

FORM 7
[Rule 3.8]

Clerk's Stamp

COURT FILE NO. 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 STAY OF
REGULATORY ACTION)**

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/Sophie Fiddes
Telephone No.: 403-298-3324/3092
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: Monday, September 22, 2025
Time: 2:00 p.m.

Where: Calgary Law Courts, by Webex
<https://albertacourts.webex.com/meet/virtual.courtroom60>
Before: The Honourable Justice M. H. Bourque

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

Remedy claimed or sought:

1. AlphaBow Energy Ltd. (the "**Applicant**" or "**AlphaBow**") seeks the following relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 ("**CCAA**") as amended:
 - (a) An order substantially in the form attached hereto as **Schedule "A"**:
 - (i) 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;
 - (ii) an extension of the stay of proceedings imposed by the Amended and Restated Initial Order (the "**ARIO**") granted by the Court on May 8, 2025, from September 30, 2025 to March 31, 2026, or such other date this Honourable Court may order (the "**Stay Extension**");
 - (iii) a declaration that any request by the Alberta Energy Regulator ("**AER**") for a security deposit from AlphaBow is stayed and the failure by AlphaBow to pay security cannot be relied upon for the purposes of considering whether to approve a license transfer application.
2. Such further and other relief as counsel may advise and this Honourable Court may permit.

Grounds for making this application:

A. General

3. AlphaBow is a privately-owned company in the business of 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.

4. At the commencement of these proceedings, AlphaBow held licenses issued by the AER to operate 3,785 wells, 4,038 pipelines and 321 facilities across Alberta (the "**Licensed Assets**").
5. Over the last year and a half, AlphaBow has with the assistance of the Monitor advanced a sales process which resulted in approximately 20 transactions being approved by the Court, which collectively provide for the assumption of all of AlphaBow's environmental obligations.
6. To date, the AER has approved license transfer applications involving the following counterparties: North40 Resources Ltd., Singalta Resources Limited, Resistance Energy Ltd., Ember Resources Inc., Tykewest Limited, Lucky Strike Energy Ltd. and Response Energy Corporation.
7. The AER did not request security from AlphaBow in respect of any of these transactions.
8. On July 10, 2025, the AER issued a conditional approval decision of Cascade Capture Ltd.'s ("**Cascade**") March 4, 2025, license transfer application for the transfer of 196 wells, 23 facilities and 72 pipeline licenses from AlphaBow to Cascade, as a nominee for 2628069 (the "**License Transfer Application**"). The License Transfer Application required AlphaBow to post security in the amount of \$20,551,822.60 as a condition of transfer (the "**Conditional Approval Decision**").
9. AlphaBow is insolvent and does not have the funds to post the required security. The transfer application was closed and AlphaBow's Regulatory Applications Branch is taking the position that AlphaBow's request to regulatory appeal the decision be denied.
10. AlphaBow has three remaining transfer applications to submit to the AER. Each of the transactions are set to expire at the end of this month unless extended.

11. The current stay of proceedings is also set to expire at the end of the month, unless extended by further order from this Honourable Court.

The AER's Request for Security is Stayed or Should be Stayed

12. AlphaBow requires certainty as to next steps and asks this court for a declaration that the AER is not entitled to enforce a security deposit request in respect of AlphaBow.
13. A request for security by the AER results in the creation of a debt to the AER secured by way of a statutory lien.
14. Pursuant to paragraph 17 of the Amended and Restated initial Order, no party is permitted to exercise rights or remedies against AlphaBow, without leave of the court, subject to certain exceptions which do not apply here.
15. Not only is the request for security contrary to the stay provided for in the Amended and Restated Initial Order, but even if this court found the request for security as part of a transfer decision was a regulatory obligation, the Court has the authority to stay such a requirement under section 11.1(3) of the CCAA.
16. As the request for security is contrary to the purposes of the CCAA and risk frustrating these proceedings and causing over \$200 million in environmental liabilities remaining with the Orphan Well Association, the Court should grant the declaration sought.

Extension of the Stay Period

17. Further time is required as AlphaBow has yet to close all of the court approved transactions and will be unable to do so until after the foregoing issue with the AER is resolved.
18. AlphaBow has acted, and continues to act, in good faith and with due diligence.
19. 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 conclude these proceedings.
20. Such further and other grounds as AlphaBow may advise and this Court may accept.

Material or evidence to be relied on:

21. The Eleventh Affidavit of Ben Li sworn on September 15, 2025, filed;
22. The Amended and Restated CCAA Initial Order granted on April 26, 2024;
23. The Stay Extension Order granted on May 8, 2025;
24. The Eleventh Report of the Monitor, to be filed; and
25. Such further and other materials as counsel for the Proposed Monitor or Company may advise and this Honourable Court may permit.

Applicable rules:

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

Applicable Acts and regulations:

27. The *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended;
28. The *Oil and Gas Conservation Act*, RSA 2000, c O-6, as amended; and
29. 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:

30. None.

How the application is proposed to be heard or considered:

31. By Webex videoconference.

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

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COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY

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ARRANGEMENT OF ALPHABOW ENERGY LTD.

DOCUMENT **ORDER (STAY EXTENSION AND STAY OF REGULATORY
ACTION)**

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/Sophie Fiddes
Telephone No.: 403-298-3324/3092
Fax No.: 403-265-7219
Client File No.: 88323.6

DATE ON WHICH ORDER WAS September 22, 2025

PRONOUNCED:

NAME OF JUDGE WHO MADE THIS Justice M. H. Bourque

ORDER:

LOCATION OF HEARING: Calgary Law Courts, via Webex

UPON the application of AlphaBow Energy Ltd. (the "**Applicant**" or "**AlphaBow**"); **AND**
UPON having read the Application; the Eleventh Affidavit of Ben Li sworn on September 15,
2025; and the Eleventh Report of the Monitor; **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:

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 March 31, 2026.

STAY OF REGULATORY ACTION

3. The Alberta Energy Regulator is stayed during the Stay Period, as may be extended, from requesting a security deposit from AlphaBow or refusing to transfer licenses, permits or approvals based on the failure of AlphaBow to pay security.

Justice of the Court of King's Bench of Alberta