

COURT FILE NUMBER           **1701-00143**

COURT                            **COURT OF QUEEN'S BENCH OF ALBERTA**

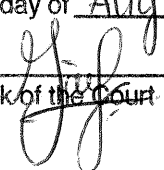
JUDICIAL CENTRE           **CALGARY**

PLAINTIFF                   **BUSINESS DEVELOPMENT BANK OF CANADA**

DEFENDANT                  **QUATTRO EXPLORATION AND PRODUCTION LTD.**

DOCUMENT                  **SALE APPROVAL & VESTING ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT            Jessica L. Cameron  
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File No. 436743/000019

I hereby certify this to be a true copy of the original order  
Dated this 14 day of Aug 2017  
  
for Clerk of the Court

DATE ON WHICH ORDER WAS PRONOUNCED: August 14, 2017  
NAME OF JUSTICE WHO MADE THE ORDER: A.D. Macleod  
LOCATION OF HEARING: Calgary, Alberta

UPON the application of Hardie & Kelly Inc., in its capacity as the court-appointed receiver and manager (the “Receiver”) of the undertaking, property and assets of Quattro Exploration and Production Ltd. (the “Debtor”) for an Order approving the sale transaction (the “Transaction”) contemplated by the Purchase and Sale Agreement (the “APA”) between the Receiver as vendor (the “Vendor”) on behalf of the Debtor, and Sojourn Energy Inc., (the “Purchaser”), made as of July 1, 2017, a copy of which is appended to the Confidential Supplement to the Third Report of the Receiver dated August 9, 2017 (the “Confidential Report”); AND UPON having read the Application, the Third Report of the Receiver dated August 3, 2017, the Confidential Report, the Affidavit of Service of Stella Kim dated August 11, 2017, filed (the “Service Affidavit”), and the pleadings and proceedings filed herein, including the Receivership Order granted on February 2, 2017 (the “Receivership Order”); AND UPON hearing counsel for the Receiver,

the Purchaser, Business Development Bank of Canada (the “**Lender**”), and any other interested party appearing at the Application;

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

**Service**

1. The time for service of notice of this Application is abridged to the time actually given and service of the Application and supporting material as described in the Service Affidavit is hereby declared to be good and sufficient, and this hearing is properly returnable before this Honourable Court today and further service thereof is hereby dispensed with.

**Capitalized Terms**

2. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the APA.

**Actions of the Receiver**

3. The actions taken by the Receiver to date, and in particular the actions of the Receiver regarding the sale of the Purchased Assets, as reported in the Third Report, and the Confidential Report, are hereby approved and ratified.

**Approval of the APA and the Transaction**

4. The Transaction and the APA are commercially reasonable and in the best interests of the Debtor and its stakeholders. The Transaction is hereby approved and the execution of the APA by the Receiver is hereby ratified and approved, and the Receiver is authorized and directed to take such additional steps and execute such additional documents and make such minor amendments to the APA as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

**Vesting of Property**

5. Upon the delivery of a Receiver's Certificate to the Purchaser (or its nominee), substantially in the form attached as **Schedule “A”** hereto (the “**Receiver’s Certificate**”), subject only to approval of the transfer of applicable licenses, permits and approvals by the Saskatchewan Ministry of the Economy (the “**Energy Regulator**”), subject to legislation administered by the Energy Regulator, all of the Debtor’s right, title and interest in and to the Purchased Assets as described in the APA

including those listed on **Schedule “B”** hereto shall vest absolutely in the Purchaser (or its nominee), as contemplated by the APA, free and clear of and from any and all security interests (whether contractual, statutory, registered or otherwise), hypothecs, caveats, interests, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens (whether contractual, statutory, or otherwise), encumbrances, executions, levies, charges (whether contractual, statutory, or otherwise), or other financial or monetary claims, assignments, actions, taxes (whether contractual, statutory, or otherwise), judgments, writs of execution, options, agreements, disputes, debts, debentures, easements, covenants, encumbrances or other rights, limitations or restrictions of any nature whatsoever including, without limitation, any rights or interests of any creditors of the Debtor, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured, registered or otherwise and whether by payment, set off or otherwise, whether liquidated, unliquidated or contingent (collectively, the "**Claims**") including, without limiting the generality of the foregoing:

- a) any encumbrances or charges created by the Receivership Order;
- b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta), *The Personal Property Security Act, 1993* (Saskatchewan), or the *Personal Property Security Act* (British Columbia) (collectively the "**PPSAs**"), any other personal property registry system or *The Crown Minerals Act* (Saskatchewan);
- c) all liens and claims of lien under *The Builders' Lien Act* (Saskatchewan);
- d) any arrears owing by the Debtor prior to the Appointment Date with respect to surface leases, gross-overriding royalties or freehold royalties; and
- e) those Claims listed in **Schedule “C”** hereto (all of which are collectively referred to as the "**Encumbrances**"), which term shall not include the permitted encumbrances, caveats, interests, easements and restrictive covenants listed in **Schedule “D”** (the "**Permitted Encumbrances**");

and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets and all charges, security interests or Claims evidenced by registrations pursuant to the PPSAs, are hereby expunged, ordered removed and otherwise unconditionally discharged and terminated as against the Purchased Assets.

6. Upon delivery of the Receiver's Certificate, and upon the filing of a certified copy of this Order, together with any applicable registration fees, the appropriate government authorities are hereby authorized, requested and directed to accept delivery of such Receiver's Certificate and certified copy of this Order as though they were originals and to accept an application to register such transfers, interest authorizations, discharges, discharge statements of conveyances, as may be required to convey clear title to the Purchased Assets to the Purchaser subject only to the Permitted Encumbrances. Without limiting the foregoing,

a) the Registrar of Titles under *The Land Titles Act, 2000* (Saskatchewan) (the "**SK Registrar**") shall and is hereby authorized, requested and directed to:

- i. accept an application, signed by the Receiver, to transfer the fee simple titles in the name of the Debtor listed in **Part I - Schedule "B"** to this Order, to the Purchaser (or its nominee),
- ii. accept an application, signed by the Receiver, to assign the interests in the name of the Debtor listed in **Part II - Schedule "B"** to this Order, to the Purchaser (or its nominee); and
- iii. to accept delivery of the Receiver's Certificate and certified copy of this Order as authorization to cancel, discharge and expunge the Encumbrances listed in **Part I – Schedule "C"** and **Part II – Schedule "C"** hereto;

in order to convey clear title to the Purchased Assets located in the Province of Saskatchewan to the Purchaser (or its nominee), subject only to the Permitted Encumbrances. For further certainty, the SK Registrar shall not cancel or discharge the registration of any Claims or Encumbrances registered against estates or interests other than the estate or interest of the Debtor;

b) the Ministry of the Economy for the Province of Saskatchewan (the "**SK Ministry**") shall and is hereby authorized, requested and directed to:

- i. discharge those Claims and Encumbrances listed in **Part III - Schedule "C"**, registered against the estate or interest of the Debtor in and to the Purchased Assets located in the Province of Saskatchewan; and

- ii. transfer the Crown leases in the name of the Debtor listed in **Part III - Schedule "B"** to this Order to the Purchaser (or its nominee);

in order to convey clear title to such Purchased Assets located in the Province of Saskatchewan to the Purchaser (or its nominee) subject only to the Permitted Encumbrances. For further certainty, the Ministry shall not cancel or discharge the registration of any builders' liens or security notices registered against estates or interests other than the estate or interest of the Debtor;

- c) the SK Ministry shall and is hereby authorized, requested and directed to transfer:
  - i. the well licences in the name of the Debtor listed in **Part IV - Schedule "B"** to this Order to the Purchaser (or its nominee); and
  - ii. the facility licences in the name of the Debtor listed in **Part V - Schedule "B"** to this Order to the Purchaser (or its nominee); and
- d) the Registrar of the Personal Property Registry (Saskatchewan) (the "**SK PPR Registrar**") shall and is hereby directed to cancel and discharge those Claims and Encumbrances, if any, other than the Permitted Encumbrances, registered against the estate or interest of the Debtor in and to the Purchased Assets located in the Province of Saskatchewan, as more specifically described in **Part IV - Schedule "C"** to this Order.

7. The SK Registrar, the SK Ministry, and the SK PPR Registrar (collectively the "**Governmental Authorities**") are expressly authorized and directed to include in the discharges of the Encumbrances described above, all encumbrances registered after the date the Receivership Order was granted.
8. In order to effect the discharges and transfers described above, this Court directs the Governmental Authorities each to take such steps as are necessary to give effect to the terms of this Order and the APA authorized herein. Presentment of this Order and the Receiver's Certificate shall be the sole and sufficient authority of the Governmental Authorities to make and register the said transfers and cancel and discharge the registrations of any Claims and Encumbrances against the Purchased Assets.
9. The Receiver is hereby authorized and directed to take all necessary steps and execute any and all documents to effect any and all discharges.

10. No authorization or approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the APA, other than the authorizations, approvals or exemptions from requirements therefor previously obtained and currently in force, if any, and the authorization or approval of the Regulator referenced in paragraph 5 above.
11. This Order shall be registered as described above notwithstanding that the appeal period in respect of this Order has not elapsed, which appeal period is expressly waived.
12. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Receiver's Certificate any encumbrances or charges created by the Receivership Order and all Claims and Encumbrances shall not attach to and shall cease to be attached to, encumber or otherwise form a charge, security interest, lien, builders' lien, or a Claim against the Purchased Assets and shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. The Receiver shall not make any distributions to creditors from the net proceeds from the sale of the Purchased Assets without further order of this Court.
13. Except as provided for in the APA, the Purchaser (or its nominee) shall, by virtue of the completion of the Transaction, have no liability of any kind whatsoever in respect of any Claims against the Vendor or the Debtor and the Purchaser (or its nominee) shall not be deemed a successor or assignee of or to the Debtor or any of its affiliates for any Claims of any kind or nature whatsoever against the Debtor or any of its affiliates or in the Purchased Assets.
14. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for the persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or Claim in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title

representing or evidencing any right, title, estate or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).

15. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit, without any interference of or by the Debtor or any person claiming by, through or against the Debtor.
16. Immediately after the closing of the Transaction, the holders of the Permitted Encumbrances shall have no claim whatsoever against the Receiver, the Vendor, or the Debtor.
17. The Receiver is directed to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof to the Purchaser (or its nominee).
18. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the *Alberta Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

### **Sealing Order**

19. The Confidential Report shall immediately be sealed by the Clerk of the Court, kept confidential and not form part of the public record, and not be available for public inspection unless and until otherwise ordered by this Court, upon seven days' notice to all interested parties. The Confidential Report shall be sealed and filed in an envelope containing the following endorsement thereon:

THIS ENVELOPE CONTAINS THE CONFIDENTIAL SUPPLEMENT TO THE RECEIVER'S THIRD REPORT DATED AUGUST 3, 2017, WHICH SHALL BE SEALED FOR A PERIOD OF THREE (3) MONTHS FOLLOWING THE DISCHARGE OF THE RECEIVER, PURSUANT TO AN ORDER ISSUED BY THE HONOURABLE JUSTICE MACLEOD DATED AUGUST 14, 2017, AND IS NOT TO BE PLACED ON THE PUBLIC RECORD OR MADE PUBLICALLY ACCESSIBLE.

## Miscellaneous Matters

20. Notwithstanding:

- a) the pendency of these proceedings and the declaration of insolvency made herein;
- b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “BIA”), in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;
- c) any assignment in bankruptcy made in respect of the Debtor; and
- d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

21. The Receiver, the Purchaser (or its nominee) and any other interested party shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

22. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories, and in particular the Province of Saskatchewan, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, 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 order and to provide such assistance to the Receiver, as an officer of the 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.

23. Service of this Order shall be deemed good and sufficient by serving the same on:



- a. the persons listed on the service list created in these proceedings;
- b. the Purchaser or on the Purchaser's solicitors; and
- c. by posting a copy of this Order on the Receiver's website at:  
<http://relieffromdebt.ca/quattro-exploration-production-ltd/>;

and service on any other Person is hereby dispensed with.

"A.D. Macleod"

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Justice of the Court of Queen's Bench of Alberta

**SCHEDULE "A" FORM OF RECEIVER'S CERTIFICATE**

COURT FILE NUMBER	<b>1701-00143</b>
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	<b>BUSINESS DEVELOPMENT BANK OF CANADA</b>
DEFENDANT	<b>QUATTRO EXPLORATION AND PRODUCTION LTD.</b>
DOCUMENT	<b><u>RECEIVER'S CERTIFICATE</u></b>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Jessica L. Cameron Borden Ladner Gervais LLP 1900, 520 3 <sup>rd</sup> Ave. S.W. Calgary, AB T2P 0R3 Telephone: (403) 232-9715 Facsimile: (403) 266-1395 Email: <a href="mailto:jcameron@blg.com">jcameron@blg.com</a> File No. 436743/000019

**RECITALS:**

- A. Pursuant to an Order of the Honourable Justice K.M. Eidsvik of the Court of Queen's Bench of Alberta (the "**Court**") dated February 2, 2017, Hardie & Kelly Inc. was appointed as the receiver and manager (the "**Receiver**") of the undertaking, property and assets of Quattro Exploration and Production Ltd. ("**Quattro**").
- B. Pursuant to an Order of the Court dated August 14, 2017, the Court approved the agreement of purchase and sale (the "**Sale Agreement**") made between the Receiver and Sojourn Energy Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of Quattro's right, title and interest in and to the Purchased Assets as defined in the Sale Agreement, which vesting is to be effective upon the delivery by the Receiver to the Purchaser of a certificate confirming:
- (i) the payment by the Purchaser of the net Purchase Price for the Purchased Assets; and

- (ii) the Transaction contemplated pursuant to the Sale Agreement has been completed to the satisfaction of the Receiver, subject only to the post-closing obligations provided for in the Sale Agreement.

C. Unless otherwise indicated herein, capitalized terms not otherwise defined have the meaning attributed to them in the Sale Agreement.

**THE RECEIVER CERTIFIES** the following:

1. The Purchaser has paid and the Receiver has received the net Purchase Price for the Purchased Assets, payable at Closing pursuant to the Sale Agreement;
2. Any conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and/or the Purchaser where applicable; and
3. The Transaction contemplated by the Sale Agreement has been completed, subject to the post-closing obligations provided for therein.

This Certificate was delivered by the Receiver at Calgary, Alberta on ●, 2017.

**HARDIE & KELLY INC.** in its capacity as court appointed receiver of the assets and undertaking of **QUATTRO EXPLORATION AND PRODUCTION LTD.** and not in its personal or corporate capacity.

Per: \_\_\_\_\_  
Marc E. Kelly  
Senior Vice President

**SCHEDULE "B"**

**SPECIFIED PURCHASED ASSETS TO BE VESTED PURSUANT TO  
PARAGRAPH 6 OF THIS SALE APPROVAL AND VESTING ORDER**

PART I – FEE SIMPLE TITLES IN NAME OF THE DEBTOR TO BE VESTED IN NAME OF  
SOJOURN ENERGY INC., AS PURCHASER

**NONE**

PART II – INTERESTS IN NAME OF THE DEBTOR TO BE VESTED IN NAME OF  
SOJOURN ENERGY INC., AS PURCHASER

<b>Interest Number</b>	<b>Instrument</b>	<b>Interest Holder</b>	<b>Surface Parcel / Mineral Parcel</b>	<b>Registration Date</b>
159136780	Miscellaneous Interest	Quattro Exploration and Production Ltd.	Surface #118619534	January 12, 2005
159136858	Miscellaneous Interest	Quattro Exploration and Production Ltd.	Surface #118619523	January 12, 2005
159136836	CNV Caveat	Quattro Exploration and Production Ltd.	Surface #118619523	September 29, 1992
159136847	CNV Caveat	Quattro Exploration and Production Ltd.	Surface #118619523	August 3, 1993
159136814	CNV Caveat	Quattro Exploration and Production Ltd.	Surface #118619523	January 22, 1997
159136500	CNV Caveat	Quattro Exploration and Production Ltd.	Surface #118619512	March 11, 1985
159136511	CNV Caveat	Quattro Exploration and Production Ltd.	Surface #118619512	October 6, 1993
159136522	CNV Caveat	Quattro Exploration and Production Ltd.	Surface #118619512	January 22, 1997
159136533	Miscellaneous Interest	Quattro Exploration and Production Ltd.	Surface #118619512	January 12, 2005
162038381	Miscellaneous Interest	Quattro Exploration and Production Ltd.	Surface #118619512	March 5, 2013
159136612	Miscellaneous Interest	Quattro Exploration and Production Ltd.	Surface #118619589	January 12, 2005
159136713	Miscellaneous Interest	Quattro Exploration and Production Ltd.	Surface #118619590	January 12, 2005
159094378	Miscellaneous Interest	Quattro Exploration and Production Ltd.	Surface #118619602	January 12, 2005

PART III – CROWN LEASES IN NAME OF THE DEBTOR TO BE VESTED IN NAME OF SOJOURN ENERGY INC., AS PURCHASER

NONE

PART IV – WELL LICENCES IN NAME OF THE DEBTOR TO BE VESTED IN NAME OF SOJOURN ENERGY INC., AS PURCHASER

CWI	Well Licence #	Licensee	Well Completion SK UWI	Status
SK0046597	93E021	Quattro Exploration and Production Ltd.	191153103425W300	Suspended
SK0046598	93E022	Quattro Exploration and Production Ltd.	192163103425W300	Suspended
SK0045653	921033	Quattro Exploration and Production Ltd.	191163103425W300	Suspended
SK0033276	85B245	Quattro Exploration and Production Ltd.	121020503525W300	Abandoned

PART V – FACILITY LICENCES IN NAME OF THE DEBTOR TO BE VESTED IN NAME OF SOJOURN ENERGY INC., AS PURCHASER

Licence #	Facility Type	Licensee	Location	Facility Status
5836	Waste Plant / Reclaimer / Skim Oil	Quattro Exploration and Production Ltd.	02-05-35-25-W3	Inactive
5665	Water Injection / Disposal	Quattro Exploration and Production Ltd.	02-05-35-25-W3	Inactive

**SCHEDULE "C"**

**ENCUMBRANCES AND CLAIMS TO BE CANCELLED AND DISCHARGED**

PART I – ENCUMBRANCES AND CLAIMS TO BE DISCHARGED BY THE SK REGISTRAR AGAINST THE FEE SIMPLE TITLES OF THE DEBTOR

**NONE**

PART II – ENCUMBRANCES AND CLAIMS TO BE DISCHARGED BY THE SK REGISTRAR AGAINST THE INTERESTS OF THE DEBTOR

**NONE**

PART III – ENCUMBRANCES AND CLAIMS TO BE DISCHARGED BY THE SK MINISTRY AGAINST THE INTERESTS OF THE DEBTOR

**NONE**

PART IV- ENCUMBRANCES AND CLAIMS TO BE DISCHARGED BY THE SK PPR REGISTRAR

**NONE**

## **SCHEDULE "D"**

### **PERMITTED ENCUMBRANCES**

- (i) all encumbrances, overriding royalties and other royalties, net profits interests and other burdens identified in Schedule "A" to the Sale Agreement;
- (ii) any Preferential Purchase Rights or any similar restriction applicable to any of the Assets;
- (iii) the terms and conditions of the Title Documents, including the requirement to pay any rentals or royalties (including reassessments) to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor's interest in any of the Title Documents;
- (iv) the right reserved to or vested in any grantor, Governmental Authority by the terms of any Title Document or by Applicable Law to terminate any Title Document;
- (v) easements, rights of way, servitudes or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone or cable television conduits, poles, wires or cables;
- (vi) taxes on Petroleum Substances or the income or revenue from the Petroleum Substances and requirements imposed by Applicable Law or Governmental Authorities concerning rates of production from the Wells or from operations on any of the Lands, or otherwise affecting recoverability of Petroleum Substances from the Lands, which taxes or requirements are generally applicable to the oil and gas industry in the jurisdiction in which the Assets are located;
- (vii) agreements for the sale, processing, transmission or transportation of Petroleum Substances, which are terminable on not more than 30 days' notice (without an early termination penalty or other like cost);
- (viii) any obligation of Quattro or Vendor to hold any right or interest in and to any of the Assets in trust for Third Parties;
- (ix) the right reserved to or vested in any Governmental Authority to control or regulate any of the Assets in any manner, including any directives or notices received from any Governmental Authority pertaining to the Assets;
- (x) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Assets, as regards Vendor's or Quattro's share of the costs and expenses thereof which are not due or delinquent as of the date hereof or, if then due or delinquent are being contested in good faith by Vendor;

- (xi) the reservations, limitations, provisos and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (xii) agreements and plans relating to pooling or unitization of any of the Petroleum and Natural Gas Rights;
- (xiii) agreements respecting the operation of Wells by contract field operators;
- (xiv) provisions for penalties and forfeitures under agreements as a consequence of non-participation in operations; and
- (xv) liens created in the ordinary course of business in favour of any Governmental Authority with respect to operations pertaining to any of the Assets.