



COURT FILE NUMBER 1001-18567
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
ACTION IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended
AND IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, R.S.A. 2000, c. B-9
AND IN THE MATTER OF ALTUS ENERGY SERVICES LTD. and NUSCO NORTHERN MANUFACTURING LTD.
DOCUMENT APPLICATION BY ALTUS ENERGY SERVICES LTD. AND NUSCO NORTHERN MANUFACTURING LTD.

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Burnet, Duckworth & Palmer LLP
1400, 350 – 7th Avenue SW
Calgary, Alberta T2P 3N9
Lawyer: Trevor Batty
Phone Number: (403) 260-0263
Fax Number: (403) 260-0332
Email Address: tbatty@bdplaw.com
File No. 62233-20

NOTICE:

The application will be heard as shown below:

DATE	<u>Tuesday, January 18, 2011</u>
TIME	<u>3:00 p.m.</u>
WHERE	<u>Calgary Courts Centre – 601 – 5th Street SW, Calgary, Alberta</u>
BEFORE WHOM	<u>Honourable Madam Justice B.E.C. Romaine</u>

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. An Order:
 - (a) deeming service of this Application and supporting materials to be good and sufficient;

- (b) extending the Stay Period as defined in Paragraph 13 of the Initial Order granted herein on December 21, 2010 (the "Initial Order") to March 18, 2011;
- (c) approving further borrowings under the DIP financing credit facility, authorized by the Initial Order, in the amount of \$1,500,000;
- (d) amending the Initial Order by approving and ratifying Altus' Key Employee Retention Program ("KERP") and granting the KERP a charge over Altus' assets;
- (e) declaring that Exhibit "D" in the Affidavit of Chris Haslam, sworn January 17, 2011 (the "Haslam Affidavit"), contains confidential information and shall be sealed on the court file in these proceedings and segregated from, and not form part of, the public record;
- (f) directing the Clerk of the Court to file Exhibit "D" of the Haslam Affidavit in a sealed envelope attached to a notice that sets out the style of cause in these proceedings, the aforementioned description of the documents contained therein and a statement that the envelope's contents are sealed pursuant to the Order;

all substantially in the same form as the proposed Order attached as Schedule "A"

2. A Claims Procedure Order in substantially the same form as the proposed Claims Procedure Order attached as Schedule "B";
3. An Order authorizing and affirming Altus' retention of BTM Advisory Services Inc. and Gary Bentham as Chief Restructuring Officer ("CRO") on the terms contained in the Retention Letter attached as Exhibit "F" to the Haslam Affidavit, and as contemplated by the proposed Order attached as Schedule "C"; and
4. Such further and other relief as this Honourable Court may deem appropriate.

Grounds for making this application:

5. On December 21, 2010, Altus applied for, and was granted, protection from its creditors under the *Companies' Creditor Arrangement Act*, R.S.C. 1985, c. C-36 (the "CCAA"), pursuant to the Initial Order;
6. The extension of the Stay Period sought by Altus is appropriate in the circumstances and Altus has acted and is acting in good faith and with due diligence;

7. Altus requires an extension of the Stay Period in order to allow time for Altus to complete a financing and/or a sale of its assets, to implement and complete a claims process and to prepare and present a plan of arrangement to its creditors;
8. Altus requires a further draw from the DIP financing credit facility to fund professional fees and other costs while it completes its restructuring;
9. Altus is concerned that without the KERP it will risk losing certain critical employees thereby adversely affecting Altus' ability to successfully complete its restructuring;
10. Exhibit "D" to the Haslam Affidavit contains confidential, commercially sensitive information the public disclosure of which could have a negative impact on Altus and its restructuring;
11. A proof of claim procedure is necessary to enable Altus to identify and classify its creditors for the purposes of voting on and participating in a plan of compromise and arrangement;
12. Gary Bentham is qualified to act as CRO and it is just, convenient and in the best interests of these CCAA proceedings for Altus to retain a CRO; and
13. Such further and other grounds as counsel may advise and this Honourable Court may deem just.

Material or evidence to be relied on:

14. Altus will rely upon the Affidavit of Chris Haslam, sworn January 17, 2011, filed, the First Monitor's Report, filed and such other documents as Counsel may advise and the Court may permit.

Applicable Rules:

15. Rules 1.4, 1.5, 1.6, 6.28, 6.4 and 13.5 of the *Alberta Rules of Court*.

Applicable Acts and Regulations:

16. *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (as amended).

How the application is proposed to be heard or considered:

17. This application is proposed to be heard in person in open chambers before Madam Justice B.E.C. Romaine.

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 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"

Clerk's Stamp:

COURT FILE NUMBER 1001-18567

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

ACTION IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended AND IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, R.S.A. 2000, c. B-9

AND IN THE MATTER OF ALTUS ENERGY SERVICES LTD. and NUSCO NORTHERN MANUFACTURING LTD.

DOCUMENT **ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Burnet, Duckworth & Palmer LLP
1400, 350 – 7th Avenue SW
Calgary, Alberta T2P 3N9
Lawyer: Trevor Batty
Phone Number: (403) 260-0263
Fax Number: (403) 260-0332
Email Address: tbatty@bdplaw.com
File No. 62233-20

DATE ON WHICH ORDER WAS PRONOUNCED: January 18, 2011

NAME OF JUSTICE WHO MADE THIS ORDER: B.E.C. Romaine

ORDER

UPON the application of Altus Energy Services Ltd. and Nusco Northern Manufacturing Ltd. (collectively, "Altus" or the "Applicants"); **AND UPON** having read the Application, the Affidavit of Chris Haslam, sworn January 17, 2011 (the "Haslam Affidavit"), and the First Report of the Monitor of Altus; **AND UPON** hearing counsel for Altus, counsel for the Monitor and counsel for other interested parties; **IT IS HEREBY ORDERED AND DECLARED THAT:**

1. Service of notice of this application for this Order is hereby abridged and service thereof is deemed good and sufficient.
2. Capitalized terms not otherwise defined in this Order shall have the meanings ascribed to them in the Initial Order granted herein on December 21, 2010, (the "Initial Order").
3. The Stay Period, as defined in Paragraph 13 of the Initial Order, is hereby extended to March 18, 2011.
4. In accordance with Paragraph 31 of the Initial Order, Altus is hereby entitled to borrow a further \$1,500,000 from the DIP Lender under the DIP Lender's credit facility with Altus.

KEY EMPLOYEE RETENTION PLAN ("KERP")

5. The Key Employee Retention Plan ("KERP"), as that term is defined and described in the Haslam Affidavit, and the amounts of the KERP payments under the KERP as described in Exhibit "D" to the Haslam Affidavit, is hereby approved and ratified. Altus is hereby authorized and directed to implement and perform its obligations under the KERP in accordance with the terms of the KERP as may be modified by this Order, and to execute and deliver such additional or auxiliary documents as may be necessary to give effect to the KERP.
6. The KERP retention payments shall be paid to the participating employees either upon the successful completion of a Plan of Arrangement in these proceedings or otherwise upon the termination of these proceedings. Payment will only be made if the participating employee has not had his or her employment with Altus terminated for cause prior to the KERP retention payments becoming payable in accordance with this provision.
7. The employees of Altus who are eligible for and agree to participate in the KERP shall be entitled to the benefit of and are hereby granted a charge on the Property, which charge shall not exceed \$275,000, as security for the payment of the amounts that such employees may become entitled to under the KERP (the "KERP Charge"). The KERP Charge shall be added to and form part of the definition of "Charges", as defined at

paragraph 38 of the Initial Order, and the terms of the Initial Order that apply to all of the other Charges collectively, specifically paragraphs 38-42, shall apply *mutatis mutandis* to the KERP Charge.

8. The KERP Charge shall come after the other Charges, such that the relative priorities of the Charges set out at paragraph 37 of the Initial Order shall be as follows:

First – Administration Charge (to the maximum amount of \$500,000);

Second – DIP Lender's Charge;

Third – Directors' Charge (to the maximum amount of \$500,000); and

Fourth – KERP Charge (to the maximum amount of \$275,000)

9. Exhibit "D" referred to in the Haslam Affidavit contains confidential information and shall be sealed on the court file in these proceedings and segregated from, and not form part of, the public record.
10. The Clerk of the Court shall file Exhibit "D" of the Haslam Affidavit in a sealed envelope attached to a notice that sets out the style of cause in these proceedings, the aforementioned description of the documents contained therein and a statement that the envelope's contents are sealed pursuant to the Order.
11. This Order is made notwithstanding the restricted court access application requirements contained in Part 6, Division 4 of the Alberta *Rules of Court*.

J.C.Q.B.A.

SCHEDULE "B"

Clerk's Stamp:

COURT FILE NUMBER 1001-18567

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

ACTION IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended AND IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, R.S.A. 2000, c. B-9

AND IN THE MATTER OF ALTUS ENERGY SERVICES LTD. and NUSCO NORTHERN MANUFACTURING LTD.

DOCUMENT **CLAIMS PROCEDURE ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Burnet, Duckworth & Palmer LLP
1400, 350 – 7th Avenue SW
Calgary, Alberta T2P 3N9
Lawyer: Trevor Batty
Phone Number: (403) 260-0263
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DATE ON WHICH ORDER WAS PRONOUNCED: January 18, 2011

NAME OF JUSTICE WHO MADE THIS ORDER: B.E.C. Romaine

ORDER

UPON the application of Altus Energy Services Ltd. and Nusco Northern Manufacturing Ltd. (collectively, "Altus" or the "Applicants"); **AND UPON** having read the Application, the Affidavit of Chris Haslam, sworn January 17, 2011, and the First Report of the Monitor of Altus; **AND UPON** hearing counsel for Altus, counsel for the Monitor and counsel for other interested parties; **IT IS HEREBY ORDERED AND DECLARED THAT:**

1. Service of notice of this application for this Order is hereby abridged and service thereof is deemed good and sufficient.

DEFINITIONS

2. The following terms shall have the following meanings ascribed thereto:
 - (a) "**CCAA**" means the *Companies' Creditors Arrangement Act*, R. S. C. 1985, c C-36 (as amended);
 - (b) "**Claim**" means any right of any Person against the Applicants in connection with any indebtedness, liability or obligation of any kind of the Applicants and any interest accrued thereon or costs payable in respect thereof, whether liquidated, unliquidated, reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including without limitation, any claim made or asserted against the Applicants through any affiliate, associate or related Person as such terms are defined in the *Income Tax Act*, or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future with respect to any matter, action, cause or chose in action based in whole or in part on facts which existed prior to the date of the Initial Order, together with any other claims that would have been claims provable in bankruptcy had the Applicants become bankrupt on the date of the Initial Order;
 - (c) "**Claims Bar Date**" means, for the purposes of these proceedings only, (i) 4:59 p.m. (Calgary Time) on February 28, 2011, or (ii) such later date as may be ordered by the Court or agreed to by the Applicants and the Monitor;
 - (d) "**Court**" means the Court of Queen's Bench of Alberta;
 - (e) "**Creditor**" means a Person having a Claim, or Interim Period Claim and may, where the context requires, include the assignee or transferee of a Claim, a

successor in interest to a Claim, or a trustee, receiver, interim receiver, receiver and manager, liquidator or other Person acting on behalf of such Persons;

- (f) **"Dispute Notice"** means a written notice, delivered to the Applicants by a Creditor who has received a Notice of Revision or Disallowance and who intends to dispute such Notice of Revision or Disallowance;
- (g) **"Initial Order"** means the Order of the Court granted December 21, 2010 under the CCAA;
- (h) **"Instruction Letter"** means an instruction letter, substantially in the form attached hereto as Schedule "A", delivered to a Creditor regarding completion by such Creditor of the Proof of Claim Form;
- (i) **"Interim Period"** means the period commencing the date of the Initial Order to and including the Plan Implementation Date;
- (j) **"Interim Period Claim"** means any right of any Person against the Applicants in connection with any indebtedness, liability or obligation of any kind of the Applicants, and any interest that may accrue thereon, whether liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including without limitation, any claim made or asserted against the Applicants through any affiliate, associate or related Person as such terms are defined in the *Alberta Business Corporations Act* (as amended) or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action arising from or caused by, directly or indirectly, the implementation of or any action taken pursuant to, the Initial Order, including claims arising from (i) the abandonment of any premises or the repudiation of any lease, (ii) the assignment of any contract or lease in accordance with its terms, of personal, real, moveable or immoveable property (including any future liability as assignor thereof), (iii) the repudiation or

termination of any contract to take effect up to and including the Plan Implementation Date (including any anticipatory breach thereof), (iv) the repudiation or termination of any contract of employment, or (v) the termination or winding up of any pension or employee benefit plans, but, for greater certainty, does not include any right to payment of any Creditor for the provision of goods and/or services to the Applicants during the Interim Period;

- (k) **"Interim Period Claims Bar Date"** means the later of (i) 4:59 p.m. (Calgary Time) on February 28, 2011 or (ii) the date thirty (30) days after the Interim Period Claim arose, or (iii) such later date as may be ordered by the Court or agreed to by the Applicants and the Monitor;
- (l) **"Known Creditors"** means, at any time, those Creditors of which the Applicants has notice or knowledge of at such time;
- (m) **"Notice of Revision or Disallowance"** means the notice referred to in paragraph 10 hereof advising a Creditor that the Applicants has revised or rejected all or part of (i) a Claim or Interim Period Claim set out in the Proof of Claim and the reasons therefor, or (ii) the value of a Creditor's Proven Claim or Interim Period Claim for the purposes of distribution and the reasons therefor;
- (n) **"Notice to Creditors"** means the notice for publication as described in paragraph 5 hereof, and substantially in the form attached hereto as Schedule "B";
- (o) **"Person"** means any of the Applicants's shareholders and former shareholders, Creditors, customers, employees, officers, former officers, directors, former directors, agents, landlords, clients, suppliers, contractors, lenders, purchasing agents, equipment lessors and lessors of real property and immoveables, sub-landlords, tenants, sub-tenants, licensors, licensees, concessionaires, co-owners, co-tenants, joint venture partners, co-venturers, partners, the Crown (except as provided under subsections 11.4(2) and (3) of the CCAA), municipalities or any other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government in Canada or elsewhere and any

corporation or other entity owned or controlled by or which is the agent of any of the foregoing (collectively, "Persons" and, individually, "Person");

- (p) **"Plan"** means the plan of compromise or arrangement to be filed by the Applicants pursuant to the Initial Order and the CCAA, as approved by this Court;
- (q) **"Plan Implementation Date"** means the date on which the Plan is to be effective, as provided for in the Plan;
- (r) **"Proof of Claim"** means the form of Proof of Claim referred to in paragraph 3 hereof substantially in the form attached hereto as Schedule "C";
- (s) **"Proven Claim"** of a Creditor means the amount and status of the Claim or Interim Period Claim of such Creditor finally determined in accordance with the provisions of the claims procedure described herein; and
- (t) **"Valuation Date"** with respect to Claims means December 21, 2010 and with respect to Interim Period Claims means the date of the action giving rise to the Interim Period Claim.

NOTICE OF CLAIMS AND INTERIM PERIOD CLAIMS

3. For the purpose of facilitating the voting on, and distribution under, the Plan, the Applicants, with the assistance of PricewaterhouseCoopers Inc. (the "Monitor") shall send by ordinary mail to each of the Known Creditors and to each person on the service list in the Applicant's CCAA proceeding, by personal service, courier, electronic or facsimile transmission, the Proof of Claim and Instruction Letter on or before 11:59 p.m. (Calgary Time) on January 25, 2011 requiring the Creditor to set out its Claim and/or Interim Period Claim and to return the completed and executed Proof of Claim to the Monitor on or before the Claims Bar Date or the Interim Period Claims Bar Date.
4. Where the Applicants becomes aware that a Person may have an Interim Period Claim, the Applicants shall, inform the Monitor, as soon as practicable, and have the Monitor send by personal service, courier, electronic or facsimile transmission, the Proof of Claim

and Instruction Letter, requiring the Person in question to set out its Interim Period Claim and to return the completed and executed Proof of Claim prior to the Interim Period Claims Bar Date.

PUBLICATION OF CLAIMS PROCEDURE

5. On or before January 25, 2010, the Monitor shall publish the Notice to Creditors for a one (1) day period in the Nickel Daily Oil Bulletin, the Calgary Herald and the Edmonton Journal newspapers, and the Notice to Creditors shall provide that any Creditor of the Applicants, who has not been sent the appropriate form of Proof of Claim or Instruction Letter as provided for in paragraph 3 hereof, must provide a written notice to the Monitor requesting the applicable forms. Additionally, the Monitor will post the forms on its website at <http://www.pwc.com/car-altus>.
6. As soon as practicable after receiving written notice requesting the applicable forms, the Applicants or Monitor shall send, electronically or by facsimile where possible or by courier or personal service, to such Creditor the appropriate form of Proof of Claim, a copy of this Claims Procedure and Instruction Letter. The Proof of Claim must be returned to the Monitor by no later than the Claims Bar Date, or the Interim Period Claims Bar Date, as applicable, unless the Applicants and the Monitor otherwise agrees or as otherwise ordered by this Court.
7. Any Person that holds a charge pursuant to the terms of the Initial Order, or any other Order of this Court, is not required to file a Proof of Claim in order to establish or enforce such rights against the Applicants.

REVIEW OF PROOFS OF CLAIM FOR VOTING PURPOSES

8. The Applicants, in conjunction with the Monitor, shall review each Proof of Claim filed and shall accept, revise or reject the amount and/or creditor status set out in such Proof of Claim for voting and distribution purposes under the Plan.

9. The amount and legal status of Claims and Interim Period Claims shall be determined as if the Applicants had entered bankruptcy on the Valuation Date.
10. In the event that the Applicants, in conjunction with the Monitor, disputes the amount and/or creditor status set out in a Proof of Claim and such dispute cannot be resolved consensually between the Applicants and the Creditor, the Monitor, in conjunction with the Applicants shall, as soon as possible after receipt of a Proof of Claim but in any event no later than thirty (30) calendar days prior to the date of the Creditors' meeting provided for in the Plan or pursuant to a further Order of this Court, notify such Creditor who has filed a disputed Proof of Claim that such Proof of Claim has been revised or rejected and the reasons therefor by delivering to such Creditor a Notice of Revision or Disallowance in accordance with paragraph 20 hereof and in the form substantially the same as that attached hereto as Schedule "D".
11. Where the Monitor does not deliver, by the aforementioned date, a Notice of Revision or Disallowance to a Creditor who has submitted a Proof of Claim, then, subject to further Order of this Court, such Proof of Claim shall be treated as a Proven Claim under the Plan.
12. Any Creditor who intends to dispute a Notice of Revision or Disallowance shall, within fourteen (14) calendar days of the date of the Notice of Revision or Disallowance (or such longer period as agreed to by the Applicants), notify the Monitor in writing of such intention by delivery of a Dispute Notice to the Monitor by personal service, next day courier or facsimile. The Dispute Notice will be in a form substantially the same as that attached hereto as Schedule "E".
13. A Creditor who has delivered a Dispute Notice and who continues to intend to dispute the Notice of Revision or Disallowance must, within ten (10) business days of delivery of the Dispute Notice, file an application in the Court seeking determination of the value and/or status of the Claim, which application shall be made returnable within five (5) business days of the filing of the application.

14. Where a Creditor who receives a Notice of Revision or Disallowance fails to deliver a Dispute Notice within the time period referred to in paragraph 12 hereof, or fails to file an application in accordance with paragraph 13 hereof, the Proven Claim of such Creditor under the Plan shall be deemed to be as set out in the Notice of Revision or Disallowance
15. Pursuant to this Claims Procedure:
 - (a) the Applicants and Monitor are authorized to use reasonable discretion as to the adequacy of the compliance as to the manner in which a Proof of Claim is completed and executed and may, where they are satisfied a Claim or Interim Period Claim has been adequately proven, waive strict compliance with the requirements of this Order as to completion and execution of a Proof of Claim;
 - (b) the Applicants and the Monitor are authorized to enter into settlement negotiations with a Creditor at any stage of the Claims Procedure and are further authorized to enter into agreements with Creditors resolving the value of their Proven Claims; and
 - (c) each Proof of Claim shall be reduced by the amount of any subsequent payment thereon, the application of any volume or other discount in respect thereof and any other subsequent credit or set-off, and any Claim or Interim Period Claim denominated in any currency other than Canadian dollars, shall, for the purposes of this Claims Procedure, be converted to and constitute obligations in Canadian dollars, using the Bank of Canada noon spot exchange rate on the Valuation Date.

VOTING OF DISPUTED CLAIMS

16. Where any Creditor applies to have the value of its Proof of Claim determined by the Court but the Proven Claim has not been finally determined prior to the date of the Creditors' meeting at which the Creditor is to vote, the Applicants shall either:
 - (a) Only for the purposes of voting on the Plan, accept the Creditor's determination and the value and/or status of the Proof of Claim, and conduct the vote of the particular class(es) of creditors into which such Creditor falls;

- (b) Delay the vote of the class(es) into which that Creditor falls until a final determination of the Proof of Claim is made;
- (c) Provide a formula or other method for dealing with such disputed Proofs of Claim only for the purposes of voting on the Plan, subject to approval of this Honourable Court; or
- (d) Deal with the matter as the Court may otherwise direct.

CLAIMS BAR

17. A Creditor that does not file a Proof of Claim for a Claim by the Claims Bar Date, or for an Interim Period Claim by the Interim Period Claims Bar Date, or such later date as the Applicants, the Monitor and such Creditor may agree, or the Court may order, shall be forever barred from making any Claim against the Applicants and shall not be entitled to vote at any Creditors' meeting or to receive any distribution under the Plan in respect of such Creditor's Claim or Interim Period Claim.

NOTICE OF TRANSFEREES

18. If, after the Valuation Date, a Creditor transfers or assigns the whole or part of a Claim or Interim Period Claim to another Person, the Applicants shall not be obligated to give notice to or to otherwise deal with a transferee or assignee of a Claim or Interim Period Claim as the Creditor in respect thereof unless and until actual notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, have been received by the Applicants. Thereafter, such transferee or assignee shall, for all purposes hereof, constitute the "Creditor" in respect of such Claim or Interim Period Claim, and shall be bound by notices given or steps taken in respect of such Claim or Interim Period Claim in accordance with this Claims Procedure.

GENERAL TERMS

19. NOTWITHSTANDING any other terms of this Claims Procedure, the solicitation by the Applicants of Proofs of Claim and the filing by any Creditor of any Proof of Claim, shall not, for that reason only, grant any Person any standing or rights under the Plan.
20. Any Notice of Revision or Disallowance sent by the Monitor to any Creditor pursuant to this Claims Procedure shall be sent to such Creditor, as the case may be, by facsimile or overnight courier on the same date as that set out in the Notice of Revision or Disallowance.
21. In the event that no Plan is approved by this Court, the Claims Bar Date and Interim Period Claims Bar Date shall be of no effect in any subsequent proceeding or distribution with respect to any and all Claims or Interim Period Claims made by Creditors.
22. Nothing in this Claims Procedure shall constitute or be deemed to constitute an allocation or assignment of Claims or Interim Period Claims into particular classes and the determination of classes of Creditors for voting and distribution purposes shall be subject to further order of this Court or pursuant to the terms of the Plan.

J.C.Q.B.A.

SCHEDULE "A"

INSTRUCTION LETTER FOR THE CLAIMS PROCEDURE OF ALTUS ENERGY SERVICES PARTNERSHIP LTD. AND NUSCO NORTHERN MANUFACTURING LTD.

(a) CLAIMS PROCEDURE

By Court Order dated January 18, 2011 under the *Companies' Creditors Arrangement Act* (the "CCAA") Altus Energy Services Partnership Ltd. and Nusco Northern Manufacturing Ltd. (the "Applicants") has been authorized to conduct a claims procedure (the "Claims Procedure") under the CCAA. The Claims Procedure, a copy of which is enclosed, shall govern the valuation of all claims against the Applicants, notwithstanding any of the instructions contained herein.

This letter provides instructions for responding to or completing the Proof of Claim form, Notice of Revision or Disallowance and/or Dispute Notice.

The claims procedure is intended for any Person with any claim of any kind or nature whatsoever, whether unliquidated, contingent, or otherwise, against the Applicants as of December 21, 2010 ("Claim") as more particularly defined in the Claims Procedure, or any claim arising from the termination, repudiation or cancellation by the Applicants of any contract, lease or other agreement on or after December 21, 2010 ("Interim Period Claim") as more particularly defined in the Claims Procedure.

If you have any questions regarding the Claims Procedure, please contact the Applicants' legal counsel at the address provided below:

Burnet, Duckworth & Palmer LLP
1400, 350 7th Ave. S.W.
Calgary, Alberta
T2P 3N9

Telephone: (403) 260-0263
Fax: (403) 260-0332

Attention: Trevor Batty

(b) FOR CREDITORS SUBMITTING A PROOF OF CLAIM

If you believe that you have a Claim against either of the Applicants you must file a Proof of Claim with the Monitor at the following address:

PricewaterhouseCoopers Inc.
3100, 111 – 5th Avenue S.W.
Calgary, Alberta
T2P 5L3

Email: brenda.l.kuryk@ca.pwc.com
Fax: (403) 781-1825

Attention: Brenda Kuryk

The Proof of Claim for a Claim must be received by the Monitor by 4:59 pm (Calgary Time) February 28, 2011, the Claims Bar Date, unless the Applicants and the Monitor agree in writing or the Court orders that the Proof of Claim be accepted after that date.

The Proof of Claim for an Interim Period Claim must be received by the Monitor either by 4:59 p.m. (Calgary Time) on February 28, 2011, or within thirty (30) days from when it arose, whichever is later, the Interim Period Claims Bar Date, unless the Applicants and Monitor agree in writing or the Court orders that the Proof of Claim be accepted after that date.

If the Applicants and the Monitor disagree with the value or status that you have ascribed to your Claim or the validity of your claim as set out in your Proof of Claim and such disagreement cannot be resolved consensually, you will receive a Notice of Revision or Disallowance from the Monitor (see section D below for details).

(c) GENERAL INSTRUCTIONS FOR COMPLETING THE PROOF OF CLAIM

The Proof of Claim must be completed by an individual, or an individual acting on behalf of a corporation. The individual acting for a corporation or other person must state the capacity in which he/she is acting, such as "Credit Manager", "Treasurer", "Authorized Agent", etc. The individual completing the Proof of Claim must have knowledge of the circumstances connected with the Claim. All Proofs of Claim must be signed, dated and witnessed.

The full legal name of the Creditor must be filled out in its entirety. Creditors who file a Proof of Claim by a division, or who file several Proofs of Claim by divisions, may have their Proof of Claim disallowed. **Only one Proof of Claim may be filed per legal entity** notwithstanding that separate divisions or operating units of a Creditor may supply and bill the Applicants separately.

A Statement of Account containing full details of the Claim must be attached to the Proof of Claim. The Proof of Claim should include all amounts owing to you for any goods or services provided to the Applicants before December 21, 2010. Claims shall be reduced by the amount of any subsequent payment thereon, the application of any volume or other discounts in respect thereof and any other subsequent credits that are properly applicable against the Claim.

If the Creditor holds security for the indebtedness, a statement of the value and nature of the security must accompany the Proof of Claim.

If the Creditor holds a contingent or unliquidated Claim, the details and reasons for the Claim must be provided in addition to the basis upon which the Claim has been valued.

(d) FOR CREDITORS RECEIVING A NOTICE OF REVISION OR DISALLOWANCE

If you have sent a Proof of Claim, the Applicants and the Monitor are entitled to challenge the valuation, status or validity of your Claim by sending you a Notice of Revision or Disallowance no later than thirty (30) calendar days prior to the date of any Meeting of the Creditors or pursuant to a further Order of the Court. If a Notice of Revision or Disallowance is not sent by such date, the Applicants shall be deemed to have accepted your Proof of Claim for voting purposes.

(e) FOR CREDITORS SUBMITTING A DISPUTE NOTICE

If you are sent a Notice of Revision or Disallowance, you are entitled to dispute the revision or disallowance of your Claim, by sending by personal service, facsimile or courier, a Dispute Notice to the Monitor, which must be received within fourteen (14) calendar days of the date of the Notice of Revision or Disallowance is. If Monitor does not receive a Dispute Notice by this time, your Claim will be finalized on the basis set out in the Notice of Revision or Disallowance.

Upon delivering the Dispute Notice you must, within ten (10) calendar days, file an Application for determination of your Claim, such Application to be returnable within five (5) days of the filing of the Application.

Subject to the direction of the Court, failure to deliver a Dispute Notice or file an Application within the time frames described in the Claims Procedure will result in the Notice of Revision or Disallowance becoming binding on you.

(f) CLAIMS ORDER

While this instruction letter, along with its accompanying forms, are provided to assist you in the Claims Procedure, you must comply with the terms of the Claims Procedure approved in the Order dated January 18, 2011 and enclosed in this package.

SCHEDULE "B"

NOTICE TO CREDITORS

To: Creditors of Altus Energy Services Ltd. and Nusco Northern Manufacturing Ltd. (collectively, the "Applicants")

On December 21, 2010, the Court of Queen's Bench of Alberta granted an order (the "Initial Order") pursuant to the *Companies' Creditors Arrangement Act* (Canada) with respect to the Applicants. Pursuant to the Initial Order, all proceedings against the Applicants by creditors and other parties are stayed.

Pursuant to the Initial Order, the Applicants must deliver to all known creditors a copy of the Claims Procedure by which Creditors can prove their claims for voting and distribution purposes in connection with a plan of arrangement of the Applicants under the CCAA as well as a Proof of Claim form and instruction letter.

Any creditor who has not received the above documents may provide written notice to the Monitor requesting the applicable forms, at the addresses listed below or may download such forms from the Monitor's website for these proceedings which is www.pwc.com/car-altus. Upon receiving a written request, the Monitor shall deliver the documents to the requesting Creditor, who must complete the Proof of Claim form and return it to the Monitor at:

PricewaterhouseCoopers Inc.
3100, 111 – 5th Avenue S.W.
Calgary, Alberta
T2P 5L3

Email: brenda.l.kuryk@ca.pwc.com
Fax: (403) 781-1825

Attention: Brenda Kuryk

(i) for Claims on or before February 28, 2011 (the "**Claims Bar Date**") and (ii) for Interim Period Claims on or before February 28, 2011, or within thirty (30) days of the Interim Period Claim arising, whichever is later (the "**Interim Period Claims Bar Date**").

Any Creditor who does not file a Proof of Claim for a Claim by the Claims Bar Date, or a Proof of Claim for an Interim Period Claim by the Interim Period Claims Bar Date, or such later date as the Court may provide, shall be forever barred from making any claim against the Applicants and shall be not entitled to vote at any Creditors' meeting or receive any distribution under a plan of arrangement pursuant to the CCAA proceedings involving the Applicants.

SCHEDULE "C"

**PROOF OF CLAIM OF ALTUS ENERGY SERVICES LTD. AND NORTHERN
MANUFACTURING LTD.
(DECEMBER 21, 2010 CLAIMS AND INTERIM PERIOD CLAIMS)**

Please read carefully the enclosed Instruction Letter for completing this Proof of Claim. Please print legibly.

Indicate if this Proof of Claim is an (please check one): Original Proof of Claim, OR Amended Proof of Claim

1. PARTICULARS OF CREDITOR

(a) Full Legal Name of Creditor: _____ (the "Creditor").

(Full legal or Corporate name should be the name of the original Creditor of _____, notwithstanding whether an assignment of a Claim, or a portion thereof, has occurred. Do not file separate Proofs of Claim by division of the same Creditor.)

(b) Full Mailing Address of the Creditor (the original Creditor not an Assignee):

(c) Telephone Number of Creditor: _____

(d) Facsimile Number of Creditor: _____

(e) Attention (Contact Person): _____

2. PROOF OF CLAIM:

I, _____ [Name of Creditor or Representative of the Creditor], do hereby certify:

(a) that I (please check one):

____ am the Creditor of _____; or
____ hold the position of _____ of the Creditor of _____

and have knowledge of all the circumstances connected with the Claim described herein;

(b) Altus Energy Services Ltd., OR Nusco Northern Manufacturing Ltd. (please check one) is indebted to the Creditor is follows:

(i) Principal amount of Claim as of \$ _____ Cdn
_____, 20__

(ii) Principal amount Interim Period Claim \$ _____ Cdn

(iii) Interest and/or other charges \$ _____ Cdn

(iv) Total Claim \$ _____ Cdn

(If the Claim is in a foreign currency, it should be converted to Canadian dollars at the exchange rate of the Bank of Canada as at December 21, 2010). Refer to the Claims Procedure for the definition of an Interim Period Claim. Interim Period Claims above should exclude rights to payment of any Creditor for the actual provision of goods and/or services to the Applicants on or after December 21, 2010).

3. PARTICULARS OF CLAIM:

Description of transaction or agreement giving rise or relating to the Claim/Interim Period Claim, and if an Interim Period Claim, the date upon which it arose:

If the Claim/Interim Period Claim is contingent, or unliquidated, state the basis upon which the Claim has been valued:

Names of any guarantors, which have guaranteed the Claim/Interim Period Claim:

Description of security, if any, granted to the Creditor or assigned by Creditor in respect of the Claim/Interim Period Claim:

Estimated value of security outlined above as at the date of the Claim/Interim Period Claim:

A DETAILED, COMPLETE STATEMENT OF ACCOUNT MUST BE ATTACHED TO THE PROOF OF CLAIM WHICH MUST SHOW THE DATE, THE NUMBER AND THE AMOUNT OF EACH INVOICE OR CHARGE, TOGETHER WITH THE DATE, THE NUMBER AND THE AMOUNT OF ALL CREDITS, COUNTERCLAIMS, DISCOUNTS, PAYMENTS, ETC. TO WHICH ALTUS ENERGY SERVICES LTD. AND NUSCO NORTHERN MANUFACTURING LTD. IS ENTITLED. PLEASE ATTACH ADDITIONAL SHEETS.

The duly completed Proof of Claim together with supporting documentation must be returned and received by the Monitor, no later than 4:59 pm (Calgary Time) on February 28, 2011, or for Interim Period Claims (i) by 4:59 pm (Calgary Time) on February 28, 2011, or (ii) within thirty (30) days from when the Interim Period Claim arose, whichever is later, to **PricewaterhouseCoopers, 3100, 111 – 5th Avenue S.W., Calgary, Alberta, T2P 5L3, Attention: Brenda Kuryk.**

DATED at _____ this _____ day of _____, 2011.

(Signature of Witness)

(Signature of individual completing this form)

(please print name)

(please print name)

SCHEDULE "D"

**NOTICE OF REVISION OR DISALLOWANCE FOR VOTING AND/OR
DISTRIBUTION PURPOSES FOR CREDITORS OF
ALTUS ENERGY SERVICES LTD./NUSCO NORTHERN MANUFACTURING LTD.
("THE CCAA DEBTOR")**

Claim Reference Number: _____

TO: _____
(Name of Creditor)

Defined terms not defined in this Notice of Revision or Disallowance have the meaning ascribed in the Order of the Court of Queen's Bench of Alberta dated January 18, 2011 (the "Claims Procedure Order"). All dollar values contained herein are in Canadian dollars unless otherwise noted.

Pursuant to the Claims Procedure Order, PricewaterhouseCoopers Inc. (the "Monitor"), in its capacity as Court-appointed Monitor of the CCAA Debtor, hereby gives you notice that it has reviewed your Proof of Claim in conjunction with the CCAA Debtor and has revised or disallowed your Claim or Interim Period Claim. Subject to further dispute by you in accordance with the Claims Procedure Order, your Claim or Interim Period Claim will be allowed as follows:

Amount Allowed by Monitor for:

	Proof of Claim Amount	Voting	Distribution
Unsecured Claim	\$ _____	\$ _____	\$ _____
Secured Claim	\$ _____	\$ _____	\$ _____

REASON(S) FOR THE REVISION OR DISALLOWANCE:

SERVICE OF DISPUTE NOTICES

If you intend to dispute this Notice of Revision or Disallowance, you must within fourteen (14) calendar days of the date of this Notice of Revision or Disallowance deliver to the Monitor a Dispute Notice (in the form enclosed) either by prepaid registered mail, personal delivery, courier or facsimile to the address below. Dispute Notices are deemed to have been received two (2) business days from the date of mailing. You must also file an Application in the Court within ten (10) business days of the date of the Dispute Note, all as further detailed in the Claims Procedure Order.

PricewaterhouseCoopers Inc., the Court-appointed Monitor of the CCAA Debtor

By Mail/Courier:

PricewaterhouseCoopers Inc.
3100, 111 – 5th Avenue S.W.
Calgary, Alberta
T2P 5L3

Attention: Brenda Kuryk

IF YOU FAIL TO FILE YOUR DISPUTE NOTICE WITHIN FOURTEEN (14) CALENDAR DAYS OF THE DATE OF THIS NOTICE OF REVISION OR DISALLOWANCE, THE VALUE OF YOUR CLAIM WILL BE DEEMED TO BE ACCEPTED AS FINAL AND BINDING AS SET OUT IN THIS NOTICE OF REVISION OR DISALLOWANCE.

DATED this _____ day of _____ 2011.

SCHEDULE "E"

**DISPUTE NOTICE FOR CREDITORS OF
ALTUS ENERGY SERVICES LTD./NUSCO NORTHERN MANUFACTURING LTD.
(THE "CCAA DEBTOR")**

Claim Reference Number: _____

1. Particulars of Creditor:

(a) Full Legal Name of Creditor (include trade name, if different):

(the "Creditor").

(b) Full Mailing Address of the Creditor:

(c) Other Contact Information of the Creditor:

Telephone Number: _____

Email Address: _____

Fax Number: _____

Attention (Contact): _____

**2. Particulars of Original Creditor from whom you acquired the Claim or Interim
Period Claim, if applicable:**

(a) Have you acquired this Claim or Interim Period Claim by assignment? If yes, if not already provided, attach documents evidencing assignment.

Yes

No

(b) Full Legal Name of original creditor(s): _____

3. Dispute of Revision or Disallowance of Claim/Interim Period Claim:

The Creditor hereby disagrees with the value of its Claim or Interim Period Claim as set out in the Notice of Revision or Disallowance and asserts a Claim as follows:

Amount Allowed by Monitor for:

Amount claimed by Creditor for:

	<u>Voting</u>	<u>Distribution</u>		<u>Voting</u>	<u>Distribution</u>
Unsecured Claim	\$ _____	\$ _____	Unsecured Claim	\$ _____	\$ _____
Secured Claim	\$ _____	\$ _____	Secured Claim	\$ _____	\$ _____

REASON(S) FOR THE DISPUTE:

(You must include a list of reasons as to why you are disputing your Claim or Interim Period Claim as set out in the Notice of Revision or Disallowance)

SERVICE OF DISPUTE NOTICES

If you intend to dispute the Notice of Revision or Disallowance, you must within fourteen (14) calendar days of the date of the Notice of Revision or Disallowance deliver to the Monitor this Dispute Notice either by prepaid registered mail, personal service, courier, facsimile transmission to the following address. In accordance with the Claims Procedure Order notices shall be deemed to be received two business days from the date of mailing, upon actual receipt thereof by the

Monitor during normal business hours on a business day, or if delivered outside of normal business hours, on the next business day.

PricewaterhouseCoopers Inc., the Court-appointed Monitor of the CCAA Debtor

By Mail/Courier:

PricewaterhouseCoopers Inc.
3100, 111 – 5th Avenue S.W.
Calgary, Alberta
T2P 5L3

Attention: Brenda Kuryk

DATED this _____ day of _____, 2011.

<hr/> <p>Witness</p>	Name of Creditor: _____ Per: _____ Name: _____ Title: _____ <i>(please print)</i>
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SCHEDULE "C"

Clerk's Stamp:

COURT FILE NUMBER 1001-18567

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

ACTION IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, as amended AND IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, R.S.A. 2000, c. B-9

AND IN THE MATTER OF ALTUS ENERGY SERVICES LTD. and NUSCO NORTHERN MANUFACTURING LTD.

DOCUMENT **ORDER (CHIEF RESTRUCTURING OFFICER)**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Burnet, Duckworth & Palmer LLP
1400, 350 – 7th Avenue SW
Calgary, Alberta T2P 3N9
Lawyer: Trevor Batty
Phone Number: (403) 260-0263
Fax Number: (403) 260-0332
Email Address: tbatty@bdplaw.com
File No. 62233-20

DATE ON WHICH ORDER WAS PRONOUNCED: January 18, 2011

NAME OF JUSTICE WHO MADE THIS ORDER: B.E.C. Romaine

ORDER

(Retention of a Chief Restructuring Officer)

UPON the application of Altus Energy Services Ltd. and Nusco Northern Manufacturing Ltd. (collectively, "Altus" or the "Applicants"); **AND UPON** having read the Application, the Affidavit of Chris Haslam, sworn January 17, 2011 (the "Haslam Affidavit"), and the First Report of the Monitor of Altus; **AND UPON** reading the consent of BTM Advisory Services Inc. ("BTM") to act as chief restructuring officer of Altus; and upon noting the consent of Century Services LP ("Century") endorsed hereon; **AND UPON** hearing counsel for Altus, counsel for

the Monitor and counsel for other interested parties; **IT IS HEREBY ORDERED AND DECLARED THAT:**

1. Service of notice of this application for this Order is hereby abridged and service thereof is deemed good and sufficient.
2. Capitalized terms not defined herein shall have the meanings ascribed to them in the Initial Order of this Honourable Court in these proceedings dated December 21, 2010 (the "Initial Order").

APPOINTMENT OF CHIEF RESTRUCTURING OFFICER

3. The engagement of BTM as the chief restructuring officer of Altus is confirmed, authorized and approved, on the terms and conditions outlined in a retainer agreement attached as Exhibit "F" to the Haslam Affidavit, and BTM is hereby appointed chief restructuring officer of Altus to oversee and direct a restructuring of the affairs of Altus, as an officer of this Court, with the powers and obligations set out in this Order. BTM's services will be provided principally by Gary Bentham and BTM and Gary Bentham are hereinafter together referred to as the "CRO".
4. The CRO shall be and is hereby authorized to oversee and direct the restructuring of Altus including, without limiting the generality of the foregoing:
 - (a) The development and evaluation of restructuring alternatives, which may include one or more of recapitalization, merger, the sale of specific assets, and the sale of some or all of Altus's operating divisions;
 - (b) Assessment and evaluation of each operating division's business plan, including the reasonableness and achievability of financial forecasts and the propriety of existing cost structures, pricing and estimating practices, and existing contracts;
 - (c) Recommendation and implementation of changes to Altus' structure and operations to facilitate a Restructuring, including cost reductions, downsizings, and contract / lease renegotiation or disclaimer, and cessation or sale of portions of Altus' businesses, subject to the approval of the Court;

- (d) Review of existing internal controls and risk management processes and implementation of changes where necessary to improve their effectiveness;
 - (e) Ensuring accurate and timely financial reporting processes are in place to meet the reporting requirements of Century;
 - (f) Directing the development, preparation and implementation of a restructuring plan or plans for presentation to Altus' creditors and to the Court; and,
 - (g) Such other duties and responsibilities as directed by the Board of Directors or this Honourable Court from time to time.
5. Altus and its shareholders, officers, directors, employees, agents and representatives shall co-operate fully with the CRO in the exercise of its powers and discharge of its duties and obligations, including providing the CRO with access to Altus' books, records, assets and premises as the CRO requires.
6. The CRO shall not incur any liability or obligation as a result of the fulfilment of its duties, and no action or other proceedings may be commenced against the CRO relating to its appointment or its conduct as CRO except with the prior leave of this Court obtained on at least seven days notice to Altus and the CRO, and provided further that any liability of the CRO hereunder shall not in any event exceed the quantum of the fees and disbursements paid to or incurred by the CRO in connection herewith. In addition, all of the protections granted to the directors and officers of Altus in the Initial Order shall apply *mutatis mutandis* for the benefit of the CRO and the CRO shall be entitled to the benefit of the Directors' Charge granted in the Initial Order.

7. The CRO may apply to this Court for advice and directions in connection with the discharge or variation of its powers and duties under this Order.

J.C.Q.B.A.

Consented to this ___ day of January, 2011

BORDEN, LADNER, GERVAIS LLP

Per:

David C. Whelan
Counsel for Century Services LP