

**FORM 11**  
[RULE 3.31]

COURT FILE NUMBER 2001-08434  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
MATTER IN THE MATTER OF SECTION 192 OF THE CANADA  
*BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44, AS  
AMENDED

Clerk's Stamp



\$50  
COM  
July 23 2020  
Justice D.B. Nixon

AND IN THE MATTER OF A PROPOSED ARRANGEMENT  
OF 12178711 CANADA INC., CALFRAC WELL SERVICES  
LTD., CALFRAC (CANADA) INC., CALFRAC WELL  
SERVICES CORP. and CALFRAC HOLDINGS LP, by its  
General Partner CALFRAC (CANADA) INC.

APPLICANT WILKS BROTHERS, LLC  
RESPONDENTS 12178711 CANADA INC., CALFRAC WELL SERVICES LTD.,  
CALFRAC (CANADA) INC., CALFRAC WELL SERVICES  
CORP. and CALFRAC HOLDINGS LP, by its General Partner  
CALFRAC (CANADA) INC.

DOCUMENT **NOTICE OF COMEBACK APPLICATION**

ADDRESS FOR SERVICE AND CONTACT  
INFORMATION OF PARTY FILING THIS DOCUMENT  
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**NOTICE TO RESPONDENTS 12178711 CANADA INC., CALFRAC WELL SERVICES LTD.,  
CALFRAC (CANADA) INC., CALFRAC WELL SERVICES CORP. and CALFRAC HOLDINGS LP, by  
its General Partner CALFRAC (CANADA) INC.**

This Application is made against you. You are a Respondent.

You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the Application is heard as shown below:

**Date:** July 23, 2020  
**Time:** 2:00 p.m.  
**Where:** Calgary Courts Centre  
601 - 5 Street S.W., Calgary, Alberta (Via Webex)  
**Before Whom:** The Honourable Mr. Justice D.B. Nixon

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 to vary or amend paragraph 7 of the Preliminary Interim Order granted by the Honourable Mr. Justice D.B. Nixon on July 13, 2020, obtained by the Respondents on an *ex parte* basis (the "**Preliminary Interim Order**"), to remove the Second Lien Parties from the Stay Provision (as those terms are defined below);
2. Order(s) deeming service and notice good and sufficient on all interested parties and abridging the time for service to that actually given; or if necessary dispensing with service;
3. Costs on such basis as this Honourable Court may determine; and
4. Such further or other relief as this Honourable Court may deem just.

**Grounds for making this Application:**

5. Calfrac Well Services Ltd., Calfrac (Canada) Inc., Calfrac Well Services Corp. and Calfrac Holdings LP, by its general partner CCI and 122178711 Canada Inc. as a nominal "Arrangeco" ("**Calfrac Entities**") applied for and obtained the Preliminary Interim Order on an *ex parte* basis.
6. The Preliminary Interim Order created a preliminary stay of proceedings (the "**Stay Provision**") pursuant to section 192 of the *Canada Business Corporations Act*, RSC 1985, c. C-44 ("**CBCA**") as against, among others, the holders of the second lien secured notes of Calfrac Holdings LP (the "**Second Lien Noteholders**" and the "**Second Lien Notes**").
7. The Applicant, as the holder of the required majority of the Second Lien Notes (the "**Required Lenders**"), seeks to amend or vary the Stay Provision so that it does not apply to the Second Lien Noteholders or the Second Lien Notes Trustee (the "**Second Lien Parties**").
8. As the Preliminary Interim Order was obtained *ex parte*, this comeback application is a hearing *de novo*.

9. The Calfrac Entities bear the onus on this comeback application to justify the current scope of the Stay Provision. The Calfrac Entities cannot discharge that onus in the circumstances as the Stay Provision substantially prejudices the Second Lien Parties as "third parties" to the Calfrac Entities' proposed arrangement (the "**Proposed Arrangement**") by interfering with their contractually bargained for rights. Conversely, removal of the Stay Provision against the Second Lien Parties does not prejudice the Calfrac Entities because the Second Lien Parties are subject to a 180 day standstill period on any enforcement actions.
10. Finally, the Stay Provision does not further the purpose of section 192 of the CBCA, since the Calfrac Entities are not pursuing a negotiated arrangement that is capable of final court approval. Given that the obligations under the Second Lien Notes have already accelerated by their terms and applicable law and are due and payable, the Calfrac Entities will not be able to successfully complete the Proposed Arrangement with a solvent emergent company, which is fatal to a plan of arrangement under the CBCA.
11. As a result, the Preliminary Interim Order should be amended or varied to remove the Stay Provision as against the Second Lien Parties.

**Material or evidence to be relied on:**

12. The pleadings and proceedings herein;
13. The Affidavit of Sherry Nadeau, to be filed;
14. Transcript and Order Granting Emergency Provisional Relief, *In Re Calfrac Well Services Corp. et. al.*, Chapter 15 Case No. 20-33529 (DRJ) in the United States Bankruptcy Court for the Southern District of Texas, Houston Division (July 14, 2020); and
15. Such further and other material as counsel may advise and this Honourable Court may permit.

**Applicable rules:**

16. Rules 1.2, 1.3, 1.4, 6.11(f), 9.15 13.5 of the *Rules of Court* Alta. Reg. 124/10 as amended.

**Applicable Acts and regulations:**

17. *Canada Business Corporations Act* RSC 1985, c. C-44.

**Any irregularity complained of or objection relied on:**

18. None.

**How the Application is proposed to be heard or considered:**

19. By electronic hearing and videoconference.

**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 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(s) a reasonable time before the application is to be heard or considered.