowered and authorized, but not directed, to provide the Confidential Supplement (or any portion thereof, or information contained therein) to any interested party, entity or person that the Proposal Trustee considers reasonable in the circumstances, subject to confidentiality arrangements satisfactory to the Proposal Trustee and OAN.
5. Rule 6.32 is hereby waived.

MISCELLANEOUS

6. Service of this Order shall be deemed good and sufficient by serving the same on: (i) the persons listed on the service list (attached as **Schedule “B”** to the Application); and (ii) by posting a copy of this Order on the Proposal Trustee’s website at: <https://relieffromdebt.ca/oan-resources-ltd/>.
7. No other persons are entitled to be served with a copy of this Order.
8. Service of this Order shall be deemed good and sufficient regardless of whether service is effected by PDF copy attached to email, facsimile, courier, personal delivery or ordinary mail.

9. The Service List attached as **Schedule "B"** to the Application is hereby approved, if necessary, notwithstanding that addresses for certain individuals (or their trusts) have not been listed by OAN due to privacy concerns.

Justice of the Court of Queen's Bench of Alberta

Schedule "B"

Service List

See attached.

**In the Matter of the Notice of Intention to Make a Proposal of OAN Resources Ltd.
Bankruptcy No. 25-2523592**

EMAIL SERVICE LIST

<p>Hardie & Kelly Inc. Suite 110, 5800 – 2 Street SW Calgary, AB T2H 0H2</p> <p>Mr. Marc Kelly mkelly@insolvency.net</p> <p>Charla Smith csmith@insolvency.net</p>	<p>Proposal Trustee</p>
<p>Borden Ladner Gervais LLP 1900, 520 – 3 Avenue SW Centennial Place, East Tower Calgary, AB T2P 0R3</p> <p>Mr. Josef Kruger jkruger@blg.com</p>	<p>Counsel for OAN Resources Ltd.</p>
<p>Bennett Jones LLP 4500 Bankers Hall East 855 – 2 Street SW Calgary, AB T2P 4K7</p> <p>Mr. Chris Simard simardc@bennettjones.com</p> <p>Kelsey Meyer meyerk@bennettjones.com</p>	<p>Counsel to Hardie & Kelly Inc.</p>
<p>Mr. Dave Fricker dfricker@oanresources.com</p>	<p>OAN Resources Ltd.</p>
<p>Burnet, Duckworth & Palmer LLP Suite 2400, 525 – 8 Avenue SW Calgary, AB T2P 1G1</p> <p>Mr. Craig O. Alcock coa@bdplaw.com</p>	<p>Counsel for CWC Energy Services Corp and TAM International Oil Services Ltd.</p>
<p>Miller Thomson LLP 2700, 10155 - 102nd Street Edmonton AB T5J 4G8</p> <p>Mr. Daniel Stachnik dstachnik@millerthomson.com</p>	<p>Counsel for CVS Controls Ltd.</p>

RJB Oilfield Services Ltd. PO Box 8965 Slave Lake, AB T4S 1S6 Bill.harnett@rjboilfield.com	
McMillan LLP Attention: Adam C. Maerov TD Trust Towers Suite 1700, 421-7 th Ave SW Calgary, AB T2P 4K9 Adam.maerov@mcmillan.ca	certain debenture holders
Jordana Pine-Algar Jlripine@yahoo.ca	

MAILING SERVICE LIST

**Note: service addresses for individuals (or their trusts) have been redacted for privacy concerns; to serve these individuals please contact the Proposal Trustee*

1028453 Alberta Ltd. Attn: Mike Yasinski 519 Heffernan Drive Edmonton, AB T6R 2K5	676853 AB Ltd. o/a C-Six Waterhauling Box 27 Red Earth Creek, AB T0G 1X0
755228 AB Ltd. o/a K & S Welding Box 394 Red Earth Creek, AB T0G 1X0	799430 AB Ltd. o/a MSS Trucking P.O. Box 24 Grimshaw, AB T0H 1W0
87-9 Oilfield Services Ltd. Box 123 Red Earth Creek, AB T0G 1X0	Aero Rental Services 1700, 215 – 9 th Avenue SW Calgary, AB T2P 1K3
AJD 40 Trust c/o W. Brett Wilson	Alberta Tubular Products Ltd. c/o Rose LLP Attention : Courtney C. Kachur Suite 810, 333 5 th Ave SW Calgary, AB T2P 3B6 Courtney.Kachur@RoseLLP.com
Alberta-Pacific Forest Industries Inc. P.O. Box 8000 Boyle, AB T0A 0M0	Apex Distribution Inc. #550, 407 – 2 Street SW Calgary, AB T2P 2Y3
Astro Oilfield Rentals Ltd. 12504 100 Street Grande Prairie, AB T8V 4H8	Attack Oilfield Services Inc. Box 1166 Manning, AB T0H 2M0
Avalanche Acid Hauling Ltd. PO Box 23103 Grande Prairie, AB T8V 6X2	Bearstone Environmental Solutions Inc. 500, 435 – 4 Avenue SW Calgary, AB T2P 3A8
Beartrax Pumpjack Services Inc. P.O. Box 2465 Slave Lake, AB T0G 2A0	Benoit Regulatory Compliance Inc. 736 6 Avenue SW, Suite 1600 Calgary, AB T2P 3T7
Betta System Services Ltd. 36 MacEwan Meadow Rise NW Calgary, AB T3K 3J9	Black Gold Anchors Ltd. Box 230 Red Deer, AB T0G 1X0
Blackrock Automation Ltd. PO Box 4435 Taber, AB T1G 2C8	Blackstone Drilling Fluids Limited 1600, 510 – 5 Avenue SW Calgary, AB T2P 3S2
Bluewave Energy 219 Hwy 88 North Red Earth, AB T0G 1X0	Boss Pressure Services PO Box 1635 #5, 705 Caribou Trail SW Slave Lake, AB T0G 2A0
Cream Energy Group Box 7228 5602 – 58 Avenue Drayton Valley, AB T7A 1S5	Crimson Oil & Gas Ltd. Suite 800, 2424 – 4 Street SW Calgary, AB T2P 2T4

CWC Energy Services 33 Schenk Industrial Road Sylvan Lake, AB T4S 2J9	
Donald E. Siecke	Doreen Scheidt
Element Resource Development Inc. 1250 – 635 8 Avenue SW Calgary, AB T2P 3M3	Eric Tyrrell
Exact Oilfield Developing Ltd. Box 755 1412 Tamarack Rd NE Slave Lake, AB T0G 2A0	Fairfax Energy Inc. 2205, 500 – 4 th Avenue SW Calgary, AB T2P 2V6
FOWB 2022 c/o W. Brett Wilson	Fricker Enterprises Ltd. 1250 – 635 8 Avenue SW Calgary, AB T2P 3M3
Galey Inspection Services Ltd. Site 19, Box 4, RR2 Sexsmith, AB T0H 3C0	George R. Wright Holdings Ltd. 200, 80 Chippewa Road Sherwood Park, AB T8A 4W6
Highfire Energy Services Ltd. 22212 Twp. Rd 510 Sherwood Park, AB T8C 1G9	Highwood Oil Company Ltd. Suite 1500, 250 – 2 Street SW Calgary, AB T2P 0C1
Hudgeon's Welding Ltd. 20 Range Place NW Calgary, AB T3G 1P6	Intricate Group Inc. Suite 1650, 717 – 7 Avenue SW Calgary, AB T2P 0Z3
Iron Eagle Hot Oiling Ltd. #4 Saskatchewan Ave Devon, AB T9G 1E7	Jesse Lake Resources Ltd. Attn: Christian Buck 30 Anatapi Lane SW Calgary, AB T3H 4G4
Jesse Lake Resources Ltd. 1250 – 635 8 Avenue SW Calgary, AB T2P 3M3	John D. Wright
John K. Assman	Jordana Pine-Algar
JR's Pressure Service Box 1656 Whitecourt, AB T7S 1P4	Keith and Doris E. Minor Trust
Lavoie Holdings Ltd. Box 69 Red Earth Creek, AB T0G 1X0	Loon River Trucking Ltd. Box 189 Red Earth Creek, AB T0G 1X0
Lory Oilfield Rentals Inc. 1004 – 15 th Avenue Nisku, AB T9E 7S5	LRW 40 Trust c/o W. Brett Wilson
Lyle's Trucking Box 6962 Peace River, AB T8S 1S7	Magnum Cementing Services Operations Ltd. P.O. Box 60010 Strathmore, AB T1P 0C3
Matt Osbourn	Max Fuel Distributors Ltd. Box 236 Slave Lake, AB T0G 2A0
MD of Opportunity No. 17	MI Casa Rentals Inc.

Box 60 Wabasca, AB T0G 2K0	1170, 800 – 6 Avenue SW Calgary, AB T2P 3G3
Michael L. Horn	Newsco International Energy Services Inc. Suite 11, 4855 – 102 Avenue SE Calgary, AB T2C 2X8
Nicholas A. Sannella	Northern Waste Disposal Ltd. Box 420 Red Earth, AB T0G 1X0
Northumberland Trust Attn: John Chambers	P2 Energy Solutions Alberta ULC 2100, 639 – 5 Avenue SW Calgary, AB T2P 0M9
Patmore Oilfield Services Ltd. Box 665 High Level, AB T0H 1Z0	Peer Brother Industries Inc. Box 314 Red Earth Creek, AB T0G 1X0
Performance Production Services Inc. PO Box 1333 Weyburn, SK S4H 3J9	Peter Kiss
Petrosight Inc. 900 3E8, 808 4 Avenue SW Calgary, AB T2P 0K4	Pipe Optics Integrity Solutions Inc. 71 Calling Horse Estates Calgary, AB T3Z 1X4
Pitbull Energy Services 2424 91 Avenue Edmonton, AB T6P 1K9	Quinn Pumps Canada Ltd. P.O. Box 9609, Station M Calgary, AB T2P 0E9
Rafael Ford Business Consulting 1250 – 635 8 Avenue SW Calgary, AB T2P 3M3	RBW Waste Management (Northern) Ltd. 3280 – 10 Street Nisku, AB T9E 1E7
RDW 40 Trust c/o W. Brett Wilson	Red Planet Trucking Ltd. Box 258 Red Earth Creek, AB T0G 1X0
Remote Wireline Services (2011) Ltd. 8804 – 98 Street Morinville, AB T8R 1K6	Rene LaPrade
	Robert Vanderhooft
Ryder Fluid Solutions Inc. 11713 – 91B Street Grande Prairie, AB T8X 1J2	Sauve Construction Ltd. Site 3, Box 1, RR 1 Dapp, AB T0G 0S0
Savanna Drilling Corp. c/o CH3084, PO Box 2509, Station M Calgary, AB T2P 0E2	Seer Development Ltd. Attn: Paul Verhesen 1403 Woodward Crescent Edmonton, AB T6M 0A3
Sequoia Helicopters 30750 Threshold Drive Abbotsford, BC V2T 6H5	Silver Tip Enterprises Ltd. Box 1146 Rocky Mountain House, AB T4T 1A8
Silverline Wireline	Silvertip Rentals Inc.

Box 207 Slave Lake, AB T0G 2A0	Box 207 Slave Lake, AB T0G 2A0
Sol P. Wright	STEP Energy Services 1200, 205 – 5 Avenue SW Calgary, AB T2P 2V7
Strategic Projects Inc. Unit 1200, 700 – 9 th Avenue SW Calgary, AB T2P 3V4	Stream-Flo Industries Ltd. 4505 – 74 Avenue Edmonton, AB T6B 2H5
Synergy Land Services Ltd. 200, 2710 – 17 Avenue SE Calgary, AB T2A 0P6	TAM International Oil Services Ltd. 10341 – 50 Street SE Calgary, AB T2C 3E3
Team Industrial Services TISI Canada Inc. 2507 – 84 th Avenue Edmonton, AB T6P 1K1	Tervita Corporation 1600, 140 – 10 Avenue SE Calgary, AB T2G 0R1
Total Oilfield Rentals Ltd. 800, 311 – 6 Avenue SW Calgary, AB T2P 4M9	Trican Well Services Ltd. 645 7 Avenue SW, #2900 Calgary, AB T2P 4G8
Tryton Tool Services PO Box 10667 Lloydminster, AB T9V 3A7	Western Camp Services Ltd. 7003 – Girard Road Edmonton, AB T6B 2C4
White Water Management Ltd. 300, 839 5 Avenue SW Calgary, AB T2P 3C8	