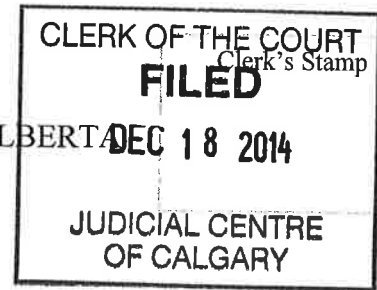


COURT FILE NUMBER **1401-01356**
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE Calgary
PLAINTIFFS **LONE MOUNTAIN RESOURCES LTD., R. ERNIE
ANDERSON AND 1404788 ALBERTA LTD.**
DEFENDANT **SEDNA OIL AND GAS LTD.**
DOCUMENT **ORDER**



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
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File No. 436743-000013

DATE ON WHICH ORDER WAS PRONOUNCED: December 18, 2014

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice K. Horner

UPON the application of Hardie & Kelly Inc. in its sole capacity as court appointed receiver (the "Receiver") of Sedna Oil and Gas Ltd. (the "Debtor"), and not in its personal capacity; AND UPON having read the Second Report of the Receiver filed in these proceedings on December 11, 2014 (the "Second Report"); AND UPON having read the Initial Report of the Receiver filed May 23, 2014; AND UPON hearing from counsel for the Receiver and counsel for any other interested parties appearing at the hearing of this application;

IT IS HEREBY ORDERED THAT:

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient and no other person is required to have been served with notice of this application.
2. The Receiver's accounts for fees and disbursements, as set out in the Second Report, are hereby approved without the necessity of a formal passing of its accounts.
3. The accounts of the Receiver's legal counsel, Borden Ladner Gervais LLP, for its fees and disbursements as set out in the Second Report are hereby approved without the necessity of a formal assessment of its accounts.
4. The Receiver's activities as set out in the Second Report and in all of its other reports filed herein, and the Statement of Receipts and Disbursements as set out therein, are hereby ratified and approved.
5. The Receiver is authorized to destroy any records of the Debtor in respect of the Licensed Properties, as defined below, which have not been requested by the Alberta Energy Regulator
6. The Receiver is authorized and directed to make the following distributions with the Residual Funds, as such term is defined in the Second Report, on a pro rata basis to:
 - (a) Lone Mountain Resources Ltd. as to an 8.34% share;
 - (b) Tyler Theberge as to a 33.33% share;
 - (c) R. Ernie Anderson as to an 8.33% share; and
 - (d) 1404788 Alberta Ltd. as to a 50.00% share.

and is hereby authorized to issue notices of surrender to the known respective mineral and surface lease holders and working interest partners associated with the Licensed Properties, as defined below.

7. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the orders granted in the within proceedings, up to and including the date hereof and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, save and except for any liability arising out of any claim in fraud, gross negligence or wilful misconduct on the part of the Receiver, unless leave of the Court is obtained. Subject to the foregoing any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred.
8. No action or other proceedings shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on Notice to the Receiver and upon such terms as this Court may direct.
9. Upon the Receiver filing with the Clerk of the Court a certificate from the Receiver confirming that all steps contemplated in paragraph 6 hereof are completed, then the Receiver shall be discharged as Receiver of the Debtor, which for the avoidance of doubt

includes the Alberta Energy Regulator licensed properties listed in Exhibit "A" to ^{KH} the ~~Order~~ ^{KH} ~~Second Report (the "Licensed Properties")~~. The Receiver shall, however, remain Receiver of the Debtor for the performance of such incidental duties as may be required to complete the administration of the receivership herein and the Receiver shall continue to have the benefit of the provisions of all orders made in these proceedings, including all approvals, protections and stays of proceedings in favour of the Receiver, in its capacity as Receiver of the Debtor to the extent necessary to complete the administration of the receivership estate.

10. The Surrender Order is issued in the within proceedings on May 30, 2014 is hereby retracted and replaced with paragraph 9 of this order.
11. The Clerk of the Court is hereby authorized to unseal and to file in these proceedings the Confidential Report of the Receiver relied upon in support of the application of the Receiver heard on May 30, 2014 and Borden Ladner Gervais LLP is hereby directed to facilitate the unsealing and filing of said Report with the Clerk of the Court.
12. This order shall be served on the Service List and any interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents. Service of this order on any other party is hereby dispensed with.



The Honourable Justice K. Horner

EXHIBIT “A”

Well Licenses

Field / Area	Unique Well Identifier (UWI)	Licence Number
Viking/Kinsella	02-06-045-11W4	133444
Viking/Kinsella	07-06-045-11W4	155893
Viking/Kinsella	08-06-045-11W4	157282
Viking/Kinsella	01-06-045-11W4	157283
Viking/Kinsella	09-06-045-11W4	157284
Viking/Kinsella	10-06-045-11W4	157362
Viking/Kinsella	15-31-044-11W4	157756
Viking/Kinsella	16-31-044-11W4	158651
Viking/Kinsella	09-06-045-11W4	173484
Viking/Kinsella	08-06-045-11W4	174748
Viking/Kinsella	07-06-045-11W4	174749
Viking/Kinsella	02-06-045-11W4	174750
Viking/Kinsella	01-06-045-11W4	174751
Viking/Kinsella	16-31-044-11W4	174765
Viking/Kinsella	15-31-044-11W4	174766
Viking/Kinsella	02-06-045-11W4	175414
Viking/Kinsella	02-06-045-11W4	175492
Viking/Kinsella	08-06-045-11W4	204882
Viking/Kinsella	08-06-045-11W4	204883
Viking/Kinsella	10-06-045-11W4	204885
Viking/Kinsella	07-06-045-11W4	204887
Viking/Kinsella	01-06-045-11W4	204910
Viking/Kinsella	10-31-044-11W4	204919
Viking/Kinsella	15-31-044-11W4	204920
Viking/Kinsella	16-31-044-11W4	204921
Viking/Kinsella	16-31-044-11W4	204922
Gordondale	14-08-080-10W6	216248
Byemoore	05-33-034-18W4	228631
Swan Hills	10-23-070-12W5	314200

Facility Licenses

Field / Area	Surface Location	Licence Number
Viking/Kinsella	00/02-36-036-09W4	38625
Provost	00/08-06-045-11W4	9651