

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF CALGARY

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF BRUTE FORCE OIL FIELD HAULING INC.

PETITION

TO: The Honourable Court of Queen's Bench of Alberta

AND TO: Attached Service List at Schedule "A"

TAKE NOTICE THAT an application will be made by the Petitioner, Brute Force Oil Field Hauling Inc. ("Brute Force"), a corporation incorporated under the *Business Corporations Act*, R.S.A., 2000, c. B-9, as amended (the "ABCA"), before Mr. Justice S.J. LoVecchio at the Calgary Courts Centre in the City of Calgary, in the Province of Alberta on Thursday October 15, 2009 at 9:00 a.m. in the forenoon, or so soon thereafter as counsel may be heard and Brute Force states that:

1. The Petitioner, Brute Force is a corporation incorporated under the ABCA, having its registered office in Stony Plain, Alberta.
2. The Petitioner, Brute Force is a debtor company within the meaning of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 as amended ("CCAA") with more than \$5 million in debt.
3. Brute Force is insolvent within the meaning of the CCAA.
4. Brute Force proposes to file a plan of compromise and arrangement for consideration by its creditors to permit Brute Force an opportunity to restructure its affairs pursuant to the CCAA in the expectation Brute Force, its creditors and other stakeholders will derive a greater benefit from such a restructuring than would result from a bankruptcy, receivership or other liquidation of Brute Force.

AND FURTHER TAKE NOTICES THAT the Petitioner applies to this Honourable Court for:

- (a) an Order abridging the time given for notice of this application to the time actually given and deeming service on the parties served to be good and sufficient.
- (b) An Initial Order on behalf of Brute Force:
 - (i) declaring that Brute Force is a “debtor company” to which the CCAA applies;
 - (ii) staying all proceedings and remedies taken or that might be taken in respect of Brute Force or any of its property, except as otherwise set forth in the Initial Order or as otherwise permitted by law;
 - (iii) authorizing and empowering Brute Force to obtain and borrow under a debtor-in-possession credit facility from the Bank in the maximum amount of \$800,000;
 - (iv) establishing an Administration Charge, Directors’ Charge and DIP Lender’s Charge and ranking and establishing the priority of such charges;
 - (v) authorizing Brute Force to carry on its business in the manner consistent with the preservation of its property and to make certain payments in connection with its business and the proceedings under the CCAA;
 - (vi) appointing Hardie & Kelly Inc. as monitor of Brute Force in the CCAA proceedings;
 - (vii) permitting Brute Force to file with this Honourable Court a plan or plans of compromise or arrangement between Brute Force and its creditors; and
- (c) Such further and other relief as this Honourable Court deems just.

AND FURTHER TAKE NOTICE that the grounds to be argued in support of this application are as follows:

1. Brute Force is a “debtor company” within the meaning of the *CCAA*.
2. The circumstances which exist for Brute Force, as more particularly described in the Affidavit of Barry Watson sworn October 14, 2009 (the “Watson Affidavit”), make the Initial Order sought by Brute Force appropriate.

3. Brute Force intends to propose a plan of arrangement or compromise between it and its creditors.
4. The making of the Initial Order sought by Brute Force will facilitate the development and submission of a plan of arrangement or compromise between Brute Force and its creditors.
5. Brute Force's business operations consist of civil and commercial construction, oilfield construction, seismic construction, trucking and equipment hauling and transportation and logistical services. Although Brute Force has been operating at or near capacity as a result of these projects, several large capital expenditures relating to these projects together with an inability to collect on several large account receivables in a timely fashion has created short term liquidity challenges.
6. Brute Force is under a great deal of pressure from its creditors and requires an immediate stay of proceedings to allow it to maintain and restructure its business operations. A stay of proceedings will preserve the value of the Property and allow Brute Force to continue its operations and complete several major upcoming projects. Brute Force intends to effect a restructuring by reducing its staffing through the low/winter season, selling existing assets and ultimately securing new financing arrangements in order to improve its liquidity position.
7. If Brute Force is granted CCAA protection and restructured accordingly, value in Brute Force could be best obtained for the benefit of the stakeholders of Brute Force.
8. By reason of the CCAA and the inherent jurisdiction of this Honourable Court, this Honourable Court has the authority to grant the Order requested.
9. Such other grounds as counsel may advise and this Honourable court may permit.

AND FURTHER TAKE NOTICE that Brute Force will rely upon and refer to the provisions of the CCAA, ABCA, the *Judicature Act*, the *Alberta Rules of Court* and such further or other Statutes or Rules as counsel may advise.

AND FURTHER TAKE NOTICE that the materials relied upon in support of these applications are as follows:

1. This Petition;
2. The Watson Affidavit and exhibits thereto;
3. Consent of Hardie & Kelly Inc. to act as Monitor for Brute Force; and
4. Such further and other material as counsel may advise and this Honourable Court may permit allow.

DATED at Calgary, Alberta, on October 14, 2009 **AND DELIVERED** by Osler, Hoskin & Harcourt LLP, Barrister and Solicitors, 2500, 450 – 1st Street S.W., Calgary, Alberta T2P 5H1, Attention: Christa Nicholson (403) 260-7025/Walker MacLeod (403)260-7043 solicitors for Brute Force, whose address for service is in care of its said solicitors.

ISSUED out of the office of the Clerk of the Court of Queen's Bench of Alberta, Judicial District of Calgary, this 14th day of October, 2009.

CLERK OF THE COURT

Schedule "A"

SCHEDULE "A"

Service List

Brute Force Oil Field Hauling Inc.

Last Updated on October 15, 2009

<i>Party</i>	<i>Telephone</i>	<i>Fax</i>	<i>Representing</i>
OSLER HOSKIN & HARCOURT LLP Suite 2500, Trans Canada Tower 450 - 1st Street SW Calgary, Alberta T2P 5H1 Christa Nicholson cnicholson@osler.com Walker W. MacLeod wmacleod@osler.com	403.260.7000	403.260.7024	Brute Force Oil Field Hauling Inc.
HARDIE & KELLY INC. 206 5800 – 2 nd Street SW Calgary, Alberta T2H O2H Marc Kelly mkelly@insolvencey.net	403.252.1766	403.640.9051	Monitor
BLAKE CASSELS & GRAYDON LLP 3500 Bankers Hall East 855 2 nd Street SW Calgary, Alberta T2P 4J8 Kelly Bourassa kelly.bourassa@blakes.com	403.260.9697	403.260.9700	Monitor
MACLEOD DIXON LLP 3700 Canterra Tower 400 Third Avenue SW Calgary, Alberta T2P 4H2 Howard Gorman Howard.Gorman@macleoddixon.com	403.267.8144	403.264.5973	TD Bank
CANADA REVENUE AGENCY 220 4 th Avenue S.E. Calgary, Alberta T2G 0L1	1.800.959.5525	403.264.5893	

<i>Party</i>	<i>Telephone</i>	<i>Fax</i>	<i>Representing</i>
BUSINESS DEVELOPMENT BANK OF CANADA Box 6, 505 Burard Street Vancouver, BC V7X 1V3	604.666.7467	604.666.1573	
AGRICULTURAL FINANCIAL SERVICES CORPORATION PO Box 5000, Station M 4910 – 52 Street Camrose, Alberta T4V 4E8	780.679.1350	780.679.1394	
ALTERINVEST II FUND LP 110, 444 7 Avenue SW Calgary, AB T2P 0X8	403.292.5600	403.292.6616	
MAPLE TRADE FINANCE INC. 5475 Spring Garden Road, 7 th Floor Halifax, NS B3J 3T2	902.444.5566	902.860.2386	
JORDAN KABAT c/o 750 10665 Jasper Avenue NW Edmonton, Alberta T5J 3S9			
TERRA NOVA VENTURES LTD 45-5304 Range Road 274 Spruce Grove, Alberta T7X 3T1	780.720.6663		

Action No. _____

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1985, c. C-36, AS AMENDED

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OSLER, HOSKIN & HARCOURT LLP
Barristers & Solicitors
2500, 420 – 1st Street S.W.
Calgary, Alberta T2P 5H1

Christa Nicholson
Walker W. MacLeod

Telephone: 403.260.7000
Facsimile: 403.260.7024