

COURT FILE NUMBER 24-3356741

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

IN THE MATTER OF THE *BANKRUPTCY
AND INSOLVENCY ACT*, R.S.C. 1985, C.
B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
ENDRUM ENERGY CORP.

Clerk's Stamp

APPLICANT ENDRUM ENERGY CORP.

RESPONDENTS 2672682 ALBERTA LTD., JAKE ENERGY
INC., and BRAD PEAKE

DOCUMENT **APPLICATION**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

OGILVIE LLP
Barristers & Solicitors
2800 Stantec Tower
10220 103 Avenue NW
Edmonton, AB T5J 0K4

Attention: **Susy Trace / Leah Macklin**
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Email: Strace@ogilvIELaw.com
Lmacklin@ogilvIELaw.com
File No.: 71423.4

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 Presiding Justice. To do so, you must be in Court when this application is heard as shown below:

Date: **August 5, 2026**

Time: **2:00 p.m.**

Where: **Edmonton Courts via WebEx, Virtual Courtroom**

<https://albertacourts.webex.com/meet/virtual.courtroom86>

Before whom: **The Honourable Justice D.R. Mah**

Remedy claimed or sought:

1. The Applicant, Endrum Energy Corp. (the “**Company**” or “**Endrum**”), seeks the following:

(a) An Order substantially in the form attached hereto as **Schedule “A”**:

- (i) Abridging time for service of this Application and deeming service good and sufficient, if necessary;
- (ii) Validating service of this Application;
- (iii) pursuant to sections 50.4(9) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”), extending the 45-day period, expiring August 5, 2026, within which the Company is required under section 50.4(9) of the *BIA* to file a proposal, by an additional forty-five (45) days to 11:59 p.m. (Mountain Time) on September 19, 2026 (the “**Third Stay Extension**”);

(b) An Order substantially in the form attached hereto as **Schedule “B”**:

- (i) granting an interim injunction against Jake Energy Inc., 2672682 Alberta Ltd. and Brad Peake (collectively, the “**Respondents**”), restraining and enjoining the Respondents, and each of them, from:

(A) attending or accessing the lands and well sites comprising:

- 1) Well 5-29-29-19-W4 (Crown P&NG Lease 0477070007, Twp 29, Rge 19, W4M: SW29) (the “**5-29 Well**”);
- 2) Well 6-34-35-17-W4 (Crown P&NG Lease 040484010030, Twp 35, Rge 17, W4M: Sec 34) (the “**6-34 Well**”); and
- 3) Well 2-11-37-18-W4 (Crown P&NG Lease 040490070099, Twp 37, Rge 18, W4M: Sec 11) (the “**2-11 Well**”),

(collectively, the “**Disputed Assets**”);

(B) interfering in any manner with the Company's ability to protect, preserve, and operate the Disputed Assets pending determination of the dispute over ownership of the Disputed Assets, whether by further Order of this Honourable Court or by agreement between the parties; and

(C) contacting or communicating with any of the Company's employees, contractors, suppliers, vendors, or operators in relation to the Disputed Assets.

- (ii) granting a preservation order, pending the final resolution of the dispute over ownership of the Disputed Assets, whether by further Order of this Honourable Court or by written agreement between the parties, providing that:

- (A) Endrum be authorized and permitted to continue operating, protecting, and preserving the Disputed Assets;
 - (B) in operating, protecting, and preserving the Disputed Assets, Endrum be authorized to deduct from the gross revenues generated by each of the Disputed Assets the sum of \$750 per well, per month, to reimburse Endrum for its reasonable costs incurred in preserving and operating that well (the "**Preservation Costs**"), and remit the balance of such gross revenues, net of the Preservation Costs (the "**Net Revenues**"), to Ogilvie LLP, in trust;
 - (C) Endrum remit the Net Revenues to Ogilvie LLP, in trust, on a monthly basis, within ten (10) days of the end of each calendar month in which such Net Revenues are received or realized by Endrum;
 - (D) Ogilvie LLP hold all Net Revenues received pursuant to the Order in trust, in an interest-bearing trust account, and not release, distribute, or otherwise deal with any such funds except pursuant to a further Order of this Honourable Court or the written agreement of all parties to this proceeding;
 - (E) Endrum be required to maintain complete and accurate books, records, and accounts of all gross revenues generated by, and all Preservation Costs deducted in respect of, each of the Disputed Assets, and make such books, records, and accounts available for inspection by the Respondents, or their counsel, upon reasonable written request;
 - (F) upon final resolution of the dispute over ownership of the Disputed Assets, the Net Revenues held by Ogilvie LLP in trust, together with all interest accrued thereon, be distributed in accordance with the terms of the Order or written agreement resolving such dispute; and
 - (G) Endrum, its directors, officers, employees, and agents incur no liability as a result of any act or omission done in good faith in the operation, protection, or preservation of the Disputed Assets, or in the deduction and remittance of Preservation Costs and Net Revenues, in accordance with the terms of the Order, save and except in the case of gross negligence or wilful misconduct.
- (c) such further and other relief as this Honourable Court may deem appropriate or necessary.

Grounds for making this application:

Background

2. The Company is a private oil and gas producer operating in central Alberta. It owns and operates approximately 165 gas wells and 15 oil wells across a contiguous 35,000-acre land base and holds full ownership of its field facilities and natural gas processing plant.
3. The Company is insolvent and unable to pay its debts generally as they become due.
4. The Company filed a Notice of Intention to Make a Proposal (“**NOI**”) on April 7, 2026. G. Chan & Associates Inc. was appointed as the proposal trustee (the “**Proposal Trustee**”) of the Company at the time of filing the NOI. The First Extension Order extended the proposal filing deadline to June 21, 2026 and the Second Extension Order extended the proposal filing deadline to August 5, 2026.

Extension of Time to Make a Proposal

5. Pursuant to section 50.4(9) of the *BIA*, the Court may grant extensions not exceeding 45 days each, up to an aggregate maximum of five months. The requested Third Stay Extension of 45 days would bring the total stay period to 4 months and 12 days following the initial 30-day stay (which expired on May 7, 2026). Without this extension, the Company will be deemed to have made an assignment into bankruptcy pursuant to section 50.4(8) of the *BIA* immediately upon the expiry of the Second Extension Order on August 5, 2026, to the detriment of all creditors, and stakeholders.
6. The Company is likely to file a viable proposal before the aggregate 5-month maximum extension period under section 50.4(9) of the *BIA* expires. No creditor or stakeholder will be materially prejudiced by the Third Stay Extension. Accordingly, the Applicant submits that the Third Stay Extension is justified under section 50.4(9) of the *BIA*.
7. Since granting the Second Extension Order, the Company has been diligently working toward formulating a proposal to its creditors but requires additional time to complete this process. In particular, the Company has:
 - (a) collaborated with the Proposal Trustee to manage cash flow and develop draft five-year budget projections, accounting for variables including creditor negotiation outcomes and gas price estimates;
 - (b) engaged with creditors to negotiate and pursue a plan regarding pre-NOI debt;
 - (c) engaged with creditors to negotiate payment arrangements going forward;
 - (d) continued to operate the business; and
 - (e) acted and continues to act in good faith and with due diligence to prepare a proposal.
8. The Third Stay Extension is necessary to provide the time required to:

- (a) continue to correspond with creditors to determine if negotiations and compromises can be made regarding pre-NOI debt and payments going forward; and
- (b) formulate and present a viable proposal to its creditors.

The Injunction Should Be Granted

9. In May of this year, Jake Energy Inc., 2672682 Alberta Ltd. and Brad Peake (collectively the “**Respondents**” or “**Jake Co.**”) began asserting ownership and control over the Disputed Assets. The actions Jake Co. has taken include:
 - (a) reporting Endrum and/or its contractors to the RCMP for allegedly stealing oil;
 - (b) contacting Endrum’s critical suppliers to change the party to whom credit for oil generated from the Disputed Assets is given and advising them that Endrum is not the lawful owner of the Disputed Assets; and
 - (c) locking one of the wells such that Endrum no longer has access to the well.
10. Jake Energy relies on four quitclaims and assignments that purport to transfer the Disputed Wells from Endrum to first Prestige Worldwide Services Inc., then to 2770860 Alberta Inc., and finally to 2672682 Alberta Ltd.
11. Endrum’s records do not evidence that any of the Disputed Assets were ever assigned to any party and there is no evidence that the transfers were approved by the Alberta Energy Regulator.
12. Endrum is the Alberta Energy Regulator licence holder for the Disputed Assets and its records demonstrate that it is the owner of the Disputed Assets. Endrum is also the party who has paid the royalty and lease payments for the Disputed Assets.
13. There are suspicious circumstances surrounding the transfer documents relied upon by Jake Co. as establishing it is the owner of the Disputed Assets.
14. Jake Co. has taken steps to interfere with Endrum’s ability to manage, preserve and operated the Disputed Assets and these steps have threatened Endrum’s relationship with its critical vendors. Jake Co. has locked one of the Disputed Assets altogether.
15. There is a serious question to be tried regarding the ownership of the Disputed Assets and the veracity of the transfer documents.
16. The balance of convenience favours the granting of the injunction and Endrum will suffer irreparable harm if the injunction is not granted.
17. The proposed preservation order will protect the interests of both Endrum and Jake Co., as well as ensure that Endrum can protect, preserve and operate the Disputed Assets in

a responsible manner and in accordance with its regulatory obligations during these NOI proceedings and until ownership of the Disputed Assets is resolved either by agreement or further Court Order.

Material or evidence to be relied on:

18. Third Affidavit of Norman Antonio Morales sworn July 27, 2026, to be filed;
19. Third Report of the Proposal Trustee, to be filed;
20. Bench Brief, to be filed;
21. Order granted by the Honourable Justice M.E. Burns on May 6, 2026; and
22. Such further and other material as counsel may advise.

Applicable rules:

23. Rules 6.3(1) and 6.9(1) of the *Alberta Rules of Court*, Alta Reg. 124/2010.

Applicable Acts and regulations:

24. *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3.
25. *Bankruptcy and Insolvency General Rules*, CRC, c 368.

Any irregularity complained of or objection relied of:

26. Not applicable to this Application.

How the application is proposed to be heard or considered:

27. Via WebEx, in Virtual Courtroom 86, before the Honourable Justice D.R. Mah.

WARNING

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"

COURT FILE NUMBER 24-3356741

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

IN THE MATTER OF THE *BANKRUPTCY
AND INSOLVENCY ACT*, R.S.C. 1985, C.
B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
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Clerk's Stamp

DOCUMENT STAY EXTENSION ORDER

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
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2800 Stantec Tower
10220 103 Avenue NW
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Lmacklin@ogilvIELaw.com
File No.: 71423.4

DATE ON WHICH ORDER WAS PRONOUNCED:	August 5, 2026
LOCATION WHERE ORDER WAS PRONOUNCED:	Edmonton, Alberta
NAME OF JUSTICE WHO MADE THIS ORDER:	Justice D.R. Mah

UPON THE APPLICATION of the Applicant, Endrum Energy Corp. (the "**Company**"); **AND UPON** considering the filed Application and the Third Affidavit of Norman Antonio Morales, sworn July 27, 2026; and the Affidavit of Service, filed; **AND UPON** hearing representation from counsel for the Company; **AND UPON** hearing from G. Chan & Associates Inc. (the "**Proposal Trustee**") and any other parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

Service

1. Service of the Application and supporting materials is hereby deemed to be good, timely and sufficient.

Extension of time to file proposal

2. Pursuant to section 50.4(9) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 ("**BIA**"), the period within which the Company may file a proposal shall be and is hereby extended to 11:59 p.m. (Mountain Time) on September 19, 2026.
3. The general stay of proceedings against the Company imposed by section 69 of the *BIA* is extended to 11:59 p.m. (Mountain Time) on September 19, 2026.

Aid and Recognition

4. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Company, Proposal Trustee and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders as to provide such assistance to the Company and the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Company, the Proposal Trustee and its agents in carrying out the terms of this Order.

General

5. The Company and the Proposal Trustee may, from time to time apply, to this Court to amend this Order, to seek the advice and direction of this Court, or to seek this Court's approval of transactions.

J.C.K.B.A

SCHEDULE "B"

COURT FILE NUMBER 24-3356741

COURT COURT OF KING'S BENCH OF ALBERTA

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DOCUMENT **INJUNCTION AND PRESERVATION
ORDER
ORDER**

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IT IS HEREBY ORDERED AND DECLARED THAT:

1. Jake Energy Inc., 2672682 Alberta Ltd. and Brad Peake (collectively, the "**Respondents**"), and each of them, are restrained and enjoined from:
 - (i) attending or accessing the lands and well sites comprising:
 - (A) Well 5-29-29-19-W4 (Crown P&NG Lease 0477070007, Twp 29, Rge 19, W4M: SW29) (the "**5-29 Well**");
 - (B) Well 6-34-35-17-W4 (Crown P&NG Lease 040484010030, Twp 35, Rge 17, W4M: Sec 34) (the "**6-34 Well**"); and
 - (C) Well 2-11-37-18-W4 (Crown P&NG Lease 040490070099, Twp 37, Rge 18, W4M: Sec 11) (the "**2-11 Well**"),

(collectively, the "**Disputed Assets**");
 - (ii) interfering in any manner with the Company's ability to protect, preserve, and operate the Disputed Assets pending determination of the dispute over ownership of the Disputed Assets, whether by further Order of this Honourable Court or by agreement between the parties; and
 - (iii) contacting or communicating with any of the Company's employees, contractors, suppliers, vendors, or operators in relation to the Disputed Assets.
6. Pending the final resolution of the dispute over ownership of the Disputed Assets, whether by further Order of this Honourable Court or by written agreement between the parties:
 - (i) Endrum is authorized and permitted to continue operating, protecting, and preserving the Disputed Assets;
 - (ii) in operating, protecting, and preserving the Disputed Assets, Endrum is authorized to deduct from the gross revenues generated by each of the Disputed Assets the sum of \$750 per well, per month, to reimburse Endrum for its reasonable costs incurred in preserving and operating that well (the "**Preservation Costs**"), and remit the balance of such gross revenues, net of the Preservation Costs (the "**Net Revenues**"), to Ogilvie LLP, in trust;
 - (iii) Endrum shall remit the Net Revenues to Ogilvie LLP, in trust, on a monthly basis, within ten (10) days of the end of each calendar month in which such Net Revenues are received or realized by Endrum;
 - (iv) Ogilvie LLP shall hold all Net Revenues received pursuant to the Order in trust, in an interest-bearing trust account, and not release, distribute, or otherwise deal with any such funds except pursuant to a further Order of this Honourable Court or the written agreement of all parties to this proceeding;

- (v) Endrum is required to maintain complete and accurate books, records, and accounts of all gross revenues generated by, and all Preservation Costs deducted in respect of, each of the Disputed Assets, and make such books, records, and accounts available for inspection by the Respondents, or their counsel, upon reasonable written request;
- (vi) upon final resolution of the dispute over ownership of the Disputed Assets, the Net Revenues held by Ogilvie LLP in trust, together with all interest accrued thereon, shall be distributed in accordance with the terms of the Order or written agreement resolving such dispute; and
- (vii) Endrum, its directors, officers, employees, and agents shall incur no liability as a result of any act or omission done in good faith in the operation, protection, or preservation of the Disputed Assets, or in the deduction and remittance of Preservation Costs and Net Revenues, in accordance with the terms of the Order, save and except in the case of gross negligence or wilful misconduct.

J.C.K.B.A