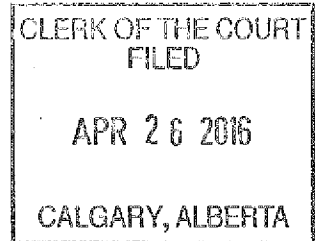


Clerk's Stamp



COURT FILE NUMBER 1601-03126
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
PLAINTIFF(S) CALLIDUS CAPITAL CORPORATION
DEFENDANT(S) ALKEN BASIN DRILLING LTD.
DOCUMENT RECEIVER'S FIRST REPORT TO COURT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Gowling WLG (Canada) LLP
Suite 1600
421 – 7th Ave SW
Calgary, AB
T2P 4K9
Attention: Tom Cumming, BA, LLB, LLM /
Frank Lamie, BA, LLB
Telephone: (403) 298-1938 / (403) 298-1092
Fax: (403) 607-4592

INTRODUCTION

1. MNP Ltd. was appointed Receiver (in such capacity, the "**Receiver**") without security, of all of the assets, undertakings and properties (the "**Property**") owned by Alken Basin Drilling Ltd. ("**Alken**" or the "**Debtor**") in accordance with an April 1, 2016 Court of Queen's Bench of Alberta (the "**Court**") Receivership Order, as subsequently amended by the Amended & Restated Receivership Order issued by the Court (together, the "**Receivership Order**"). A copy of the Receivership Order is attached as **Schedule "A"**.
2. Prior to its appointment as Receiver, MNP Ltd. had been engaged by Alken as an Advisor (the "**Advisor**") to conduct an *en bloc* sales process of the Property (the "**Sales Process**"). In accordance with the Receivership Order, the Receiver was authorized to continue with the Sales Process initiated prior to its appointment.

PURPOSE OF THE REPORT

3. The purpose of this First Report to Court (the "First Report") is to provide the Court with information in respect of:
 - a. the Receiver's Activities;
 - b. the Sales Process;
 - c. Analysis of Offers to Purchase;
 - d. Individual Asset Sales; and
 - e. an Order authorizing the sale of the Property.

DISCLAIMER

4. In preparing the First Report and making the comments herein, the Receiver has been provided with, and has relied upon, certain unaudited, draft and/or internal financial information, the Debtor's books and records, discussions with employees and management of the Debtor and information from other third-party sources (collectively, the "Information"). Except as described in the First Report, the Receiver has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards of the Chartered Professional Accountants of Canada.

ACTIVITIES OF THE RECEIVER

5. In accordance with the Receivership Order, Alken remained in possession of the Property and exercised control over any proceeds, receipts, and disbursements arising out of or from the Property.
6. The Receiver continued the administration of the ongoing Sales Process, as described in greater detail below.
7. The Notice and Statement of the Receiver pursuant to Sections 245 (1) and 246 (1) of the *Bankruptcy and Insolvency Act* was distributed to the known creditors of Alken. A copy of the Notice and Statement of the Receiver is attached as **Schedule "B"**.

SALES PROCESS

8. In accordance with the Receivership Order, the Receiver continued to administer the Sales Process initiated on March 21, 2016 by the Advisor.
9. The Sales Process was advertised in the following publications and websites:
 - The Calgary Herald;
 - The Globe and Mail;
 - Daily Oil Bulletin;
 - National Driller Website;
 - MNP Ltd. Website;
 - MNP Ltd. Oilfield Services LinkedIn;
 - MNP Ltd. LinkedIn; and
 - Insolvency Insider
10. The Sales Process directly marketed the Property to individuals and companies through:
 - Distribution of the Information Summary to all MNP partners (over 400 across Canada) for distribution to contacts and clients;
 - Distribution of the Information Summary to auction companies and networks of distressed asset purchasers; and
 - Distribution of the Information Summary by Range Advisors (advisors to Alken) to approximately one thousand and sixty (1,060) individual companies operating in the Oilfield Services and Water Well Drilling industries in Canada and the United States. Of the one thousand and sixty (1,060) companies, four hundred (400) were contacted directly by Range Advisors of which seventy (70) requested the list of Property.
11. The Receiver received twenty-seven (27) requests for Confidentiality Agreements, Twenty-four (24) signed Confidentiality Agreements were received by the Receiver and the Receiver provided those twenty-four (24) parties with the Information Memorandum.
12. Of the twenty-four (24) parties who signed Confidentiality Agreements, ten (10) attended the Alken premises to view the assets and conducted due diligence.
13. The Receiver was advised by Alken during the Sales Process that a Memorandum of Understanding ("MOU") was signed with the potential for a contract for the drilling of a substantial amount of water wells in Egypt. The Receiver advised the parties who had signed

Confidentiality Agreements of the MOU and six (6) parties requested and were provided with a copy of the MOU.

14. On April 13, 2016 the Receiver notified the parties who had signed Confidentiality Agreements that the deadline to submit Offers to Purchase had been extended from April 13, 2016 to April 18, 2016 at 5:00 PM MST.
15. The Sales Process concluded on April 18, 2016, after active marketing of the Property in both Canada and the United States.

ANALYSIS OF OFFERS TO PURCHASE

16. A total of four (4) Offers to Purchase and/or auction proposals (the "**Offers**") were submitted to the Receiver in accordance with the Sales Process.
17. The Offers comprised three (3) auction proposals and one (1) *en bloc* Offer to Purchase.

The Receiver has prepared an analysis of the Offers within the Confidential Addendum to the First Report to Court (the "**Confidential Addendum**"). The Confidential Addendum is the subject of a request by the Receiver for a sealing Order as it contains commercially sensitive information the disclosure of which would prejudice the Sales Process and any future sales processes. Accordingly, the Receiver requests that the Confidential Addendum to the First Report be sealed so as to not adversely affect the Sales Process and potential future sales processes.

18. Based upon the analysis in the Confidential Addendum, the Receiver recommends the acceptance of the Offer to Purchase submitted by Callidus Capital Corporation.
19. Counsel for the Receiver has provided the Receiver with an opinion that Callidus Capital Corporation's security is valid and enforceable. At this time, the Receiver is not aware of any outstanding amounts owed to priority creditors other than the Receiver's charge granted in the Receivership Order.

INDIVIDUAL ASSET SALES

20. Alken has continued to market the sale of individual pieces of equipment during the Sales Process, however, to date no formal Offers to Purchase have been submitted.

RECOMMENDATIONS AND CONCLUSION

21. Based upon the Offers to Purchase and Auction Proposals submitted as further outlined in the Confidential Addendum, the Receiver is of the opinion that the Callidus Offer provides for the highest net realization to the Receivership estate and it is unlikely that further marketing of the Property will result in a higher realization. Accordingly, the Receiver is of the view that the Callidus Offer is the highest and best offer in the circumstances.
22. On the basis of the foregoing and the information set out in the Confidential Addendum, the Receiver respectfully requests that this Court issue an Order:
- a. Approving the administration of the Sales Process;
 - b. Authorizing the acceptance of the Offer to Purchase submitted by Callidus Capital Corporation;
 - c. Sealing the Confidential Addendum to the First Report to Court; and
 - d. Such further and other relief as this Court deems just.

All of which is respectfully submitted this 26th day of April, 2016.

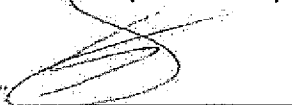
MNP Ltd.

In its capacity as Receiver of

Alken Basin Drilling Ltd.

And not in its personal capacity

Per



Eric Sirrs

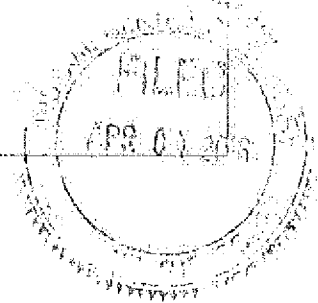
Senior Vice President

I hereby certify this to be a true copy of
the original ORDER

Dated this 4 day of April 2016

Clerk's Stamp

MCL
for Clerk of the Court



COURT FILE NUMBER 1601-03126

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT: CALLIDUS CAPITAL CORPORATION

RESPONDENT: ALKEN BASIN DRILLING LTD.

DOCUMENT: RECEIVERSHIP ORDER

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
 LAWSON LUNDELL LLP, Barristers & Solicitors
 3700, 205 - 5th Avenue S.W.
 Calgary, Alberta T2P 2V7
 Attention: William L. Roberts / Sarah J. Nelligan
 Telephone: (403) 269-6900
 Fax: (403) 269-9494

DATE ON WHICH ORDER WAS PRONOUNCED: April 1, 2016

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Mr. Justice D.B. Nixon

LOCATION OF HEARING: Calgary, Alberta

UPON the application of Callidus Capital Corporation ("Callidus") in respect of Alken Basin Drilling Ltd. ("Alken"); AND UPON having read the Application, the Affidavit of Craig Boyer sworn March 21, 2016; AND UPON reading the Report dated March 23, 2016 of MNP Ltd. (the "Receiver") filed; AND UPON hearing William L. Roberts, counsel for Callidus IT IS **HEREBY ORDERED AND DECLARED THAT:**

SERVICE

1. The time for service of the notice of application for this order is hereby abridged and service thereof is deemed good and sufficient.

APPOINTMENT

2. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (“*BIA*”), and sections 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2, 99(a) of the *Business Corporations Act*, R.S.A. 2000, c.B-9, and 65(7) of the *Personal Property Security Act*, R.S.A. 2000, c.P-7, MNP Ltd. is hereby appointed Receiver, without security, of all of Alken’s current and future assets, undertakings and properties, including all proceeds thereof as set out herein (the “*Property*”).

RECEIVER’S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the *Property* and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver’s powers and duties, including without limitation those conferred by this Order;
 - (b) to market any or all the *Property*, including advertising and soliciting offers in respect of the *Property* or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
 - (c) to sell, convey, transfer, lease or assign the *Property* or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$150,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 shall not be required, provided that, for greater certainty, Alken will be permitted to continue to sell individual items of equipment from time to time with the prior written consent of the Receiver;

- (d) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (e) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (f) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (g) to enter into agreements with any trustee in bankruptcy appointed in respect of Alken, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by Alken; and
- (h) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including Alken, and without interference from any other Person. For greater certainty, except to the extent subsequently ordered by this Court, the Receiver is not appointed as manager and shall not take possession or control of the Property or operate the business of Alken or employ any of Alken's employees, and Alken shall remain in possession and control of the Property (until, for greater certainty, such time as the Property is sold).

4. Notwithstanding the above, Alken shall remain in possession of and exercise control over any and all proceeds, receipts and disbursements arising out of or from the Property (other than as a result of the sale of all or any portion of the Property by the Receiver).

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

5. (i) Alken, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver.
6. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of Alken, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph ~~7~~ or in paragraph ~~6~~ of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
7. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance

in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

8. No proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST ALKEN OR THE PROPERTY

9. No Proceeding against or in respect of Alken or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of Alken or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph 9; and (ii) affect a Regulatory Body's investigation in respect of Alken or an action, suit or proceeding that is taken in respect of Alken by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "Regulatory Body" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a province.

NO EXERCISE OF RIGHTS OF REMEDIES

10. All rights and remedies (including, without limitation, set-off rights) against Alken, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Receiver or Alken to carry on any business which Alken is not lawfully entitled to carry on, (ii) exempt the Receiver or Alken from

compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by Alken, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. All Persons having oral or written agreements with Alken or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to Alken are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by Alken, and this Court directs that Alken shall be entitled to the continued use of Alken's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by Alken in accordance with normal payment practices of Alken or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net

of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

14. Subject to employees' rights to terminate their employment, all employees of Alken shall remain the employees of Alken until such time as the Receiver, on Alken's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47 ("WEPPA").
15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by Alken, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
 - (i) before the Receiver's appointment; or

- (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
 - (i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:
 - A. complies with the order, or
 - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
 - (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,
 - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
 - B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or

- (iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

LIMITATION ON THE RECEIVER'S LIABILITY

17. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

RECEIVER'S ACCOUNTS

18. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, incurred both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA.
19. The Receiver and its legal counsel shall pass their accounts from time to time.
20. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

ALLOCATION

21. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property.

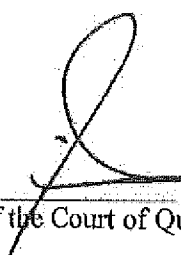
GENERAL

22. The Receiver and its counsel are at liberty to serve or distribute this Order, any other orders, and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding true copies thereof by electronic message to Alken's creditors, other interested parties, potential purchasers and their respective advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation and notice requirements, and the right to provide notice of existing or pending court orders, within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations* of Canada.
23. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
24. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence.
25. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of Alken.
26. 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 and 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.

27. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
28. The Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from Alken's estate with such priority and at such time as this Court may determine.
29. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

FILING

30. The Receiver shall establish and maintain a website in respect of these proceedings and shall post there as soon as practicable:
- (a) all materials prescribed by statute or regulation to be made publically available; and
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.



Justice of the Court of Queen's Bench of Alberta



NOTICE AND STATEMENT OF RECEIVER
SEC. 245 (1) AND SEC. 246(1) OF THE ACT

IN THE MATTER OF THE RECEIVERSHIP OF
ALKEN BASIN DRILLING LTD.
OF THE CITY OF RED DEER
IN THE PROVINCE OF ALBERTA

1. On April 1, 2016, MNP Ltd. ("MNP") became receiver (the "Receiver") of all the assets, undertakings and properties (the "Assets") of Alken Basin Drilling Ltd. ("Alken") as described below:

	<u>Estimated Book Value¹</u>
Cash	\$54,150
Accounts Receivable (as at March 11/16)	142,919
Inventory	965,338
Prepaid expenses	27,774
Property, plant and equipment	9,392,290
Total	<u>\$10,582,471</u>

2. MNP became Receiver by virtue of being appointed pursuant to an Order (the "Order") of the Honourable Mr. Justice D.B. Nixon of the Court of Queen's Bench of Alberta (the "Court")

3. Pursuant to the Order, the Receiver has not taken the or control of the Assets.

4. Pursuant to Section 246(1) and Rule 125 of the *Bankruptcy and Insolvency Act*, the following information relates to the receivership:

- a. Address of Debtor: 38318 Range Rd 281, Red Deer, AB T4N 5E4
- b. Principal line of business: oilfield services, specializing in the drilling of, and providing products and services for, water wells, source wells, disposal wells, oil and gas wells, surface casing presets, pile pre-drilling and well tests across Western Canada.
- c. Location of the Property: 38318 Range Rd 281, Red Deer, AB T4N 5E4
- d. The approximate amount owed by Alken to secured creditors who may hold a security interest in the Assets is set out in List "A".
- e. The names of the unsecured creditors of Alken and the approximate amount owed to each is set out in List "B"
- f. The intended plan of action of the Receiver during the receivership, to the extent such a plan has been determined, is as follows:
 - To realize on the Assets by carrying out the Sale and Investment Solicitation Process approved by the Court.
- g. It is premature to know if there will be funds available for distribution to the unsecured creditors OR whether the net realization from Alken's assets will be sufficient to satisfy the debt due to the secured creditors.
- h. Contact person for the Receiver:

Attention:	Evan MacKinnon
Phone:	(780) 455-1155
Email:	evan.mackinnon@mnp.ca

¹ Unless stated otherwise, the estimated net book value is as at December 31, 2015



Dated at Toronto this 8th day of April, 2016

MNP Ltd.
In its capacity as Court-Appointed Receiver of
Alken Basin Drilling Ltd.
and not in its personal or corporate capacity

Per:



Sheldon Title

MNP

IN THE MATTER OF THE RECEIVERSHIP OF
ALKEN BASIN DRILLING LTD.

List "A" - Secured

Creditor	Address	City	Province	Postal Code	Amount
Centides Capital Corporation	Raynt Trust Tower, Ste 4320, 77 King St W	Toronto	ON	M6K 1K2	\$ 27,427,555
Ford Credit Canada Limited	PO Box 2400	Edmonton	AB	T5J 6C7	Unknown
GE Canada Equipment Financing	5500 North Service Road, 8th Floor	Burlington	ON	L7L 8W6	Unknown
Hilda Bakuska and Bradley Bakuske	361 Wildwood Drive SW	Calgary	AB	T3C 3E4	Unknown
Nancy Hoover	142 Mt Douglas Close SE	Calgary	AB	T2X 3S2	Unknown
					\$ 27,427,553

List "B" - Unsecured

Creditor	Address	City	Province	Postal Code	Amount
3D DRILLING TOOLS INC	6135 WAGNER ROAD NW	EDMONTON	AB	T6E 4N0	\$ 8,604
681250 AB Ltd	601 - 4901 - 48 STREET	Red Deer	AB	T4N 6M4	15,788
AOR GROUP	511-12TH AVE	NISKU	AB	T9E 7H8	2,594
AESTIMO SERVICES LTD	8 Chinook ST	Blackfalds	AB	T6M 0J0	13,125
AGAT LABORATORIES	2805 - 12 ST NE	Calgary	AB	T2E 7J2	1,319
AB BOILERS SAFETY ASSOCIATION	9410 20 AVENUE	EDMONTON	AB	T8N 0A4	1,183
AB TUBULAR PRODUCTS LTD	# 1100, 500 4th AVENUE SW	CALGARY	AB	T2P 2V6	53,119
ANDERSON, ALLAN & DEBBIE	BOX 997	BENTLEY	AB	T0C 0J0	32,088
ARMADALE PUBLICATIONS INC	PO BOX 1188 MPO	EDMONTON	AB	T5J 2M4	268
ARNOT MOTOR & PUMP SERVICES LTD	UNIT 1, 14345 120 AVE	EDMONTON	AB	T5L 2R8	58,000
ARRESTING YOU LTD.	BAYS 5 & 6, 7459 EDGAR INDUSTRIAL BEND	RED DEER	AB	T4P 3R3	630
ARTIC TRUCK PARTS & SERVICE	11523-188 STREET	EDMONTON	AB	T5S 2W6	1,699
AUTOMOTIVE VILLAGE RED DEER	5870 GAETZ AVE	RED DEER	AB	T4N 4E3	907
BRENT'S HOT SHOT SERVICES LTD	22 WILLOWDALE DRIVE NW	EDMONTON	AB	T6P 1H5	1,278
CAMEX EQUIPMENT SALES & RENTALS INC	1511 SPARROW DRIVE	NISKU	AB	T8E 6H0	10,238
CANTERRIS	Suite 215, 1235-26 AVE S E	Calgary	AB	T2Q 1R7	508
CBRE	SUITE 500, 530 - 8 AVE SW	CALGARY	AB	T2P 3S6	8,408
CENTRAL LABS	B5, 63 BURNT PARK DRIVE	RED DEER	AB	T4P 0J7	7,941
CENTURY VALLEN	POSTAL STATION M, P O BOX 9554	CALGARY	AB	T2P 6L8	390
CHOICE AUTO ELECTRIC LTD	# 6, 6850 52nd AVENUE	RED DEER	AB	T4N 4E2	2,852
CITY OF RED DEER	Box 6008	Red Deer	AB	T4N 3T4	3
CROSSFIRE DIRECTIONAL DRILLING LTD	BOX 435	RIMBEY	AB	T0C 2J0	5,224
D & T DISPOSAL LTD	10107-94 AVE	FORT ST JOHN	BC	V1J 1G4	933
DASH FUELING SERVICE LTD	244B River AVE	Cochrane	AB	T4C 2C1	2,951
DELBURNE FOUNDRY	Box 175	Delburne	AB	T6M 0V0	2,428
DIAMOND INTERNATIONAL TRUCKS	9918-108 St	GRANDE PRAIRIE	AB	T8V 4E2	4,372
DICORP	6760-63 AVENUE	EDMONTON	AB	T6E 5P9	23,831
DRILFORMANCE ULC	PO BOX 2509, STATION M	CALGARY	AB	T2P 0E2	2,100
DUPRE BOILERS LTD	9305 58 AVENUE	EDMONTON	AB	T6E 4Y2	16,905
ENMAX	4808 80 St	Red Deer	AB	T4N 1X5	503
ENTREC CORPORATION	Box 5476, 190 MacAlpine Crescent, Bay 114	FT McMurray	AB	T6H 3G5	20,187
ESTANCA INVESTMENTS INC	450, 707 - 7TH AVE SW	Calgary	AB	T2P 3H6	939
FEDERATED CO-OPERATIVES LIMITED	376 Ethn Woods Dr SE	Calgary	AB	T2B 2V9	19
FINNING (CANADA) A DIVISION OF FINNING INTERNATIONAL	C3178, PO BOX 9179 STATION MAIN	CALGARY	AB	T2B 5E1	1,205
FLEETMatics USA, LLC	STN A, PO BOX 57256C	TORONTO	ON	M5W 5M5	9,784
FLETCHER PRINTING	4638 52 STREET	RED DEER	AB	T4N 2C9	1,446
FORD CREDIT CANADA LTD	Box 4800 STN Agincourt	Scarborough	ON	M1S 5V2	27,442
G L D C GAS CO-OP LTD	P O BOX 1909	RIMBEY	AB	T0C 2J0	547
GANGSTER ENTERPRISES LTD	SUITE 230, 600 CROWFOOT CRESCENT NW	CALGARY	AB	T3G 0B4	13,020
GLOVER INTERNATIONAL TRUCKS LTD	226 QUEENS DRIVE	RED DEER	AB	T4P 0V8	103
GPR INDUSTRIES (1994) LTD	11115 100th AVENUE	GRANDE PRAIRIE	AB	T8V 3J9	2,472
GREEN CLEAN RED DEER LTD.	4814 - 48 ST	Red Deer	AB	T4N 1N3	958
HUSKY OIL MARKETING CO	P O BOX 6825, STATION D	CALGARY	AB	T2P 3G7	420
JUNEWARREN-NICKLE'S ENERGY GROUP	220 9303 34 AVE NW	EDMONTON	AB	T8E 5V6	2,163
JUNEWARREN-NICKLE'S ENERGY GROUP (Rig Localor)	2nd Floor, 818 - 55th AVE N E	Calgary	AB	T2E 8Y4	809
K Z CONSULTING	SS 2, SITE 12, COMP 230	FORT ST JOHN	BC	V1J 4M7	90,134
KANSAS RIDGE MECHANICAL	5114 50 AVE, PO BOX 1700	RIMBEY	AB	T0C 2J0	420
KEATRON CANADA INC	Bay 119, 5512 - 45 ST	Leduc	AB	T8E 7B2	4,536
LINK ENERGY SUPPLY INC	#200, 1316 9 AVE SE	CALGARY	AB	T2G 0T3	202
LINK VENTURES	P O BOX 179	BLACKFALDS	AB	T0M 0J0	10,370
LIQUID CAPITAL EXCHANGE CORP	3500 de MAISONNEUVE BLVD WEST, SUITE 1510	MONTREAL	QC	H3Z 3C1	3,377
LLOYD'S EXCAVATING LTD	Box 1005	Rocky Mtn House	AB	T4T 1A7	1,675
LONE STAR OILFIELD SERVICES	BOX 1871	CAMROSE	AB	T4V 1X6	4,772
LOOKER OFFICE FURNITURE	#3-7428-50 AVE	Red Deer	AB	T4P 0Z3	4,279
MACBERNAL RECYCLING SYSTEMS	#5, 508 - 11TH AVE	NISKU	AB	T8E 7N5	9,450
MADISON SAFETY CONSULTING LTD	4 EVERGREEN SQ SQ	CALGARY	AB	T2Y 4N8	11,550
MAGNUM CEMENTING SERVICES OPERATIONS LTD	PO BOX 60010	STRATHMORE	AB	T1P 0C3	84,074
McLEANNISE WELDING INC.	146 RIVERVALLEY ESTATES	WHITECOURT	AB	T7S 1K2	3,071
MUKLUK OILFIELD SERVICES LTD	Box 636	Red Deer	AB	T4N 5G6	59,511
NAYLOR (Canada) INC	Suite 300 - 1630 Ness AVE	Wetumpka	MB	R3J 3X1	3,238
NEW LINE PRODUCTS LTD	9415-189 STREET	SURREY	BC	V4N 5L6	2,487
NOR-KAM VACUUM PUMPING SERVICE (2002) INC	Box 840	Dawson Creek	BC	V1G 4H8	1,698
NOV WILSON	4227 47 St	Rocky Mtn House	AB	T4T 1C7	2,528
OPTIMUM CREDIT RECOVERY INC (WASKASOO DIVISION)	200, 17930 - 105 AVE.	Edmonton	AB	T6S 2H5	4,007
OUTLAW ELECTRIC	R.R. #1	BENTLEY	AB	T0C 0J0	933
PAPER CUTS LTD	18, 8850-52 AVE	Red Deer	AB	T4N 4L1	91
PASON SYSTEMS CORP	6130 3rd STREET SE	CALGARY	AB	T2H 1K4	5,510
PETRO-CANADA SUPERPASS	55 St,	Stettler	AB	T0C 2L0	173
PINNACLE DRILLING PRODUCTS LP	7560 48 STREET SE	CALGARY	AB	T2C 4J8	17,496
PIPE SOURCE INC	8107 - 43 ST NW	EDMONTON	AB	T6B 2M3	1,204
PITNEY BOWES LEASING	P O Box 276	Orangeville	ON	L9W 2Z7	648
PITNEYWORKS	PO Box 280	Orangeville	ON	L9W 2Z7	476
PLATINUM COMMUNICATIONS CORPORATION	#260, 550 - 71 AVE SE	Calgary	AB	T2H 0S6	3,895

List "B" - Unsecured

Creditor	Address	City	Province	Postal Code	Amount
PLATINUM GLASS LTD.	4412 RYDERS RIDGE BLVD	SYLVAN LAKE	AB	T4S 0J7	987
PRAH ENERGY SERVICES LTD	25 REGAL COURT	SYLVAN LAKE	AB	T4S 0G3	1,470
PRAIRIE MUD SERVICE	738-6TH STREET	ESTEVAN	SK	S4A 1A4	11,079
PRAXAIR DISTRIBUTION	P O BOX 2531 STATION M	CALGARY	AB	T2P 0S5	3,345
PRINCESS AUTO	P O BOX 1005	WINNIPEG	MB	R3C 2W7	1,155
PRO ENERGY	P O BOX 1334	RED DEER	AB	T4N 7B5	6,195
PUKLATOR COURIER LTD	P O BOX 7004, 31 ADELAIDE ST E	ETOBICOKE	ON	M5C 3E2	57
OPS MACHINE SHOP LTD	# 1, 7719 EDGAR INDUSTRIAL DRIVE	RED DEER	AB	T4P 3R2	518
RBT TRUCKING	BOX 22071	GRANDE PRAIRIE	AB	T8V 6X1	3,893
RCAP LEASING	P O Box 67	Burlington	ON	L7R 3X6	2,723
RED FLAME INDUSTRIES INC	6736 71 STREET	RED DEER	AB	T4P 3Y7	2,642
REDNECK OILFIELD SERVICES LTD	Box 9586	Fort St. John	BC	V1J 4J1	7,778
REVOLVE INDUSTRIES INC	BAY J & K, 8616 44th STREET S E	CALGARY	AB	T2C 2P8	1,181
RICE ENGINEERING & OPERATING LTD	9339-41 AVE NW	EDMONTON	AB	T6E 6R5	16,723
SEGO INDI/INDEPENDENT PUMP	18916 - 111 AVE	Edmonton	AB	T5S 0B5	14,515
SEGO INDUSTRIES INC	70916 111 AVENUE	EDMONTON	AB	T5S 0B6	12,296
SHELL CANADA PRODUCTS	O Box 100, Sin M, 400 4th Ave SW	CALGARY	AB	T2P 2H6	1,481
STERICYCLE COMMUNICATION SOLUTIONS LLC	PO Box 15577, Station A	Toronto	ON	M5W 1C1	1,198
STRAD OILFIELD RENTALS LTD	440 - 2nd AVE SW, Suite 1200	Calgary	AB	T2P 5E9	83,727
STRATEGIC INDUSTRIAL CLEANING SOLUTIONS	722069 RR69	County of Grande Prairie No. 1	AB	T8X 4J5	1,320
SUPREME WELDING & MANUFACTURING LTD	BOX 229	RED EARTH CREEK	AB	T0G 1X0	548
SURE HIRE	1205 7th STREET	NISKU	AB	T9E 7P8	447
TD OILFIELD HAULING LTD	4 28302 TWP RD 531A	ACHESON	AB	T7X 5A3	126,850
TELUS (MOBILITY)	P.O. BOX 6950 STN TERMINAL	VANCOUVER	BC	V6B 3C3	1,439
TEN - 108 SECURITY INCORPORATED	1927 Highfield Cres SE	Calgary	AB	T2G 5M1	16,454
THE PHONE EXPERTS	4747 67 Street #210	RED DEER	AB	T4N 0H3	105
THE RIG SHOP OILFIELD SUPPLY LTD	1704 66 AVENUE	EDMONTON	AB	T6P 1M4	27,047
TNT POWER TONGS	PO BOX 4842, SOUTH EDMONTON	EDMONTON	AB	T6E 5G5	4,825
TOSHIBA BUSINESS SOLUTIONS	75 TIVERTON COURT	MARKHAM	ON	L3R 4M8	645
UNITED FARMERS OF AB	P O BOX 2207, STATION M	CALGARY	AB	T2P 2M4	3,020
W.R. SCOTT EQUIPMENT LTD	7290 18ST NW	EDMONTON	AB	T6P 1N8	12,720
WALLACE VAC & SEPTIC SERVIC	PO BOX 25105	DEER PARK	AB	T4R 2M2	545
WASTE-CO DISPOSAL SYSTEMS	BOX 25112, RPO DEER PARK	RED DEER	AB	T4R 2M2	709
WEATHERFORD CANADA PARTNERSHIP	#1200, 333 - 8th AVE SW	Calgary	AB	T2P 3D6	4,052
WEIDERS MOTORS LTD	5640 HWY 2A	LACOMBE	AB	T4L 1A3	202
WESTLUND INDUSTRIAL a Division of EMCO	70930 184th STREET	EDMONTON	AB	T5S 2P8	1,486
WURTH CANADA LIMITED	345 HANLON CREEK BLVD	GUELPH	ON	N1C 0A1	555
WY-CO ALCOHOL & DRUG TESTING	Box 4185	Penoka	AB	T4J 1R8	588
X-CALIBER	PO BOX 1587	ROCKY MOUNTAIN HOUSE	AB	T4T 1B2	1,007
XYLEM CANADA COMPANY	Box 15528 STN A	Toronto	ON	M5W 1C1	21,507
ZEDCOR OILFIELD RENTALS	4 28302 TWP RD 531A	ACHESON	AB	T7X 5A3	1,050
ZENNEN ENGINEERING INC	Box 6518, North Hill	Calgary	AB	T2N 4T8	6,484
					1,025,367.88
<u>Supplemental</u>					
Canada Revenue Agency	Regional Intake Centre for Insolvency, 9700 Jasper Avenue	Edmonton	AB	T5J 4C5	unknown
AB Finance & Enterprise	Attn: Hazel Tromblay, 9811 109 Street, 6E Heulstein Bldg	Edmonton	AB	T5K 2L5	unknown