ENTERED
02/24/2016

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION

In re:	§	
	§	**CASE NO. 16-20060**
ARGENT ENERGY (CANADA) HOLDINGS, INC.,	§	
	§	**Chapter 15**
	§	
Debtor in a foreign proceeding.	§	

	§	
In re:	§	**CASE NO. 16-20061**
	§	
ARGENT ENERGY (US) HOLDINGS, INC.,	§	**Chapter 15**
	§	
	§	
Debtor in a foreign proceeding.	§	

ORDER GRANTING EMERGENCY APPLICATION FOR PROVISIONAL RELIEF PURSUANT TO SECTIONS 105(a) AND 1519 OF THE BANKRUPTCY CODE
(Docket No. 4)

On February 17, 2016, FTI Consulting Canada Inc., the court-appointed monitor ("FTI", or the "Monitor") and authorized foreign representative of the above-captioned Debtors (the "Debtors"), filed the *Emergency Application for Provisional Relief Pursuant to Section 105(a) and 1519 of the Bankruptcy Code* (the "Application") in the above-numbered and styled chapter 15 cases.

The Court finds that notice was proper (or to the extent that notice was insufficient, this Order should be issued without notice to avoid irreparable harm to the Debtors), and further finds that the relief requested in the Application should be granted on a provisional basis.

Having considered and reviewed: (i) the Application; (ii) the *Expedited Petition for Recognition as a Foreign Main Proceeding, or in the Alternative Foreign Nonmain Proceeding, Pursuant to Sections 1515 and 1517 of the Bankruptcy Code and Related Relief* (the "Petition"); (iii) the *Notice of Filing of Documents in Support of First Day Motions* and exhibits thereto; (iv) the Initial Order entered in the Canadian Proceeding; and (v) all other documents filed in support

thereof, and this Court having heard the parties on February 22, 2016, and based upon the representations made on the record at such hearing, this Court finds and concludes as follows:

A. The "Debtors" are the following two entities: Argent Energy (Canada) Holdings, Inc. ("Argent Canada") and Argent Energy (US) Holdings, Inc. ("Argent US").

B. On February 17, 2016, the Debtors, along with Argent Energy Trust (the "Trust"), filed an Application for the Commencement of Reorganization Proceedings (the "CCAA Application") pursuant to the Canada's Companies' Creditors Arrangement Act (the "CCAA") in the Court of Queen's Bench of Alberta, Judicial Centre of Calgary (the "Canadian Court").

C. On February 17, 2016, the Canadian Court entered an order (the "Initial Order") granting the CCAA Application, initiating the reorganization proceeding (the "Canadian Proceeding"), and appointing the Monitor as the foreign representative of the Debtors.

D. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157(a) and (b) and 1334(a) and (b) and 11 U.S.C. § 109 and 1501. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P).

E. Venue is proper in this district pursuant to 28 U.S.C. § 1410(3).

F. The Monitor is a foreign representative within the meaning of 11 U.S.C. § 101(41) and is the duly appointed foreign representative of the Debtors within the meaning of 11 U.S.C. § 101(24).

G. This case was properly commenced pursuant to 11 U.S.C. §§ 1504 and 1515. The notice of the Application was sufficient given the circumstances of these cases and potential for irreparable harm to the Debtors.

H. Relief is urgently needed to protect the assets of the Debtors or the interests of the creditors pursuant to 11 U.S.C. § 1519(a). Therefore, the Monitor is entitled to the provisional relief afforded under 11 U.S.C. § 1519.

I. The relief granted is necessary and appropriate, in the interest of the public and international comity, consistent with United States public policy, and will not cause any hardship to any party in interest that is not outweighed by the benefits of granting the requested relief.

J. There is a substantial threat of irreparable injury if the injunction does not issue.

K. Any threatened injury to the Debtors outweighs any damage the injunction might cause to the opponents.

L. The injunction will not disserve the public interest.

M. The Monitor, in its role as foreign representative of the Debtors, and the Debtors, are entitled to the full protections and rights available pursuant to 11 U.S.C. § 1519(a).

N. In the Initial Order, the Canadian Court authorized Argent US to obtain and borrow under a secured credit facility (the "DIP Facility") pursuant to the terms of the U.S. $7,300,000 Interim Non-Revolving Credit Facility Credit Agreement (the "DIP Credit Agreement") among Argent US, as Borrower, Trust and Argent Canada, as Guarantors, The Bank of Nova Scotia, Wells Fargo Bank, N.A., Canadian Branch, Canadian Imperial Bank of Commerce, Royal Bank of Canada, and each such other financial institution which becomes a signatory thereto, as Lenders (the "DIP Lenders"), and The Bank of Nova Scotia, as Sole Lead Arranger, Administrative and Collateral Agent for the DIP Lenders (the "DIP Agent").

O. In the Initial Order, the Canadian Court also granted the DIP Lenders a charge (the "Interim Lender's Charge") on all present and after-acquired real and personal property of the Debtors and Trust (collectively, the "DIP Collateral") to secure all obligations under the DIP Credit Agreement and any mortgages, charges, hypothecs and security documents, guarantees and other definitive documents related thereto (collectively, the "DIP Loan Documents"). The Interim Lender's Charge has the priority set forth in paragraphs 40 and 42 of the Initial Order.

P. Permitting the current cash management system to continue pursuant to existing agreements between the Debtors and their existing depository and disbursement banks (collectively, the "Banks") will facilitate the continued operations of the Debtors as a going concern.

NOW, THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:

1. All relief granted herein is on an provisional basis, subject to this Court's recognition of the above-captioned bankruptcy cases as a foreign proceeding.

2. The certain terms and provisions of the Initial Order that (i) concern the Interim Financing Credit Agreement, the Interim Financing, and the Interim Lender's Charge, and/or (ii) correspond to specific relief granted in this Order, are given full force and effect in the United States. The validity and priority of the Administration Charge, Interim Lender's Charge, and Directors' Charge as set forth in the Initial Order are given full force and effect.

3. The commencement or continuation of any action or proceeding concerning the assets, rights, obligations, or liabilities of the Debtors, including any action or proceeding against the Monitor in its capacity as foreign representative of the Debtors, is hereby stayed in a manner coextensive with 11 U.S.C. § 362.

4. Execution against the assets of the Debtors is hereby stayed, provided, however, that nothing in paragraphs 3 or 4 of this Order shall limit, abridge, or otherwise affect the rights afforded the DIP Agent and the DIP Lenders under the DIP Credit Agreement and the Initial Order or the Debtors' authorization to make certain payments as permitted in, and subject to the terms and conditions of, the Initial Order.

5. The administration or realization of all or part of the assets of the Debtors within the territorial jurisdiction of the United States is hereby entrusted to the Debtors, and the terms of the Initial Order to the extent set forth herein shall apply to the Debtors, its creditors, the Monitor, and any other parties-in-interest.

6. The right of any person or entity, other than the Debtors, to transfer or otherwise dispose of any assets of the Debtors, is hereby suspended unless authorized in writing by the Debtors or by Order of this Court.

7. As provisional relief in aid of the Initial Order, the Interim Lender's Charge and priorities as set forth in the Initial Order, including paragraphs 32-37 and 40-44 of the Initial Order, are hereby enforced against the DIP Collateral in accordance with the terms of the Initial Order.

8. Upon the occurrence of and during the continuance of an Event of Default (as defined in the DIP Credit Agreement) under the DIP Loan Documents, the DIP Agent and the DIP Lenders are entitled to exercise rights and remedies under the DIP Loan Documents and

take any other action or exercise any other right or remedy permitted to the DIP Agent or the DIP Lender under the DIP Loan Documents or by operation of law in accordance with the terms of the Initial Order without further relief from the automatic stay pursuant to section 362(a) of the Bankruptcy Code, or further order of or application to this Court. Nothing in this Order or by operation of law, including section 362(a) of the Bankruptcy Code, shall prejudice, impair or otherwise affect the rights of the DIP Agent and the DIP Lenders, as provided in the DIP Loan Documents, to suspend or terminate the making of loans or other advances under the DIP Loan Documents.

9. Subject to the terms and conditions of the DIP Facility as approved by the Canadian Court, the Debtors are authorized to execute all necessary documentation related to the DIP Facility and to pay and perform all of their indebtedness, interest, fees, liabilities, and obligations to the DIP Agent and the DIP Lenders when the same become due and are to be performed; provided, however, that the Debtors agree not to request draws in excess of an aggregate amount of $650,000 prior to the Petition Hearing (as defined below). The DIP Agent, in its discretion, may (but is not required to in order for the Interim Lender's Charge and priorities to be enforceable) file a photocopy of this Order and/or the Initial Order as a financing statement, notice of lien, or similar document with any recording officer designated to file financing statements, notices of lien or similar documents in any U.S. jurisdiction, and in such event, the subject filing or recording officer shall be authorized to file or record such copy of this Order and/or the Initial Order.

10. If any of the provisions of this Order related to the DIP Facility or the Interim Lender's Charge shall subsequently be stayed, modified, amended, reversed or vacated in whole or in part (collectively, a "Modification") whether by subsequent order of this Court or on appeal

from this Order, such Modification shall not impair, limit or diminish the Interim Lender's Charge, or the protections, rights or remedies of the DIP Agent and the DIP Lenders, whether under this Order (as entered prior to the Modification) or under any of the documentation delivered pursuant hereto, including with respect to any advances made prior to entry of the Modification.

11. Notwithstanding Federal Rule of Bankruptcy Procedure 7062, made applicable to this case by Federal Rule of Bankruptcy Procedure 1018, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry and, upon its entry, shall become final and appealable.

12. Nothing in this Order shall be deemed to entrust or otherwise vest the Debtors or its assets to the Monitor, with the terms of the Initial Order to expressly govern the rights and responsibilities of the Monitor as foreign representative in this proceeding.

13. The Monitor may undertake the examination of witnesses, the taking of evidence, the production of documents, or the delivery of information concerning the assets, affairs, rights, obligations or liabilities of the Debtors.[1]

14. Those certain existing deposit agreements between the Debtors and its Banks shall continue to govern the postpetition cash management relationship between the Debtors and the Banks, and that all of the provisions of such agreements, including, without limitation, the termination and fee provisions, shall remain in full force and effect. The Debtors and the Banks may, without further Order of this Court, agree to and implement changes to the cash management systems and procedures in the ordinary course of business, including, without limitation, the opening and closing of bank accounts.

[1] 11 U.S.C. §§ 1519(a)(3); 1521(a)(4).

15. Each of the Debtor's Banks is authorized to debit the Debtors' accounts in the ordinary course of business without the need for further order of this Court for: (i) all checks drawn on the Debtors' accounts which are cashed at such Bank's counters or exchanged for cashier's checks by the payees thereof prior to the Commencement Date; (ii) all checks or other items deposited in one of Debtors' accounts with such Bank prior to the Commencement Date which have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtor was responsible for such items prior to the Commencement Date; and (iii) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any Bank as service charges for the maintenance of the Cash Management System.

16. Any of the Debtors' Banks may rely on the representations of a Debtor with respect to whether any check or other payment order drawn or issued by the Debtor prior to the Commencement Date should be honored pursuant to this or any other order of this Court, and such Bank shall not have any liability to any party for relying on such representations by the Debtor as provided for herein.

17. The Debtors are authorized to honor and maintain the WF Credit Card Arrangements (as defined in the DIP Credit Agreement) pursuant to the terms of the WF Credit Card Documents (as defined in the DIP Credit Agreement) between the Debtors and Wells Fargo Bank, N.A. ("Wells Fargo"), including maintaining their deposits under the WF Credit Card Arrangements as collateral to secure the WF Credit Card Obligations (as defined in the DIP Credit Agreement).

18. The Debtors are authorized to honor and maintain their credit card agreements with WEX Inc. pursuant to the terms of such agreements, including maintaining their deposits under the agreements as collateral to secure the credit card obligations.

19. This Court shall retain jurisdiction with respect to the enforcement, amendment, or modification of this Order, any request for additional relief or adversary proceeding brought in and through these Chapter 15 proceedings, and any request by an entity for relief from the provisions of this Order, for cause shown, that is properly commenced and within the jurisdiction of this Court.

20. The security provision provided in Federal Rule of Civil Procedure 65(c), made applicable through Federal Rule of Bankruptcy Procedure 7065, is unnecessary in this case and is therefore waived.

21. This Order applies to all parties in interest in this Chapter 15 case and all of their agents, employees, and representatives, and all those who act in concert with them who receive notice of this Order.

22. A hearing to consider preliminary and permanent relief as requested by the Application and the Petition is set for March 9, 2016 at 11:15 a.m., at Corpus Christi (the "Petition Hearing"). Counsel for the Monitor must serve this Order on parties in interest in this Chapter 15 case and provide notice of hearing.

23. Any party seeking relief from, or modification of, this Order or objecting to the Petition must file any such objection not less than three (3) business days prior to the Petition Hearing and serve such objection on the Monitor's U.S. counsel, William R. Greendyke, Norton Rose Fulbright US LLP, 1301 McKinney, Suite 5100, Houston, Texas 77010, william.greendyke@nortonrosefulbright.com and the Debtors' US counsel, Philip G. Eisenberg,

Locke Lord LLP, 600 Travis, Suite 2800, Houston, Texas 77002, and Canadian counsel, Sean Zweig, Bennet Jones LLP, 3400 One First Canadian Place, P.O. Box 130, Toronto, Ontario M5X-1A4.

24. The notice required in paragraph 23 on objections, if any, must be made in writing describing the basis therefore, filed with the Court, and served on the U.S. Counsel in a manner whereby such notice or objections are actually received by U.S. counsel at least three (3) business days prior to (i) any hearing scheduled on any motion seeking relief from or modification of this Order, or (ii) the hearing date scheduled in paragraph 22 above.

25. If no objections to the Monitor's request for a preliminary and permanent injunction are made as herein provided, the Court may enter an order granting the preliminary and permanent injunction requested in the Application and Petition without holding a hearing.

Signed: February 24, 2016

DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE