

District of: Alberta
Division: 02 – Calgary

- FORM 87 -
Notice of Statement of the Receiver
(Subsections 245(1) and 246(1) of the Act)

In the matter of the receivership of
Pechanga Oilfield Services Ltd.
of the City of Brooks, in the Province of Alberta

The receiver gives notice and declares that:

1. On October 27, 2016, Hudson & Company Insolvency Trustees Inc. ("Hudson"), was privately appointed receiver (the "Receiver") in respect of the property (the "Property") of Pechanga Oilfield Services Ltd. (the "Company"), that is described below:

Description	Book Value (Note 1)
Property and equipment, net	\$ 1,015,719
Accounts receivable	128,761
Other assets	3,412
Total	<u>\$ 1,147,892</u>

Note 1 - the book value of the property and equipment is based on the amounts reported in the Company's financial records as of July 31, 2016. The accounts receivable balance is based on a listing provided by the Company on October 27, 2016. These amounts may have already been collected or may not be collectible. Readers are cautioned that the realizable values of the assets may be different from the book values as reported above and the differences may be material.

2. Hudson became the Receiver by virtue of being appointed by the Bank of Montreal ("BMO") pursuant to a General Security Agreement between BMO and the Company dated August 21, 2012.
3. The Receiver took possession and control of the Property described above on October 28, 2016.
4. The following information relates to the receivership:
 - a. Mailing Address: 71 Upland Manor
Brooks, AB T1R 1L4
 - b. Principal line of business: Oilfield services
 - c. Location of business: Brooks, Alberta

d. Amount owed to each creditor who holds security on the Property described above:

Creditor	Book Value (Note 2)
Canada Revenue Agency	\$ Unknown
Bank of Montreal	892,000
Total	<u>\$ 892,000</u>

Note 2 - the above listing was compiled from information reported in the Alberta Personal Property Registry Search for the Company, discussions with the Bank of Montreal and discussions with the directors of the Company. The amount owing to the Bank of Montreal is an approximate amount.

- e. The list of preferred and unsecured creditors and the amount owed to each creditor and the total amount due based on the records of the Company is attached to this Notice as Schedule "A".
- f. The intended plan of action of the Receiver during the receivership, to the extent that such a plan has been determined, is as follows:
- Gather and secure the physical assets of the Company;
 - Develop a liquidation plan for the assets to maximize realizations; and
 - Distribute any net realization proceeds from the assets to the creditors in order of the priority of their security / claims.

g. Contact person for the Receiver:

Stefan DuChene
Hudson & Company Insolvency Trustees Inc.
Suite 200, 625 – 11th Ave. SW
Calgary, AB T2R 0E1

Dated at the City of Calgary in the Province of Alberta, this 3rd day of November 2016.

HUDSON & COMPANY INSOLVENCY TRUSTEES INC.

In its capacity as Receiver of Pechanga Oilfield Services Ltd.,
and not in its personal capacity



Suite 200, 625 – 11th Ave. SW
Calgary, Alberta T2R 0E1
Tel / Direct: 403-984-9553 Fax: 403-234-8770
Email: sduchene@hudsoninc.ca

Schedule "A"
Preferred and Unsecured Creditors

Pechanga Oilfield Services Ltd.
List of Preferred and Unsecured Creditors

Name	Book Value
Preferred creditors	
Jamie Hillier	\$ 2,000.00
Mark Dallaire	2,000.00
Russell Parks	2,000.00
Brett Jackson	1,669.00
Dan J. Gunton	911.51
Matt Mitchell	869.50
Sub-total	\$ 9,450.01
Unsecured creditors	
Frank Bahr	\$ 438,375.00
Michael Bahr	298,307.75
Dave Bezeau	260,941.00
J & K Hemsing	150,000.00
Johnston Morrison Hunter LLP	5,952.81
Sharon Zacharias	3,968.03
Cactus Communications	3,026.21
South Country Co-op Ltd.	2,951.05
Jamie Hillier	1,921.31
Halo Safety Services Ltd	1,575.00
Omega Transport Services Inc.	1,517.00
Russell Parks	1,125.70
Bear Tools Ltd.	572.25
Mark Dallaire	24.95
Worker's Compensation Board	1.00
Sub-total	\$ 1,170,259.06
Total	\$ 1,179,709.07