

FORM 27
[RULES 6.3 AND 10.52]

CLERK'S STAMP

COURT FILE NUMBER

2401-05179

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

PROCEEDING

IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, R.S.C.
1985, c. C-36, as amended

AND IN THE MATTER OF THE
COMPROMISE OR ARRANGEMENT OF
ALPHABOW ENERGY LTD.

DOCUMENT

**APPLICATION (STAY EXTENSION AND
OTHER ANCILLARY RELIEF)**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

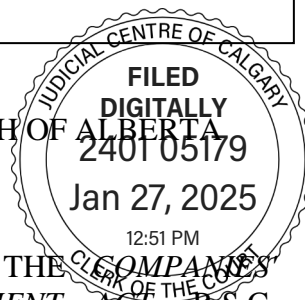
BENNETT JONES LLP
Barristers and Solicitors
4500 Bankers Hall East
855 – 2 Street SW
Calgary, Alberta T2P 4K7

Attention: Keely Cameron / Kaamil Khalfan /
Sophie Fiddes
Telephone No.: 403-298-3324
Fax No.: 403-265-7219
Client File No.: 88323.6

NOTICE TO RESPONDENTS:

This application is made against you. You are a respondent. 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: February 4, 2025
Time: 10:00 a.m.
Where: Edmonton Law Courts, via Webex,
<https://albertacourts.webex.com/meet/virtual.courtroom86>
Before Whom: The Honourable Justice M. E. Burns



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. AlphaBow Energy Ltd. ("**AlphaBow**") seeks the following relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended ("**CCAA**"):
 - (a) an order substantially in the form attached hereto as **Schedule "A"**:
 - (1) declaring that service of this Application and its supporting materials is good and sufficient, and if necessary, abridging time for notice of the Application to the time actually given;
 - (2) an extension of the stay of proceedings originally imposed by the Amended and Restated Initial Order (the "**ARIO**") granted by the Court on April 26, 2024, from February 14, 2025 (the "**Stay**") up to and including May 9, 2025, or such other date as this Honourable Court may order (the "**Stay Extension**"); and
 - (3) declaring that Kikino Metis Settlement ("**Kikino**") is stayed from advancing its claim and application made against AlphaBow pursuant to section 121 of the *Metis Settlements Act*, RSA 2000, c M-14 ("**Metis Settlement Act**"), at the Metis Settlements Appeal Tribunal (the "**Appeal Tribunal**").
 - (b) granting such further and other relief as counsel may advise and this Honourable Court may permit.

Grounds for making this application:

Background to Proceedings

2. AlphaBow is a privately-owned company in the business of the acquisition, development and production of oil and natural gas in Alberta. AlphaBow is incorporated and registered pursuant to the laws of the Province of Alberta, with headquarters located in Calgary, Alberta.

3. At the time of commencing these proceedings, AlphaBow held licenses issued by the Alberta Energy Regulator to operate 3,785 wells, 4,038 pipelines and 321 facilities across Alberta (the "**Licensed Assets**").
4. The objective of this CCAA proceeding is to give AlphaBow stability in order to complete a court approved sales and investment solicitation process ("**SISP**"), and to re-structure, as necessary. The SISP has resulted in the sale of all of its oil and gas assets by way of a number of asset transactions and the Corporate Transaction involving the sale of all of AlphaBow's shares.
5. On December 19, 2024, the Honourable Justice P. R. Jeffrey, among other things, granted:
 - (i) a reverse vesting order approving the transaction contemplated in the Subscription Agreement between AlphaBow and 2628071 Alberta Ltd. ("**2628071**") (the "**Corporate Transaction**");
 - (ii) various orders approving the sale and vesting transactions ("**SAVO**") of certain of AlphaBow's assets to North 40 Resources Ltd. ("**North 40**"), Signalta Resources Limited ("**Signalta**"), Warwick Gas Storage Ltd. ("**Warwick**"), Pointbreak Resources Inc. ("**Pointbreak**"), 2628071, 2628069 Alberta Ltd. ("**2628069**"), and Rockeast Energy Corp. ("**Rockeast**") (collectively, the "**Purchasers**"), respectively (individually, a "**SAVO Transaction**" and collectively, the "**SAVO Transactions**"); and
 - (iii) an extension of the Stay Period (as defined in the ARIO) up to and including February 14, 2025 (the "**December Order**").

AlphaBow's Activities Since the December Order

6. AlphaBow is working diligently with 2628071 to close the Corporate Transaction pursuant to the reverse vesting order however the transfer of assets under the various SAVO Transactions other than the 2628071 and 2628069 Transactions must occur first. It is anticipated that it could take 2-3 months before decisions are made on all of the AER license transfer applications, some of which are still in the AER's 30 day public notice period.
7. AlphaBow has closed many of the SAVO Transactions, including with Pointbreak, North 40, Warwick and Signalta (although one of the Signalta transactions still has the potential

to be unwound and the purchase price payable remains held in trust should such unwind occur). AlphaBow anticipates that the SAVO Transaction with Rockeast will close this month. AlphaBow anticipates that the SAVO Transaction with Rockeast will close this month.

8. The SAVO transaction with Bench Creek did not materialize but AlphaBow is in the process of seeking a replacement transaction that would assume a similar amount of assets and liabilities as Bench Creek initially forgot to assume.
9. Since the granting of the December Order, AlphaBow has:
 - (a) considered various steps to be taken within these proceedings pursuant to the CCAA;
 - (b) attended to numerous telephone and email inquiries from various of AlphaBow's creditors;
 - (c) responded to inquiries from landowners seeking surface lease payments;
 - (d) closed certain transactions;
 - (e) corresponded with potential purchasers to engage in a replacement transaction for the transaction with Bench Creek;
 - (f) advanced funds to the Monitor for payment to the Orphan Well Association in accordance with the Order of Justice Jeffrey; and
 - (g) assisted in preparing cash flow statements.

Extension of the Stay Period

10. The Stay will expire on February 14, 2025, unless extended by further order of this Honourable Court.
11. AlphaBow has acted, and continues to act, in good faith and with due diligence.

12. The proposed extension will not materially prejudice any of AlphaBow's creditors, and it is just, convenient and in the best interest of AlphaBow and its stakeholders that AlphaBow be afforded an extension of the Stay Period so it can advance the transactions which if closed will provide for all of AlphaBow's environmental obligations being addressed.

The Kikino Appeal

1. On December 11, 2020, Kikino applied to the Appeal Tribunal regarding the recovery of lease rentals from 112 surface leases with AlphaBow (the "**Kikino Appeal**").
2. On July 5, 2024, the Appeal Tribunal adjourned the hearing between Kikino and AlphaBow as a result of the stay of proceedings ordered in the ARIO.
3. On December 12, 2024, Kikino wrote to the Appeal Tribunal requesting that it reconvene for the hearing of the Kikino Appeal.
4. On January 16, 2025, the Appeal Tribunal wrote to AlphaBow, attaching Kikino's December 12, 2024 letter, providing notice of the recommencement of the Kikino Appeal hearing for the first week of February 2025.
5. On January 20, 2025, AlphaBow wrote to the Appeal Tribunal indicating its position that the commencement of the hearing is contrary to the Stay of Proceedings ordered in the ARIO.
6. On January 23, 2025, AlphaBow received a letter from the Appeal Tribunal indicating that it would convene to determine whether to commence the hearing and sought availability of the parties, including AlphaBow.

Necessity of Relief - Breach of the Stay

7. The Stay of Proceedings ordered in the ARIO extends to AlphaBow and its property in accordance with Section 69 of the BIA.
8. Under the Stay, no creditor has any rights or remedies against AlphaBow or its Property or shall commence any proceedings or enforcement process for recovery of a claim provable in Bankruptcy.

9. The surface rentals which Kikino asserts it is owed, relates to obligations in existence as of or prior to the Filing Date. As a result, any such amounts are a "claim provable in bankruptcy" under the BIA.
10. If permitted the Kikino Appeal will:
 - (a) Require AlphaBow to expend scarce resources to argue the Kikino Appeal, making it highly prejudicial to AlphaBow, its creditors and other stakeholders in the CCAA proceedings;
 - (b) May result in consistent decisions as between the Tribunal and the Monitor under the Claims Procedure Order; and
 - (c) May impede the advancement of the RVO as a decision of the Tribunal to direct the payment to Kikino would result in a post filing claim by the Alberta Treasury Board.
11. AlphaBow therefore seeks a declaration that Kikino is stayed from advancing its claim through the Tribunal and the Tribunal is stayed from hearing the application.

Material or evidence to be relied on:

12. The Eighth Affidavit of Ben Li sworn on January 27, 2025, filed;
13. The Seventh Affidavit of Ben Li sworn on December 9, 2024, filed;
14. The Amended and Restated CCAA Initial Order granted on April 26, 2024;
15. The Stay Extension Order granted on November 4, 2024;
16. The December Order granted on December 19, 2024;
17. The Claims Procedure Order granted on September 20, 2024;
18. The Seventh Report of the Monitor, to be filed.

19. Such further and other materials as counsel for the Proposed Monitor or Company may advise and this Honourable Court may permit.

Applicable rules:

20. *Alberta Rules of Court*, AR 124/2010.

Applicable Acts and regulations:

21. *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended.
22. 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:

23. None.

How the application is proposed to be heard or considered:

24. Via Webex, on the Edmonton Commercial List before the Honourable Justice M. E. Burns.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant 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 a reasonable time before the application is to be heard or considered.

Schedule “A”

Clerk's Stamp

COURT FILE NUMBER 2401-05179
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE 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 A PLAN OF
COMPROMISE OR ARRANGEMENT OF
ALPHABOW ENERGY LTD.

DOCUMENT **ORDER (STAY EXTENSION AND OTHER
ANCILLARY RELIEF)**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF PARTY
FILING THIS DOCUMENT:

BENNETT JONES LLP
Barristers and Solicitors
4500, 855 – 2nd Street S.W.
Calgary, Alberta T2P 4K7

Attention: Keely Cameron/ Kaamil Khalfan /
Sophie Fiddes
Telephone No.: 403-298-3324
Fax No.: 403-265-7219
Client File No.: 88323.6

**DATE ON WHICH ORDER WAS
PRONOUNCED:** February 4, 2025
**NAME OF JUDGE WHO MADE THIS
ORDER:** Justice M. E. Burns
LOCATION OF HEARING: Edmonton, Alberta

UPON the application of AlphaBow Energy Ltd. (the "**Applicant**" or "**AlphaBow**"); **AND**
UPON having read the Application for the Stay Extension; the Amended and Restated Initial
Order of the Honourable Justice M. J. Lema granted on April 26, 2024 (the "**ARIO**"); the Stay
Extension Order of the Honourable Justice B. E. Romaine granted on July 24, 2024; the Stay
Extension Order of the Honourable Justice M. H. Bourque granted on August 27, 2024; the Stay
Extension Order of the Honourable Justice J. T. Neilson granted on September 20, 2024; the Stay

Extension Order of the Honourable Justice Marion granted on October 29, 2024; the Stay Extension Order of the Honourable Justice Bourque granted on November 4, 2024; the Stay Extension Order of the Honourable Justice Burns on November 22, 2024; the Stay Extension Order of the Honourable Justice Jeffrey on December 19, 2024; the Eighth Affidavit of Ben Li sworn on January 27, 2025; the Seventh Report of the Monitor, to be filed; **AND UPON** hearing from counsel for the Applicant, the Monitor, and any other interested parties appearing at the application;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the notice of application for this order (the "**Order**") and supporting materials are deemed good and sufficient and this application is properly returnable today.

STAY EXTENSION

2. The Stay Period (as defined in the ARIO) is hereby extended to and including May 9, 2025.

KIKINO METIS SETTLEMENT

3. Kikino Metis Settlement ("**Kikino**") is hereby stayed from advancing its claim and application made against AlphaBow pursuant to section 121 of the *Metis Settlements Act*, RSA 2000, c M-14, at the Metis Settlements Appeal Tribunal and the Metis Settlements Appeal Tribunal is stayed from considering Kikino's application in respect of AlphaBow leases during the Stay Period.

Justice of the Court of King's Bench of Alberta