



COURT FILE NUMBER: B201 679073
25-2679073

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

\$50
COM
March 12, 2021
Justice D.B Nixon

AND IN THE MATTER OF THE *BANKRUPTCY*
AND INSOLVENCY ACT, RSC 1985, c B-3, AS
AMENDED

APPLICANTS IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF GREENFIRE OIL
AND GAS LTD.

AND IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
GREENFIRE HANGINGSTONE OPERATING
CORPORATION

DOCUMENT **APPLICATION (SECURED CLAIMS PROCEDURE)**

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

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Calgary, AB T2P 4K9

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Preet.Saini@mcmillan.ca

NOTICE TO RESPONDENT(S):

This application is made against you. You are the 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:	March 12, 2021
Time:	10:00 AM
Where:	Calgary Courts Centre
Before Whom:	The Honourable Justice D.B. Nixon

Go to the end of this document to see what else you can do and when you must do it.

Relief Sought:

1. Alvarez & Marsal Canada Inc. ("**Proposal Trustee**") seeks an Order, substantially in the form attached herein as Schedule "A", approving a secured claims procedure ("**Secured Claims Procedure Order**").

Grounds for making this application:

2. On October 8, 2020 ("**NOI Date**"), each of Greenfire Oil and Gas Ltd. ("**HoldCo**") and Greenfire Hangingstone Operating Corporation ("**OpCo**") and together with HoldCo, the "**Debtors**") filed a Notice of Intention to Make a Proposal (collectively, the "**NOI**") pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act* R.S.C. 1985 c. B-3 ("**BIA**") with the Office of the Superintendent of Bankruptcy. Alvarez & Marsal Canada Inc. is the Proposal Trustee of both Debtors.
3. On December 17, 2020, this Honourable Court granted an order, among other things, approving an asset sale transaction (the "**Asset Sale Transaction**") contemplated by an asset purchase agreement between the Debtors and Greenfire Acquisition Corporation ("**AcquisitionCo**") (the "**Asset Sale Order**"). AcquisitionCo is the nominee of MWB UK Management Limited.
4. Should the Asset Sale Transaction close from escrow, it is expected there will be approximately \$1 million (less administrative costs) to be distributed to secured and priority creditors of OpCo.
5. The Proposal Trustee is not aware of the existence of any other material assets or property of OpCo at this time.
6. For the purposes of the Proposed Secured Claims Process, "**Secured Creditor Pool**" means the proceeds of the Asset Sale Transaction and the proceeds of any other property or assets of OpCo, in each case net of transaction costs and costs of administration.

7. The Proposal Trustee believes there will be no distributions from the Asset Sale Transaction to unsecured creditors and no recoveries to any creditors of HoldCo.
8. It is necessary that the amount, status and priority of secured and priority claims against OpCo be determined so as to facilitate an orderly distribution of the Secured Creditor Cash Pool. The Proposal Trustee has worked to develop a claims process in this regard (the "**Secured Claims Procedure**").
9. The proposed Secured Claims Procedure will not apply to any:
 - a) unsecured claims against the Debtors;
 - b) equity claims against the Debtors;
 - c) costs incurred in connection with the administration of the estate of the Debtors on and after the NOI Date, including the fees and expenses of the Proposal Trustee and its independent legal counsel and counsel to the Debtors; or
 - d) such other claims which are excluded pursuant to an order of the Court.
10. The Secured Claims Procedure is generally consistent with 121 to 135 of the BIA subject only to the additional of the Secured Claims Bar Date, which has no direct analogy under the BIA.
11. The Secured Claims Procedure utilizes form 31 ("**Proof of Secured Claim**") and form 77 ("**Notice of Disallowance**") under the BIA, with amendments to reflect that only secured and priority claims are being considered at this time.
12. The nature of the secured claim, such as a builders' lien claim, mortgage, charge trust, deemed trust, constructive trust, lease, or other security interest, and the value at which the creditor assesses the security must be included in the Proofs of Secured Claim, together with the basis of valuation.
13. The Secured Claims Procedure Order sets a Secured Claims Bar Date of 5:00 PM MST on March 29, 2021.
14. Any secured creditor of OpCo that does not file its Proof of Secured Claim with the Proposal Trustee on or before the proposed Secured Claims Bar Date, or such later date as this Honourable Court may otherwise order, will:
 - (a) not be entitled to receive any distribution from the Secured Creditor Cash Pool; and
 - (b) be forever barred from making or enforcing any Secured Claim (as defined in the Secured Claims Procedure Order) against OpCo.
15. In order to ensure that appropriate notice is provided to all known potential secured creditors, on March 2, 2021 and March 3, 2021, the Proposal Trustee gave advance notice by electronic transmission (the "**Advance Notice**") to all known potential secured creditors (and their respective counsel, if known) of the proposed Secured Claims

Procedure and encouraged all such creditors who believe that they have a secured and/or priority claim to prepare and file a Proof of Secured Claim with the Proposal Trustee by email as soon as practicable.

16. The following chart summarizes the key steps and timelines in the Secured Claims Procedure:

Notices and Other Particulars	Applicable Dates/Timing
1. Advance Notice The Proposal Trustee sent Advance Notice of the proposed Secured Claims Procedure and posted a copy of the letter on the Proposal Trustee's Website.	Sent on March 2, 2021 and March 3, 2021
2. Proposal Trustee's Website Post on the Proposal Trustee's Website a copy of: (a) the Secured Claims Procedure Order, (b) the notice to all creditors, and (c) a blank Proof of Secured Claim form.	As soon as practical following the granting of the Proposed Secured Claims Procedure Order.
3. Proof of Secured Claim Package The Proof of Secured Claim package mailed to all known creditors as evidenced by the books and records of OpCo as of the NOI Date.	To be sent by March 15, 2021.
4. Newspaper Notice Publication of Newspaper Notice in the Calgary Herald and the Daily Oil Bulletin.	To be published by March 17, 2021.
5. Secured Claims Bar Date	March 29, 2021 at 5:00 pm MST
6. Adjudication of Secured Claims The Proposal Trustee shall review all Proofs of Secured Claim received on or before the Secured Claims Bar Date, and if applicable, issue a Notice of Disallowance.	Following receipts of Proofs of Secured Claim
7. Final and Conclusive Determination or Disallowance The person to whom the Notice of Disallowance was provided may appeal to the Court for a final and conclusive determination or disallowance in accordance with the BIA.	Within a 30 day period after service of the Notice of Disallowance, or such further time as the Court may allow

17. The Proposal Trustee seeks approval of the Secured Claims Procedure Order to establish the process for receiving secured and priority claims against OpCo, determining their amount, status and priority.

Material or Evidence To Be Relied Upon:

- (a) The Ninth Report of the Proposal Trustee, dated March 4, 2021;
- (b) All pleadings, affidavits and other materials filed in this action;
- (c) The inherent jurisdiction of this Honourable Court; and
- (d) Such further and other material as counsel may advise and this Honourable Court may permit.

Applicable Rules:

- (e) Rules 6.9, 11.27, and 13.5 of the Alberta Rules of Court.

Applicable Acts and Regulations:

- (f) The *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3, as amended, and without limitation, ss. 121-135; and
- (g) The *Judicature Act*, R.S.A. 2000, c. J-2, as amended.

How the Application is Proposed to be Heard or Considered:

- (h) In Chambers.

WARNING TO THE RESPONDENT(S):

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) 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 rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

SCHEDULE “A”
(Secured Claims Procedure Order)

Clerk's stamp:

COURT FILE NUMBERS

25-2679073

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DOCUMENT

ORDER (SECURED CLAIMS PROCEDURE)

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF PARTY
FILING THIS DOCUMENT

PROPOSAL TRUSTEE

ALVAREZ & MARSAL CANADA INC.
Bow Valley Square IV
Suite 1110, 250 – 6th Avenue SW
Calgary, Alberta T2P 3H7
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dmacrae@alvarezandmarsal.com

COUNSEL TO PROPOSAL TRUSTEE

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Telephone: (403) 215-2752/(403) 531-4716
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Preet.Saini@mcmillan.ca

File 277019

Date on which this order was pronounced:

March 12, 2021

Location where order was pronounced:

Calgary, Alberta

Name of judge who made this order:

The Honourable Justice D.B. Nixon

UPON the application of Alvarez & Marsal Canada Inc., in its capacity as proposal trustee (“**Proposal Trustee**”) of Greenfire Oil and Gas Ltd. (“**HoldCo**”) and Greenfire Hangingstone Operating Corporation (“**OpCo**” and together with Holdco, the “**Debtors**”) **AND UPON** having read the Notice of Application of the Proposal Trustee (“**Application**”), the Ninth Report of the Proposal Trustee dated March 4, 2021 (the “**Ninth Report**”), and the Affidavit of Service of David Tsumagari, sworn [xx], all filed, and such other material in the pleadings and proceedings as are deemed necessary; **AND UPON** hearing counsel for the Proposal Trustee, counsel for other interested parties and stakeholders present and from any other interested parties and stakeholders present;

IT IS HEREBY ORDERED AND DECLARED THAT:

Service of this Application

1. The time for service for this application is abridged to the time actually given and service of the Application and supporting material is good and sufficient upon all interested parties and this hearing is properly returnable before this Honourable Court today and further service thereof is hereby dispensed with.

Definitions

2. In this Order:

- (a) “BIA” means the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3, as amended.
- (b) “BIA General Rules” means the *Bankruptcy and Insolvency General Rules*, CRC c 368, as amended.
- (c) “CCAA” means the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended.
- (d) “Claim” means a “claim provable” or “provable claim” (as such terms are defined in the BIA) arising against OpCo before October 8, 2020.
- (e) “Claimant” means a Person with a Claim against OpCo.

- (f) “Newspaper Advertisement” means the notice for publication substantially in the form attached hereto as Schedule “A”.
- (g) “Notice of Disallowance” means form 77 prescribed under the BIA substantially in the form attached hereto as Schedule “B”.
- (h) “Notice to Claimants” means the notice substantially in the form attached hereto as Schedule “C”.
- (i) “Person” is to be broadly interpreted and includes any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, government authority or agency, officer or instrumentality thereof or any other entity, wherever situate or domiciled.
- (j) “Proof of Secured Claim” means form 31 prescribed under the BIA substantially in the form attached hereto as Schedule “D”.
- (k) “Proof of Secured Claim Package” means the Proof of Secured Claim and the Notice to Claimants.
- (l) “Secured Claim” means any Claim that is secured by any caveat, security interest, hypothec, pledge, mortgage, charge, lien or similar interest, any trust, constructive trust or deemed trust (including any trust, constructive trust or deemed trust in favour of Her Majesty in right of Canada or a province or of any body under an act respecting workers’ compensation) any reservation of ownership or title, or any royalty, option, right of pre-emption, privilege, interest, assignment, action, judgement, execution, writ of enforcement, in the case of any of the foregoing whether arising under any contract, statute or regulation, at law or in equity, whether or not same has attached or has been perfected, registered or filed, including, without limiting the generality of the foregoing (a) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system; (b) any mortgage evidenced by registration pursuant to the *Law of Property Act* (Alberta) or the *Mines and Minerals Act* (Alberta), (c) any liens or claims of lien under the *Builders’ Lien Act* (Alberta); and (d) any Claims for or in respect of unpaid property taxes imposed under the *Municipal Governments Act* (Alberta) for which a municipality may

prove a special lien thereunder.

(m) “Secured Claimant” means a Person with a Secured Claim against OpCo.

(n) “Secured Claims Bar Date” means 5:00 p.m. (Mountain Daylight Time) on March 29, 2021.

(o) “Secured Claims Procedure” means the procedures outlined in this Order, including the Schedules to this Order.

(p) “Secured Creditor Pool” has the meaning ascribed to it in the Ninth Report.

(q) “Unsecured Claim” means any Claim that is not a Secured Claim.

Secured Claims Procedure

3. The Proposal Trustee shall conduct the Secured Claims Procedure in order to identify all Secured Claimants and assess the amount, status and priority of proven Secured Claims.
4. The Secured Claims Procedure established hereunder is applicable to all Claimants alleging a Secured Claim as against OpCo provided that the Secured Claims Procedure established hereunder shall not apply in respect of:
 - (a) Unsecured Claims;
 - (b) equity claims (as defined in the BIA) against any Debtor;
 - (c) costs incurred in connection with the administration of the estate of the Debtors on and after October 8, 2020, including the fees and expenses of the Proposal Trustee and its independent legal counsel, and counsel to the Debtors; and
 - (d) such other claims which are excluded pursuant to an order of the Court.
5. All Secured Claims shall be proven in accordance with the Secured Claims Procedure.
6. The Proposal Trustee is authorized and directed to implement the Secured Claims Procedure outlined herein, and in the Notice to Claimants, as follows:

- (a) The Proposal Trustee shall send to all potential Claimants of which the Proposal Trustee is aware, a copy of the Proof of Secured Claim Package by no later than March 15, 2021.
- (b) Any Claimant with an Unsecured Claim is not required to submit a Proof of Secured Claim in the Secured Claims Procedure in respect of such Unsecured Claim unless required to do so by further order of the Court.
- (c) The Proposal Trustee is not required to issue a Notice of Disallowance in respect of Unsecured Claims unless required to do so by further order of the Court.
- (d) The Proposal Trustee shall publish the Newspaper Advertisement prior to March 17, 2021 in each of The Globe and Mail (National Edition), the Calgary Herald, and the Daily Oil Bulletin.
- (e) The Proposal Trustee shall also post electronic copies of the Notice to Claimants, the blank Proof of Secured Claim form, and this Order on the Proposal Trustee's website at <https://www.alvarezmarsal.com/greenfire> (located in the Secured Creditor Claims Process link) as soon as practical following the granting of this Order.
- (f) Claimants must submit their Proofs of Secured Claim to the Proposal Trustee such that they are received by the Proposal Trustee prior to the Secured Claims Bar Date. The Proposal Trustee will receive and collect the Proofs of Secured Claim and will review each Proof of Secured Claim that is submitted by the Secured Claims Bar Date.
- (g) All Secured Claimants that do not file a Proof of Secured Claim with the Proposal Trustee on or before the Secured Claims Bar Date or such later date as this Honourable Court may otherwise order, will:
 - (i) not be entitled to receive any distribution from OpCo from Secured Creditor Pool or otherwise in respect of their Secured Claim; and
 - (ii) be forever barred from making or enforcing any Secured Claim against the Secured Creditor Pool; provided that, for greater certainty, nothing herein is intended to or shall limit the right of any Secured Claimant to assert any unsecured claim against OpCo in any future claims process.

Secured Creditors

7. With respect to any Proof of Secured Claim filed by a Claimant alleging a Secured Claim, the Proposal Trustee will, either:
 - (a) accept the Secured Claim as set out in the Proof of Secured Claim in its entirety;
 - (b) revise the amount, status, or any priority of the Secured Claim as set out in the Proof of Secured Claim for purposes of distribution out of the Secured Creditor Pool; or
 - (c) disallow the Secured Claim as set out in the Proof of Secured Claim for purposes of distribution out of the Secured Creditor Pool.
8. If the Proposal Trustee disputes the amount, status, or priority of a Secured Claim set out in a Proof of Secured Claim, the Proposal Trustee will concurrently send the Notice of Disallowance to the Claimant whereupon the Notice of Disallowance will be deemed to have been received in accordance with the BIA and the BIA General Rules.
9. Any Claimant that intends to dispute its Secured Claim as set out in the Notice of Disallowance may appeal the decision of the Proposal Trustee in accordance with subsection 135(4) of the BIA.
10. If a Claimant does not appeal the Notice of Disallowance in accordance with the preceding paragraph, then the Secured Claim shall be deemed accepted at the amount and with the status and priority set forth in the Notice of Disallowance and, unless otherwise ordered by this Honourable Court, the Claimant will:
 - (a) where the entire Secured Claim is disallowed:
 - (i) not be entitled to receive any distribution from the Secured Creditor Pool in respect of its Secured Claim; and
 - (ii) be forever barred from making or enforcing any Secured Claim against OpCo; or
 - (b) where the Secured Claim has been revised:
 - (i) only be entitled to receive any distribution from Secured Creditor Pool in an amount proportional to the revised amount, revised status, or revised priority, of the Secured Claim; and

- (ii) be forever barred from making or enforcing any Secured Claim greater than the revised amount, revised status, or revised priority against OpCo;

provided that, for greater certainty, nothing herein is intended to or shall limit the right of any Secured Claimant to assert any unsecured claim against OpCo in any future insolvency proceeding or claims process.

- 11. The time limitation set forth in paragraph 9 of this Order may be extended by Order of this Honourable Court on application made prior to the expiration of such time in accordance with subsection 135(4) of the BIA.

Miscellaneous

- 12. Notwithstanding:

- (a) any application(s) for bankruptcy order(s) issued against a Debtor pursuant to BIA, or any bankruptcy order made pursuant to such application(s);
- (b) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
- (c) any proceedings commenced by or in respect of the Debtors pursuant to the CCAA; or
- (d) any receivership proceedings commenced in respect of the Debtors;

the Secured Claims Procedure and any distributions, steps, revisions, or disallowances made pursuant to the Secured Claims Procedure shall be binding on any trustee, trustee in bankruptcy, receiver, or monitor that may be appointed in respect of the Debtors pursuant to the BIA, the CCAA, or any other applicable legislation.

- 13. The Proposal Trustee is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which Proofs of Secured Claim are completed and executed and may, if they are satisfied that a Secured Claim has been adequately proven, waive strict compliance with the requirements of the Secured Claims Procedure.
- 14. The Proposal Trustee is at liberty to apply for such further advice, assistance and direction as may be necessary to give full force and effect to the terms of this Order.

15. The Proposal Trustee is hereby authorized and directed to do all such acts and things, and execute such deeds and documents, as are necessary or appropriate to give full effect to the provisions of this Order.

Service and Notice

16. Notice served in these proceedings on the Proposal Trustee shall be effected by registered mail, personal delivery, courier or electronic mail to the Proposal Trustee to the following address and any such notice or other communication by a Person shall be deemed received only upon actual receipt thereof during normal business hours or if delivered outside of a normal business hours, the next business day:

Alvarez & Marsal Canada Inc.
Bow Valley Square 4
Suite 1110, 250 6th Ave SW
Calgary, AB T2P 3H7
Attention: Duncan MacRae
Email: dmacrae@alvarezandmarsal.com
Phone: (403) 538-7516

17. Service in these proceedings by the Proposal Trustee on a Claimant shall be effected by in accordance with the BIA and the BIA General Rules.

18. Service of this Order shall be deemed good and sufficient by:

- (a) Serving the same on:
 - (i) the persons listed on the service list created in these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order; and
- (b) Posting a copy of this Order on the Proposal Trustee's website, established for these proceedings and service on any other person is hereby dispensed with.

19. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of Queen's Bench of Alberta

Schedule "A"
Newspaper Advertisement

NOTICE TO CREDITORS OF Greenfire Hangingstone Operating Corporation ("**OpCo**")

NOTICE IS HEREBY GIVEN THAT, pursuant to an order of the Court of Queen's Bench of Alberta granted March 12, 2021 (the "**Secured Claims Procedure Order**"), any person who believes that they have a **SECURED CLAIM** against OpCo, which claim arose prior to October 8, 2020, must send a Proof of Secured Claim to the Proposal Trustee to be received by 5:00 p.m. (Mountain Daylight Time) on March 29, 2021 (the "**Secured Claims Bar Date**").

PROOFS OF SECURED CLAIM WHICH ARE NOT RECEIVED BY THE SECURED CLAIMS BAR DATE WILL BE FOREVER EXTINGUISHED AND SUCH SECURED CREDITORS WILL BE FOREVER BARRED FROM MAKING OR ENFORCING SECURED CLAIMS AGAINST OPCO AND WILL NOT BE ENTITLED TO PARTICIPATE AS A SECURED CREDITOR AGAINST OPCO IN THESE PROCEEDINGS.

PLEASE NOTE THAT ANY CLAIMANT WITH AN **UNSECURED CLAIM** IS NOT REQUIRED TO SUBMIT A PROOF OF SECURED CLAIM IN THIS PROCESS IN RESPECT OF SUCH UNSECURED CLAIM AT THIS TIME. **ANY UNSECURED CLAIMS RECEIVED BY THE PROPOSAL TRUSTEE WILL NOT BE ACCEPTED OR DISPUTED, NOR WILL THEY BE FOREVER EXTINGUISHED OR BARRED.**

Further details regarding OpCo, a copy the Secured Claims Procedure Order and the Proof of Secured Claim form can be obtained from the Proposal Trustee's website at <https://www.alvarezandmarsal.com/greenfire>.

For questions, please contact the Proposal Trustee at:

Alvarez & Marsal Canada Inc.
Bow Valley Square 4
Suite 1110, 250 6th Ave SW
Calgary, AB T2P 3H7
Attention: Duncan MacRae
Email: dmacrae@alvarezandmarsal.com
Phone: (403) 538-7516

Schedule "B"

FORM 77

**NOTICE OF DISALLOWANCE OF CLAIM, RIGHT TO PRIORITY OR SECURITY OR NOTICE OF VALUATION OF CLAIM
(SUBSECTION 135(3) OF THE ACT)**

Take notice that:

(A) as trustee acting in the matter of the proposal of Greenfire Hangingstone Operating Corporation (the "Debtor") I have disallowed your claim (*or* your right to a priority *or* your security on the property) in whole (*or* to the extent of \$ _____), pursuant to subsection 135(2) of the Act, for the following reasons:

(Set out the reasons for the disallowance.)

(*or*)

~~(B) as trustee acting in the matter of the bankruptcy (*or* proposal) of _____, I have determined that your contingent or unliquidated claim is a provable claim and have valued it at \$ _____ and therefore, it is deemed a proved claim to this amount pursuant to subsection 135(1.1) of the Act.~~

And further take notice that if you are dissatisfied with my decision in disallowing your claim in whole or in part (*or* a right to rank or your security or valuation of your claim), you may appeal to the court within the 30-day period after the day on which this notice is served, or within any other period that the court may, on application made within the same 30-day period, allow.

Dated _____, 2021 in Calgary, Alberta.

ALVAREZ & MARSAL CANADA INC., in its capacity as Proposal Trustee of Greenfire Oil and Gas Ltd. and Greenfire Hangingstone Operating Corporation and not in its personal or corporate capacity

Per: _____

**Schedule “C”
Notice to Claimants
(Secured Claims Procedure)**

On October 8, 2020, Greenfire Oil and Gas Ltd. (“GOGL”) and Greenfire Hangingstone Operating Corporation (“OpCo” and, together with GOGL, collectively, the “Company”), each filed Notices of Intention to Make a Proposal (the “NOIs”) pursuant to section 50.4(1) of the Bankruptcy and Insolvency Act (the “BIA”) and Alvarez and Marsal Canada Inc. (“Proposal Trustee”) was named as the Proposal Trustee.

On December 18, 2020, the Court approved a transaction whereby the property of the OpCo was sold. As part of the purchase price of the transaction, the Company will retain a cash pool (the “Secured Creditor Cash Pool”) to effect a distribution to affected secured creditors of OpCo.

On March 12, 2021, the Court granted an order (the “Secured Claims Procedure Order”) directing the Proposal Trustee to solicit Proofs of Secured Claim from secured creditors of OpCo for the purpose of determining the secured claims which will be entitled to claim a distribution from the estate of OpCo, being the Secured Creditor Cash Pool.

Any creditor having a Secured Claim (as defined in the Secured Claims Procedure Order) arising against OpCo before October 8, 2020 is required to file, in the manner set out in this Notice to Claimants, a Proof of Secured Claim in the prescribed form (which has been provided to you with this Notice to Claimants) with the Proposal Trustee in order to participate in any distribution from the Secured Creditor Cash Pool.

PLEASE NOTE THAT ANY CLAIMANT WITH AN UNSECURED CLAIM IS NOT REQUIRED TO SUBMIT A PROOF OF SECURED CLAIM IN THIS PROCESS IN RESPECT OF SUCH UNSECURED CLAIM AT THIS TIME.

Additional copies of the prescribed Proof of Secured Claim form can be obtained by contacting the Proposal Trustee via telephone at (403) 538 - 7516 or via e-mail at dmacrae@alvarezandmarsal.com or it can be downloaded from the Proposal Trustee's website at: <https://www.alvarezandmarsal.com/greenfire> (located in the Secured Creditor Claims process link).

All Proof of Secured Claim forms, together with the required supporting documentation, must be sent to Alvarez & Marsal Canada Inc. to the attention of Duncan MacRae by email (dmacrae@alvarezandmarsal.com), prepaid registered mail, personal delivery, or sent by courier to Bow Valley Square 4, Suite 1110, 250 6th Ave SW, Calgary, AB, T2P 3H7 on or before 5:00 pm Mountain Daylight Time on March 29, 2021 (“Secured Claims Bar Date”).

All Proof of Secured Claim forms received by the Proposal Trustee or, in the case of mailing, postmarked, after the Secured Claims Bar Date will, unless otherwise ordered by the Court, be forever extinguished, barred, and the Claimant will not receive any distributions from the Secured Creditor Cash Pool.

Any Unsecured Claims (as defined in the Secured Claims Procedure Order) received by the Proposal Trustee will not be accepted or disputed, nor will they be forever extinguished or barred.

With respect to Secured Claims, the Proposal Trustee will in turn provide to the creditor a notice in writing as to whether their Claim is accepted or disputed in whole or in part, and indicating the reason for the dispute (the “Notice of Disallowance”).

Where a creditor objects to a Notice of Disallowance, the creditor shall appeal to the court pursuant to section 135(4) of the BIA within 30 days or otherwise seek an extension to appeal within 30 days. **A creditor that does not appeal a Notice of Disallowance issued by the Proposal Trustee within the prescribed period shall, unless otherwise ordered by the Court, be conclusively deemed to have accepted the assessment of its Claim as set out in such Notice of Disallowance.**

Dated March 12, 2021 in Calgary, Alberta.

ALVAREZ & MARSAL CANADA INC., in its capacity as Proposal Trustee of Greenfire Oil and Gas Ltd. and Greenfire Hangingstone Operating Corporation and not in its personal or corporate capacity

Per: _____

Schedule "D"

FORM 31

PROOF OF SECURED CLAIM

**(SECTIONS 50.1, 81.5, 81.6, SUBSECTIONS 65.2(4), 81.2(1), 81.3(8), 81.4(8),
102(2), 124(2), 128(1), AND PARAGRAPHS 51(1)(E) AND 66.14(B) OF THE ACT)**

All notices or correspondence regarding this claim must be forwarded to the following address:

Alvarez & Marsal Canada Inc.
Bow Valley Square 4
Suite 1110, 250 6th Ave SW
Calgary, AB T2P 3H7

Attention: Duncan MacRae
Email: dmacrae@alvarezandmarsal.com

Phone: (403) 538-7516

In the matter of the proposal of Greenfire Hangingstone Operating Corporation, of Calgary, Alberta and the claim of _____, creditor.

I, _____ (name of creditor or representative of the creditor), of _____ (city and province), do hereby certify:

(C) That I am a creditor of the above-named debtor (or that I am _____ (state position or title) of _____ (name of creditor or representative of the creditor)).

(D) That I have knowledge of all of the circumstances connected with the claim referred to below.

(E) That the debtor was, at the date of bankruptcy at the date of the notice of intention or of the proposal, namely the 8th day of October, 2020, and still is, indebted to the creditor in the sum of \$_____, as specified in the statement of account (or affidavit) attached and marked Schedule "A," after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

(F) Check and complete appropriate category

☐ (a) ~~UNSECURED CLAIM OF \$_____~~

~~(Other than as a customer contemplated by Section 262 of the Act)~~

~~That in respect of this debt, I do not hold any assets of the debtor as security and~~

~~(Check appropriate description)~~

☐ Regarding the amount of \$_____, I claim a right to a priority under section 136 of the Act.

☐ Regarding the amount of \$_____, I do not claim a right to a priority.

~~(Set out on an attached sheet details to support priority claim)~~

☐ (b) CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$_____

~~That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:~~

~~(Give full particulars of the claim, including the calculations upon which the claim is based)~~ ☐

(c) SECURED CLAIM OF \$_____

That in respect of this debt, I hold assets of the debtor valued at \$_____ as security, particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents)

☐ ~~(d) CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$_____~~

~~That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$_____~~

~~(Attach a copy of sales agreement and delivery receipts)~~

☐ ~~(e) CLAIM BY WAGE EARNER OF \$_____~~

☐ ~~That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$_____~~

☐ ~~That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$_____~~

☐ ~~(f) CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$_____~~

☐ ~~That I hereby make a claim under subsection 81.5 of the Act in the amount of \$_____~~

☐ ~~That I hereby make a claim under subsection 81.6 of the Act in the amount of \$_____~~

☐ ~~(g) CLAIM AGAINST DIRECTOR \$_____~~

~~(To be completed when a proposal provides for the compromise of claims against directors)~~

~~That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:~~

~~(Give full particulars of the claim, including the calculations upon which the claim is based)~~

☐ ~~(h) CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$_____~~

~~That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:~~

~~(Give full particulars of the claim, including the calculations upon which the claim is based)~~

(G) That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act, and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.

(H) That the following are the payments that I have received from, the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months *(or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months)* immediately before the date of the initial bankruptcy event within the meaning of subsection 2(1) of the Act: *(provide details of payments, credits and transfers at undervalue)*

~~(I) (Applicable only in the case of the bankruptcy of an individual)~~

- ☐ ~~Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.~~
- ☐ ~~I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.~~

Dated at _____, this _____ day of _____.

Witness

Creditor

Telephone No.: _____

Fax No.: _____

Email address: _____

NOTE: ON DECEMBER 18, 2020, THE COURT APPROVED A TRANSACTION WHEREBY THE PROPERTY OF THE ABOVE DEBTOR WAS SOLD. AS PART OF THE PURCHASE PRICE OF THE TRANSACTION, SUCH DEBTOR WILL RETAIN A CASH POOL (THE “**SECURED CREDITOR CASH POOL**”) TO EFFECT A DISTRIBUTION TO AFFECTED SECURED CREDITORS OF SUCH DEBTOR.

ON MARCH 12, 2021, THE COURT GRANTED AN ORDER (THE “**SECURED CLAIMS PROCEDURE ORDER**”) DIRECTING THE PROPOSAL TRUSTEE TO SOLICIT PROOFS OF SECURED CLAIMS FROM SECURED CREDITORS OF THE ABOVE DEBTOR FOR THE PURPOSE OF DETERMINING THE SECURED CLAIMS WHICH WILL BE ENTITLED TO CLAIM A DISTRIBUTION FROM SECURED CREDITOR CASH POOL. ANY PROOF OF SECURED CLAIM THAT IS NOT DELIVERED TO THE PROPOSAL TRUSTEE AT THE ADDRESS NOTED BY MARCH 29, 2021, WILL, UNLESS OTHERWISE ORDERED BY THE ALBERTA COURT OF QUEEN'S BENCH, BE BARRED PURSUANT TO THE SECURED CLAIMS PROCEDURE ORDER AND MAY NOT THEREAFTER BE ADVANCED AGAINST THE ABOVE DEBTOR.

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.