

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
MIDLAND DIVISION

IN RE: §
ARABELLA PETROLEUM §
COMPANY, LLC, § CASE NO. 15-70098-TMD-11
Debtor. § CHAPTER 11

**MOTION TO AUTHORIZE SALE OF
PROPERTY OF THE ESTATE**

**A HEARING WILL BE CONDUCTED ON THIS MATTER ON MAY 18,
2017, AT 1:30 P.M. IN JUDGE DAVIS’S COURTROOM, 903 SAN
JACINTO BLVD., COURTROOM 1, AUSTIN, TX 78701.**

TO THE HONORABLE TONY M. DAVIS, UNITED STATES BANKRUPTCY JUDGE:

Morris D. Weiss, Chapter 11 Trustee (the “**Trustee**” or “**Weiss**”) for Arabella Petroleum Company, LLC (“**APC**” or “**Debtor**”) files this Motion to Authorize Sale of Property of the Estate, as follows:

JURISDICTION

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

BACKGROUND

2. The Debtor filed its Voluntary Petition under Chapter 11 of Title 11 of the United States Code on July 10, 2015. The Trustee was appointed as the Chapter 11 Trustee on August 20, 2015.

3. As part of the Mediation Settlement Agreement (the “**Settlement Agreement**”¹) entered into by and between the Trustee, Arabella Exploration, LLC (“**AEX**”), the SEC as

¹ Any term not otherwise defined herein shall have the meaning set forth in the Settlement Agreement.

Receiver for various Platinum entities, and other parties, the Trustee agreed to participate in the sales process for the sale of the assets of AEX. A hearing to approve the Settlement Agreement is set for May 18, 2017 at 1:30 p.m. As part of the Settlement Agreement, the Trustee agreed to allow assets owned by APC's Estate (the "Assets"), including receivables for joint interest billings ("JIBs") generated while APC was acting as Operator under certain Joint Operating Agreements, as well as miscellaneous oil and gas property interests titled in the name of APC.²

4. On May 5, 2017, the Court in AEX's bankruptcy (the "AEX Bankruptcy Court") entered a "Amended Order Approving Sale and Bidding Procedures" in connection with the sale of the assets of the debtors in the AEX case and granting related relief (the "Sale Procedures Order"). A true and correct copy of the Sales Procedures Order is attached hereto as Exhibit A.

5. The Sale Procedures Order provides various deadlines for soliciting bids for assets, conducting the sale of the Assets and obtaining approval by the AEX Bankruptcy Court. The key dates set forth in the Sale Procedures Order, and approved by the AEX Bankruptcy Court are:

- (1) a bid deadline of July 27, 2017;
- (2) an auction date of August 7, 2017; and
- (3) a sale hearing on August 21, 2017.

6. As agreed to between the parties in the Settlement Agreement, APC will be receiving 35 % of the Net Proceeds of the assets sold pursuant to the sale process approved in the

² The Trustee has not yet agreed with T2 Land Resources ("T2"), the entity conducting the sales process for AEX, on the compensation to be received by T2 for the sale of APC's assets.

AEX case. Moreover, APC has the ability to offer its JIBs for sale as part of this process, but retains the right to withdraw any and all of those JIBs from the sale process.

7. The Trustee does not intend to hold a separate sale process (unless the JIBs are pulled from the AEX sales procedure) as attempting to separately market the assets of the Debtor's estate may not result in a higher price being paid.³

8. In order to ensure that the acquiring party has appropriate title to the assets being conveyed by AEX as well as the Assets of APC, the Trustee agreed to participate in the AEX sale process and receive the designated proceeds as set forth above in order to allow conveyance of a clean title to the assets and maximize recovery for both AEX and APC.

THE SALE OF ASSETS AND THE SALE PROCESS SHOULD BE APPROVED

9. Section 363 of the Bankruptcy Code provides that a debtor, "after notice and a hearing, may use, sell or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. § 363(b)(1). Section 105 provides in relevant part that "[t]he Court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." 11 U.S.C. § 105(a).

10. A sale of a debtor's assets is authorized under section 363 of the Bankruptcy Code if there is a business justification for the sale. *Institutional Creditors of Cont'l Air Lines, Inc. v. Cont'l Air Lines Inc. (In re Cont'l Air Lines, Inc.)*, 780 F.2d 1223, 1226 (5th Cir. 1986); *see also Myers v. Martin (In re Martin)*, 91 F.3d 389, 395 (3d Cir. 1996) (*citing Fulton State Bank v. Schipper (In re Schipper)*), 933 F.2d 513, 515 (7th Cir. 1991)); *Stephens Indus., Inc. v. McClung*,

³ The Trustee has retained the ability to remove any and all of the JIBs from the sale in the event it is determined that another process can be utilized to maximize recovery for those assets.

789 F.2d 386, 390 (6th Cir. 1986). Among the factors in determining whether there is sufficient business justification for the sale, the bankruptcy court:

should consider all salient factors pertaining to the proceeding and, accordingly, act to further the diverse interests of the debtor, creditors and equity holders, alike. He might, for example, look to such relevant factors as the proportionate value of the asset to the estate as a whole, the amount of elapsed time since the filing, the likelihood that a plan of reorganization will be proposed and confirmed in the near future, the effect of the proposed disposition on future plans of reorganization, the proceeds to be obtained from the disposition vis-a-vis any appraisals of the property, which of the alternatives of use, sale or lease the proposal envisions and, most importantly perhaps, whether the asset is increasing or decreasing in value. This list is not intended to be exclusive, but merely to provide guidance to the bankruptcy judge.

In re Cont'l Air Lines, Inc., 780 F.2d at 1226 (quoting *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*), 722 F.2d 1063, 1071 (2d Cir. 1983)). “Where the debtor articulates a reasonable basis for its business decisions (as distinct from a decision made arbitrarily or capriciously), courts will generally not entertain objections to the debtor’s conduct.” *Comm. of Asbestos-Related Litig. v. Johns-Manville Corp. (In re Johns-Manville Corp.)*, 60 B.R. 612, 616 (Bankr. S.D.N.Y. 1986). When a valid business justification exists, the law vests the debtor’s decision to use property out of the ordinary course of business with a strong presumption that “in making a business decision the directors of a corporation acted on an informed basis, in good faith and in the honest belief that the action taken was in the best interest of the company.” *In re Integrated Res.*, 147 B.R. at 656 (quoting *Smith v. Van Gorkom*, 488 A. 2d 858, 872 (Del. 1985)). Therefore, parties objecting to the Trustee’s proposed sale must make a showing of “bad faith, self-interest, or gross negligence.” *Integrated Res.*, 147 B.R. at 656.

11. Moreover, the Bankruptcy Court has authority under section 105(a) of the Bankruptcy Code to approve non-ordinary course transactions under section 363(b) of the

Bankruptcy Code. The Fifth Circuit has acknowledged that section 105 confers broad powers on bankruptcy courts:

[Section] 105 [is] an omnibus provision phrased in such general terms as to be the basis for a broad exercise of power in the administration of a bankruptcy case. The basic purpose of § 105 is to assure the bankruptcy courts power to take whatever action is appropriate or necessary in aid of the exercise of their jurisdiction .

...

See Davis v. Davis (In re Davis), 170 F.3d 475, 492 (5th Cir 1999) (citation omitted). While the Trustee realizes that section 105(a) of the Bankruptcy Code “may only be used to carry out the provisions of Title 11,” the underlying premise of chapter 11 is the continued and uninterrupted operation of the debtor in possession to the greatest extent possible. *In re CoServ, L.L.C.*, 273 B.R. 487, 494 n.9 (Bankr. N.D. Tex. 2002). Thus, the Trustee’s requested relief is consistent with the “furtherance of the provisions of the Bankruptcy Code.” *Id.*

12. The Trustee has proposed the sale of the Assets after thorough consideration of all viable alternatives, and has concluded that the sale is supported by a number of sound business reasons. Without the sale, the Trustee would be left to attempt to market the Assets on his own. The amounts being received from the sale process in the AEX case will help provide a return for creditors in this case. The Trustee has determined, in his considered business judgment, that a sale of the Assets as requested herein provides the best and most efficient means for the Trustee to maximize the value of the estate.

13. Based on the foregoing, the sale of the Assets is justified by sound business reasons and is in the best interests of the APC estate. Accordingly, pursuant to section 363(b) of the Bankruptcy Code, the Trustee requests approval of the sale to the entity designated as the purchaser after the sale as set forth herein.

14. Accordingly, the Trustee requests the Court enter an Order authorizing the Trustee to sell the JIBs and all rights relating thereto (with the right to remove those from the sale process as stated above) and any other oil and gas interests in the name of APC and any connection with the sale process being conducted by the AEX bankruptcy Estate. Upon approval of the sale in the AEX case, APC will seek an order from this Court authorizing the sale of those assets to the purchaser or purchasers authorized in the AEX case.

15. A proposed Order is attached hereto as **Exhibit B**.

WHEREFORE, based on the foregoing, the Trustee requests that the Court grant this Motion and provide such other and further relief to which the Trustee may show himself justly entitled.

Respectfully submitted,

WALLER LANSDEN DORTCH & DAVIS, LLP

By: /s/ Mark C. Taylor

Eric J. Taube
State Bar No. 19679350
Eric.taube@wallerlaw.com
Mark C. Taylor
State Bar No. 19713225
Mark.taylor@wallerlaw.com
100 Congress Ave., Suite 1800
Austin, Texas 78701
Telephone: (512) 685-6400
Telecopier: (512) 685-6417

ATTORNEYS FOR MORRIS D. WEISS,
CHAPTER 11 TRUSTEE

CERTIFICATE OF SERVICE

The undersigned counsel hereby certifies that, on the 10th day of May, 2017, a true and correct copy of the foregoing was served on all parties receiving electronic notice through the Court's CM/ECF System, and to the parties listed on the attached service list via first class mail (unless otherwise noted).

/s/ Mark C. Taylor

Mark C. Taylor

SERVICE LIST

Counsel to Debtor

Bernard R. Given, II (*via ECF*)
Loeb & Loeb
10100 Santa Monica Blvd,
Ste. 2200
Los Angeles, CA 90067

United States Trustee

Office of the U.S. Trustee
Attn: James W Rose, Jr (*via ECF*)
615 E. Houston, Ste. 533
P.O. Box 1539
San Antonio, TX 78295-1539

Creditors' Committee

Buckeye, Inc.
Attn: Marty Inge
P.O. Box 5564
Midland, TX 79704

Baker Hughes Oilfield
Operations, Inc.
Attn: Christopher J. Ryan
2929 Allen Parkway, Suite 2100
Houston, TX 77019-2118

Jet Specialty, Inc.
Attn: Ted Williams
211 Market Avenue
Boerne, TX 78006

Crossfire, LLC
Attn: Derek D. McCoy
820 Airport Road
Durango, CO 81303

Counsel for Committee

Kenneth Green (*via ECF*)
Snow Spence Green LLP
2929 Allen Parkway, Suite 2800
Houston, TX 77019

20 Largest Unsecured Creditors

Nomac Drilling, LLC
P.O. Box 650840
Dallas, TX 75265-0840

Trans-Pecos Instruments &
Supply Inc.
1024 S Cedar St
P.O. Box Drawer 71
Pecos, TX 79772

Jet Specialty, Inc
P.O. Box 678286
Dallas, TX 75267-8286

Sooner Pipe, L.L.C.
Dept 26 P.O. Box 4346
Houston, TX 77210-4346

Bickel & Brewer
1717 Main Street, Suite 4800
Dallas, TX 75201

McClinton Energy Group, LLC
P.O. Box 677292
Dallas, TX 75677

Culberson Construction, Inc.
P.O. Box 1379
Granbury, TX 76048

RWI Construction, Inc.
Attn: Jeff Chick
10700 State Hwy 191
Midland, TX 79707

M3P Directional Services, Ltd.
c/o Mike Mayer
P.O. Box 2552
Midland, Texas 79702

Viking Coil Tubing
P.O. Box 1989
Addison, TX 75001-1989

Friendly Trucking
1705 S. Stockton
Monahans, TX 79756

TESSCO Energy Services, Inc
P.O. Box 1999
Midland, TX 79702

A & C Farms Calvin & Ava Gerke
P.O. Box 44
Pecos, TX 79772

Stellar Oilfield Rentals, LLC
P.O. Box 1839
Angleton, TX 77516

Pipe Pros
P.O. Box 9787
Corpus Christi, TX 78469

Crossfire LLC
820 Airport Road
Durango, CO 81303

CMA Welding and Construction
P.O. Box 1155
Kermit, TX 79745

Independence Oilfield Chemicals
Dept. 623
P.O. Box 4652
Houston, TX 77210-4652

SDS Petroleum Consultants, LLC
P.O. Box 456
Troup, TX 75789-0456

Parties Requesting Notice
(VIA ECF EXCEPT AS NOTED)

David G. Aelvoet
Linebarger Goggan et al.
711 Navarro, Ste 300
San Antonio, TX 78205

Evan R. Baker
Gardere Wynne Sewell LLP
1601 Elm Street, Ste. 3000
Dallas, TX 75201

Roy Byrn Bass, Jr.
4716 4th Street, Suite 100
Lubbock, TX 79416

Michael E. Baum
Jason L. Weiner
Nicholas Marcus
Brendan G. Best
Schafer and Weiner, PLLC
40950 Woodward Ave. , Ste. 100
Bloomfield Hills, MI 48304

Shane M Bebout
Todd, Barron, Thomason, et al
3800 E. 42nd St., Suite 409
Odessa, TX 79762

Steven W. Bugg
McAfee & Taft
Tenth Flr, Two Leadership Square
211 North Robinson
Oklahoma City, OK 73102

Fernando M. Bustos
Bustos Law Firm, P.C.
P. O. Box 1980
Lubbock, TX 794408-1980

Michael J Collins
Brewer, Attorneys & Counselors
1717 Main Street, Suite 5900
Dallas, TX 75201

Andrew B. Curtis
Craig, Terrill, et al
9816 Slide Rd., Suite 201
Lubbock, TX 79424

Douglas D. D'Arche
Baker & Hostetler LLP
811 Main Street, #1100
Houston, TX 77002

Carl Dore, Jr
Dore Law Group, PC
17171 Park Row, Suite 160
Houston, TX 77084

Angela Ferrante
Garden City Group, LLC
1985 Marcus Avenue, Suite 200
Lake Success, NY 11042

Randal W Hill
Randal W. Hill PC
802 N. Carancahua, Suite 450
Corpus Christi, TX 78401

Ronald Hornberger
Plunkett and Griesenbeck, Inc.
Catholic Life Building
1635 N.E. Loop Suite 900
San Antonio, TX 78209

Patrick L. Huffstickler
Dykema Cox Smith
112 E. Pecan St., Ste. 1800
San Antonio, TX 78205

Blue Hyatt
Lynch, Chappel & Allsup, P.C.
300 N Marienfeld Ste #700
Midland, TX 79701

Amber L James
Atkins, Hollmann, Jones, et al
3800 E. 42nd Street, Suite 500
Odessa, TX 79762

Todd J. Johnston
McWhorter, Cobb & Johnson, LLP
1722 Broadway
Lubbock, TX 79401

Michael G. Kelly
P.O. Box 1311
Odessa, TX 79760-1311

Zachary S McKay
Dore' Law Group, P.C.
17171 Park Row, Suite 160
Houston, TX 77084

Ryan J. McNeel
Brockett & McNeel LLP
24 Smith Road, Suite 400
Midland, TX 79705

Laura J. Monroe
Perdue Brandon Fielder et al
P.O. Box 817
Lubbock, TX 79408-0817

Jeanne Morales
PO Box 11043
Midland, TX 79702-8043

Randall L. Rouse
Lynch Chappell & Alsup
The Summit Ste 700
300 N Marienfeld
Midland, TX 79701

Vincent P. Slusher
DLA Piper, LLP (US)
1717 Main Street, Suite 4600
Dallas, TX 75201

William R. Sudela
Crady, Jewett & McCulley, LLP
2727 Allen Parkway, Suite 1700
Houston, TX 77019-2125

H. Elizabeth Weller
Linebarger Goggan et al
2777 N. Stemmons Frwy, Ste 1000
Dallas, TX 75207

Elliott S. Cappuccio
Pulman, Cappuccio, Pullen, Benson
& Jones, LLP
2161 NW Military Hwy, Ste. 400
San Antonio, TX 78213

Weldon L. Moore, III
Sussman & Moore L.L.P.
4645 N. Central Expwy., Ste. 300
Dallas, TX 75205

G. Wade Caldwell
Zachary J. Fanucchi
Barton, East & Caldwell, P.L.L.C.
700 North St. Mary's St., Ste.1825
San Antonio, TX 78205

Greg M. Wilkes
Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, TX 75201

Heather H. Jobe
Bell Nunnally & Martin LLP
3232 McKinney Avenue, Ste. 1400
Dallas, TX 75204

Courtney J. Hull
Kimberly A. Walsh
Office of the Attorney General
300 W. 15th St.
Austin, TX 78701

Trey A. Monsour (*via ECF*)
Elizabeth A. Gilman (*via mail*)
K&L Gates LLP
1000 Main Street, Suite 2550
Houston, TX 77002

Cleve J. Glenn (*via mail*)
McClinton Energy Group, L.L.C.
1850 Westpark Drive
Grand Prairie, TX 75050

Craig E. Power (*via mail*)
Misty A. Segura (*via ECF*)
Cokinos, Bosien & Young
Four Houston Center
1221 Lamar St., 16th Floor
Houston, TX 77010

Angelia B. Lee
Craig, Terrill, Hale & Grantham
9816 Slide Road, #201
Lubbock, TX 79424

Soham D. Naik
750 Town & Country Blvd., #300
Houston, TX 77024

Daniel P. Callahan and
Howard C. Rubin
Kessler & Collins PC
2100 Ross Ave., Suite 750
Dallas, TX 75201

Joseph F. Postnikoff
Goodrich Postnikoff & Assocs.
801 Cherry St., Ste. 1010
Fort Worth, TX 76102

John Melko
Sharon Beausoleil
Gardere Wynne Sewell LLP
1000 Louisiana, Ste. 2000
Houston, TX 77002

Randall C. Johnson
Harris, Finley & Bogle PC
777 Main St., Ste. 1800
Fort Worth, TX 76102

Rachel L. Hillegonds
Miller Johnson
P.O. Box 306
Grand Rapids, MI 49501-0306



CLERK, U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS

ENTERED

THE DATE OF ENTRY IS ON
THE COURT'S DOCKET

The following constitutes the ruling of the court and has the force and effect therein described.

Signed May 5, 2017


United States Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORTH WORTH DIVISION

IN RE:

ARABELLA EXPLORATION, LLC, a Texas limited
liability corporation, et al.,
Debtors.¹

§ Case No. 17-40120-rfn
§ Chapter 11
§ (Jointly Administered)
§ Honorable Russell F. Nelms
§ U.S. Bankruptcy Judge
§
§
§

**AMENDED ORDER APPROVING SALE AND BIDDING PROCEDURES IN
CONNECTION WITH SALE OF ASSETS OF THE DEBTORS AND GRANTING
RELATED RELIEF**

On April 26, 2017, the Court² conducted a hearing to consider the Motion, pursuant to Bankruptcy Code Sections 105(a), 363, and 365, and Bankruptcy Rules 2002, 6004, and 6006, for Entry of an Order (A) Approving Sale and Bidding Procedures in Connection with Sale of Assets of the Debtor, (B) Authorizing the Sale of Assets Free and Clear of All Liens, Claims, Encumbrances, and Other Interests, and (C) Granting Related Relief (the “Motion”) filed

¹ This case is jointly administered with the case of Arabella Operating, LLC, Case No. 17-41479.

² Capitalized terms not defined herein shall have the meanings set forth in the Motion.

by the above-captioned debtors (the “Debtors”). The Court finds that: (i) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334; (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (iii) the relief requested in the Motion is in the best interests of the Debtors, their estates, and their creditors; (iv) proper and adequate notice of the Motion has been given and no other or further notice is necessary; and (v) upon the record herein after due deliberation thereon, good and sufficient cause exists for the granting of the relief as set forth herein. Therefore,

A. This Court has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334. This proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper in this district and in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

B. The statutory bases for the relief requested in the Motion are: (i) Sections 105, 363, and 365 of the Bankruptcy Code and (ii) Rules 2002(a)(2), 6004, and 6006 of the Federal Rules of Bankruptcy Procedure.

C. Notice of the Motion, having been given to all parties set forth in the Debtors’ master service list maintained in this case, is sufficient in light of the circumstances and the nature of the relief requested in the Motion.

D. The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent that any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

E. The Debtors have articulated good and sufficient reasons for this Court to: (i) approve the Bidding Procedures; (ii) approve the scheduling of an Auction and set the Sale Hearing and approve the manner of notice of the Auction and Sale Hearing; and (iii) approve the procedures for the assumption and assignment of the Assumed and Assigned Contracts, including notice of proposed Cure Amounts.

F. Notice of Sale. This Order and the Auction and Sale Notice substantially in the form attached as **Exhibit 2** to this Order, are reasonably calculated and sufficient to provide interested parties with timely and proper notice of the proposed Sale, including, without limitation: (i) the date, time, and place of the Auction (if one is held); (ii) the Bidding Procedures; (iii) the deadline for filing objections to the Sale and entry of the Sale Order, and the date, time, and place of the Sale Hearing; (iv) reasonably specific identification of the Assets to be sold; and (v) a description of the Sale as being free and clear of liens, claims, encumbrances and other interests, with all such liens, claims, encumbrances and other interests attaching with the same validity and priority to the Sale proceeds, and no other or further notice of the Sale shall be required.

G. Assumption and Assignment Procedures. This Order, the Assumption and Assignment Procedures set forth herein, and the Assumption and Assignment Notice substantially in the form attached as **Exhibit 3** to this Order, are reasonably calculated to provide Contract Counterparties to any Contracts and/or Leases to be assumed by the Debtors and assigned to the Successful Bidder(s) with proper notice of the intended assumption and assignment of their Contracts and/or Leases, the procedures in connection therewith, and any Cure Amounts relating thereto.

H. Based upon the foregoing findings and conclusions, the Motion and the record before the Court with respect to the Motion, and good and sufficient cause appearing therefor, IT IS HEREBY ORDERED THAT:

1. The Motion is granted as provided herein. All capitalized terms used herein but otherwise not defined shall have the meanings set forth in the Motion or the Bidding Procedures, as applicable.

2. All objections to the relief requested in the Motion that have not been withdrawn, waived, or settled as announced to the Court at the hearing on the Motion, are overruled.

Important Dates and Deadlines

3. Sale Hearing. The Sale Hearing shall commence on August 21, 2017, at 1:30 p.m. (Central Time) before the Honorable Russell F. Nelms, United States Bankruptcy Court, Northern District of Texas — Fort Worth Division, Eldon B. Mahon U.S. Courthouse, 501 W. 10th St., Fort Worth, Texas 76102-3643, or before any other judge who may be sitting in his place and stead. The Debtors may adjourn the Sale Hearing without further notice other than by announcement in open Court or on the Court’s calendar.

4. General Objection Deadline. Objections, if any, to the Sale of the Assets, the assumption and assignment of the Assumed and Assigned Contracts, or any relief requested in the Motion other than the relief granted by this Court in the Bidding Procedures Order must be: (a) in writing; (b) signed by counsel or attested to by the objecting party; (c) in conformity with the Bankruptcy Rules and applicable local rules; (d) filed with the Clerk of the Bankruptcy Court for the Northern District of Texas, United States Bankruptcy Court, Northern District of Texas — Fort Worth Division, Eldon B. Mahon U.S. Courthouse, 501 W. 10th St., Fort Worth, Texas 76102-3643, by no later than 5:00 p.m. (Central time) on August 16, 2017 (the “General

Objection Deadline”), and (e) served in accordance with applicable local rules so as to be received on or before the relevant objection deadline by the following (collectively, the “Objection Notice Parties”): (i) Co-counsel to the Debtors, David A. Hall, Miller Johnson, 45 Ottawa Ave. SW, Suite 1100, Grand Rapids, MI 49503, halld@millerjohnson.com and Ray Battaglia, Law Offices of Ray Battaglia PLLC, 66 Granburg Circle, San Antonio, Texas 78218, rbattaglia@outlook.com; (ii) counsel to any official committee appointed in this case, and (iii) Office of the United States Trustee for the Northern District of Texas, 1100 Commerce Street # 976, Dallas, TX 75242, (these procedures are collectively referred to as the “General Objection Procedures”). Each objection shall state the legal and factual basis of such objection.

5. Only those objections made in compliance with the General Objection Procedures will be considered by the Court at the Sale Hearing. The failure of any objecting person or entity to file its objections by the Objection Deadline and in accordance with the General Objection Procedures will be a bar to the assertion, at the Sale Hearing or thereafter, of any objection (including to the Sale of Assets and assumption and assignment of Leases and Contracts free and clear of liens) and shall be deemed to constitute any such party’s consent to the entry of the Sale Order and consummation of the Sale and all transactions related thereto, including, without limitation, such assumption and assignment.

6. Bid Deadline. All bids by any third party that is interested in acquiring some or all of the Assets must be actually received by the parties specified in the Bidding Procedures on or prior to July 27, 2017 at 5:00 p.m. (Central Time) (the “Bid Deadline”).

7. Auction. If necessary, an Auction with respect to the Assets will be held at a location to be determined by the Debtors, in consultation with the Consultation Parties, on August 7, 2017 at 10:00 a.m. (Central Time). As set forth more fully in the Bidding Procedures,

only Consulting Parties, Qualified Bidders and their respective legal and financial advisors shall be entitled to attend and/or bid at the Auction.

Auction, Bidding Procedures, and Related Relief

8. The Bidding Procedures, attached hereto as **Exhibit 1**, are hereby authorized, approved and made part of this Order as if fully set forth herein. The Bidding Procedures shall govern the submission, receipt, and analysis of all Bids relating to the proposed Sale of the Assets. Any party desiring to bid on the Assets shall comply with the Bidding Procedures and this Order. Platinum Partners Credit Opportunities Master Fund, LP and its subsidiary Platinum Long Term Growth VIII, LLC (“Platinum”) shall not be entitled to submit a credit bid pursuant to Section 363(k) of the Bankruptcy Code in connection with the Sale. The Debtors are authorized to take any and all actions necessary to implement the Bidding Procedures.

9. A Qualified Bidder shall confirm that it has not engaged in any collusion with respect to the bidding or the Sale.

10. In the event that the Debtors timely receive more than one Qualified Bid, the Debtors may determine, in the exercise of their sound business judgment, to schedule an Auction to request additional competitive Bids from Qualified Bidders with respect to the Assets in accordance with the Bidding Procedures.

11. Subject to the final determination of this Court, the Debtors are authorized to determine, in their business judgment and pursuant to the Bidding Procedures, the highest or otherwise best Bid(s) and the Successful Bidder(s) or Backup Successful Bidder(s).

Assumption and Assignment Procedures

12. The following procedures regarding the assumption and assignment of the Contracts and Leases in connection with the Sale are hereby approved to the extent set forth

herein, and shall govern the assumption and assignment of all Contracts and/or Leases proposed to be assumed by the Debtors pursuant to Section 365(b) of the Bankruptcy Code and assigned to the Successful Bidder(s) following a Sale or Sales pursuant to Section 365(f) of the Bankruptcy Code (as defined in the Motion, the “Assumed and Assigned Contracts”).

13. As soon as practicable after determination, the Debtors shall serve on all Contract Counterparties an Assumption and Assignment Notice substantially in the form attached hereto as Exhibit 3, that identifies, to the extent applicable, (i) the Contract(s) and/or Lease(s) that may be assumed by the Debtors and assigned to the Successful Bidder(s); (ii) the name and address of the Contract Counterparty thereto; (iii) notice of the proposed effective date of the assignment (subject to the right of the Debtors and Purchaser to withdraw such request for assumption and assignment of the Assumed and Assigned Contract(s) prior to the Closing); (iv) the amount, if any, determined by the Debtors to be necessary to be paid to cure any existing default in accordance with Sections 365(b) and 365(f)(2) of the Bankruptcy Code (the “Cure Amount”); and (v) the deadlines by which any such Contract Counterparty must file an objection to the proposed assumption and assignment of any Assumed and Assigned Contract; provided, however, that the presence of any Contract or Lease on an Assumption and Assignment Notice does not constitute an admission that such Contract or Lease is an executory contract or unexpired lease.

14. As soon as practicable after the conclusion of the Auction, the Debtors shall file with the Court and serve by facsimile, electronic transmission, overnight, or first class mail on the Contract Counterparty (and its attorney, if known) to each Assumed and Assigned Contract a notice: (a) identifying the Successful Bidder(s); (b) stating which Contract(s) and/or Lease(s) will be assumed and assigned thereto; and (c) containing a statement as to the

Successful Bidder(s)' ability to perform the Debtors' obligations under the applicable Assumed and Assigned Contracts.

15. All objections to the assumption and assignment of any Assumed and Assigned Contract, including, without limitation, any objection to the Debtors' proposed Cure Amount or the provision of adequate assurance of future performance under any Assumed and Assigned Contract pursuant to Section 365 of the Bankruptcy Code ("Adequate Assurance") must: (a) comply with the General Objection Procedures; (b) identify the Contract(s) or Lease(s) to which the objector is party; (c) describe with particularity any cure the claimant contends is required under Section 365 of the Bankruptcy Code (the "Cure Claim") and identify the basis(es) of the alleged Cure Claim under the Contract or Lease; (d) attach all documents supporting or evidencing the Cure Claim; and (e) if the response contains an objection to Adequate Assurance, state with specificity what the objecting party believes is required to provide Adequate Assurance (collectively with the General Objection Procedures, the "Assigned Contract Objection Procedures").

16. If no objection is timely and properly filed and served in accordance with the Assigned Contract Objection Procedures, (a) the Cure Amount set forth in the Assumption and Assignment Notice shall be controlling notwithstanding anything to the contrary in any Assumed and Assigned Contract or other document and the Contract Counterparty thereto shall be forever barred from asserting any other claim against the Debtors or Purchaser with respect to such Assumed and Assigned Contract arising prior to the assignment thereof and (b) the Purchaser's promise to perform under the Assumed and Assigned Contract shall be deemed Adequate Assurance thereunder. To the extent the Debtors dispute any Cure Claim, such dispute shall be presented to the Court at the Sale Hearing, or such later date and time as the Debtors and

the objector may agree or the Court may order, but such dispute shall not affect in any way the effectiveness of any assumption and assignment of any Assumed and Assigned Contract.

17. If at any time after the entry of the Bidding Procedures Order the Debtors identify additional prepetition executory contracts and/or unexpired leases to be assumed and assigned to the Purchaser as Assumed and Assigned Contracts (whether before or after closing of any Sale(s) of relevant Assets), the Debtors shall serve a supplemental Assumption and Assignment Notice by first-class mail, facsimile, electronic transmission, or overnight mail on the Contract Counterparty (and its attorney, if known) to each supplemental Assumed and Assigned Contract at the last known address available to the Debtors by no later than ten (10) calendar days before the proposed effective date of the assignment. A Contract Counterparty receiving any such supplemental Assumption and Assignment Notice shall have until the later of (a) the General Objection Deadline or (b) ten (10) days from service of the supplemental Assumption and Assignment Notice to file an objection to the assumption and assignment of its Contract(s) and/or Lease(s) in accordance with the Assigned Contract Objection Procedures set forth herein.

Auction and Sale Notice

18. The Auction and Sale Notice is hereby approved. On or within three (3) business days following the entry of this Order, the Debtors shall cause the Auction and Sale Notice to be served on: (i) all entities known by the Debtors to have expressed an interest in a transaction with respect to the Assets, including all Qualified Bidders; (ii) all state and local taxing authorities or recording offices which have a reasonably known interest in the relief requested; (iii) all insurers; (iv) all non-debtor parties to relevant contracts or leases (executory or otherwise); (v) all parties who are known or reasonably believed, after reasonable inquiry, to

have asserted any lien, encumbrance, claim, or other interest in the Assets; and (vi) upon all parties set forth in the Debtors' master service list maintained in these cases.

Miscellaneous

19. The Debtors are authorized to take all actions necessary and appropriate to implement and effectuate the relief granted pursuant to this Order in accordance with the Motion and to expend such sums of money and do other things as may be necessary and appropriate to comply with the requirements established by the Bidding Procedures and this Order.

20. The Debtors are authorized to conduct the Sale without the necessity of complying with any state or local bulk transfer laws or requirements.

21. The Debtors shall submit to the Court the proposed Sale Order approving the Sale prior to the Sale Hearing.

22. In the event of any conflict between this Order and any applicable Qualified APA(s), the terms of this Order shall control.

23. Any stay of this Order, whether arising from Rules 6004 and/or 6006 of the Federal Rules of Bankruptcy Procedure or otherwise, is hereby expressly waived and the terms and conditions of this Order shall be effective and enforceable immediately upon its entry.

24. This Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order.

END OF ORDER

Prepared by:

David A. Hall
Miller Johnson
PO Box 306
Grand Rapids, MI 49501-0306
(616) 831-1700
halld@millerjohnson.com

EXHIBIT 1

(Bidding Procedures)

BIDDING PROCEDURES

On [_____] 2017, the United States Bankruptcy Court for the Northern District of Texas (the "Court") entered the Order Approving Sale and Bidding Procedures in Connection with Sale of Assets of the Debtor and Granting Related Relief (Docket No.) (the "Bidding Procedures Order"), in which the Court approved the following procedures (the "Bidding Procedures") setting forth the process by which Arabella Exploration, LLC and Arabella Operating, LLC (collectively, the "Debtors") is authorized to conduct a sale or sales (the "Sale") of substantially all of its assets (collectively, the "Assets").

1. Property to be Sold

The Assets consist of substantially all of the Debtors' property. The Assets will be sold free and clear of all liens, claims, encumbrances and other interests (except as otherwise set forth in the applicable purchase and sale agreement). The Assets are being sold jointly with assets (the "APC Assets") of Arabella Petroleum Company, LLC ("APC"). APC is subject to a chapter 11 proceeding pending in the United States Bankruptcy Court for the Western District of Texas (Case No. 15-70098) (the "APC Case"). APC is authorized to sell the APC Assets pursuant to an order of the bankruptcy court in the APC Case.

The Debtors may consider bids for all or substantially all of the Assets in a single bid from a single bidder or multiple bids from multiple bidders for the Assets. Bids to purchase the Assets must consist of cash plus assumption of any specified liabilities.

2. Consultation Parties

As used herein, the "Consultation Parties" shall be: (i) APC (ii) the Official Committee of Unsecured Creditors of APC appointed in the APC Case (the "APC Committee"), and (iii) Bart M. Schwartz, in his capacity as SEC Receiver for Platinum Partners Credit Opportunities Master Fund, LP and its subsidiary Platinum Long Term Growth VIII, LLC (the "SEC Receiver").

3. Due Diligence

Subject to the execution of a confidentiality agreement on terms reasonably acceptable to the Debtors (a "Confidentiality Agreement"), any party interested in submitting a proposal, solicitation or offer (each, a "Bid") for the Assets (such party, a "Potential Bidder") may be granted access to public and non-public information relating to the Assets to facilitate its consideration of making its Bid, including access to the Debtors' on-line data room (the "Due Diligence Data Room"). Any confidentiality agreement previously entered into between the Debtors and a Potential Bidder in effect on the date of the entry of the Bid Procedures Order shall be deemed to be a Confidentiality Agreement for the purposes of these Bidding Procedures.

The Debtors shall provide to each Potential Bidder reasonable due diligence information as necessary to enable such Potential Bidder to evaluate the Assets. Potential Bidders interested in conducting due diligence should contact the Debtors' attorneys Miller Johnson (Attn: David A. Hall, halld@millerjohnson.com; Office: (616) 831-1743). The Debtors shall have no obligation to furnish any due diligence information after the Bid Deadline and shall have no obligation to

furnish due diligence information requested by one Potential Bidder to the other Potential Bidders. All communication of any kind whatsoever, whether oral, written, electronic or otherwise, between a Potential Bidder or such Potential Bidder's representatives may be shared with the Consultation Parties, upon the request of a Consultation Party.

In connection with the provision of due diligence information to Potential Bidders, the Debtors shall not furnish any confidential information relating to the Assets, liabilities of the Debtors, or the Sale to any person except a Potential Bidder or such Potential Bidder's duly-authorized representatives to the extent covered by the applicable Confidentiality Agreement.

The Debtors and their advisors shall coordinate all reasonable requests for additional information and due diligence access from Potential Bidders; provided, however, that the Debtors may decline to provide such information to any Potential Bidder who, in the Debtors' reasonable business judgment, has not established that such Potential Bidder intends in good faith to, or has the capacity to, consummate a transaction. No conditions relating to the completion of due diligence shall be permitted to exist after the Bid Deadline.

4. "As is, Where is"

Other than as specifically provided in a Qualified APA(s) (as defined below), as applicable, any Sale of the Assets shall be without representation or warranties of any kind, nature or description by the Debtors, their agents or their estate. All of the Assets shall be transferred "as is," "where is" and "with all faults." THE DEBTORS EXPRESSLY DISCLAIM ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE NATURE, EXISTENCE, QUALITY, VALUE OR CONDITION OF ANY ASSET. Except as otherwise provided in the applicable Qualified APA, all of the Debtors' right, title, and interest in and to the respective Assets will be transferred free and clear of all liens, claims, encumbrances and other interests in accordance with Section 363(f) of the Bankruptcy Code.

Each Potential Bidder for any of the Assets will be deemed to acknowledge and represent that it: (a) has had an opportunity to conduct due diligence regarding the Assets prior to making its Bid; (b) has relied solely upon its own independent review, investigation, and inspection of any document including, without limitation, executory contracts and unexpired leases, in making its Bid; and (c) did not rely upon or receive any written or oral statements, representations, promises, warranties, or guaranties whatsoever, whether express, implied by operation of law, or otherwise, with respect to the Assets, or the completeness of any information provided in connection with the Sale or the Auction.

5. Qualified Bids

In order to constitute a Qualified Bid (as defined below), a Bid submitted by a bidder (each, a "Bidder") must: (i) be submitted in writing prior to July 27, 2017 5:00 p.m. (Central Time) (the "Bid Deadline") and (ii) satisfy the following requirements, as determined by the Debtors in their reasonable business judgment, following consultation with the Consultation Parties (collectively, the "Bid Requirements"):

- a. Contain a signed definitive purchase and sale agreement (a “Qualified APA”) and shall: (i) identify the Assets the Bidder seeks to purchase, (ii) contain the form of and total consideration to be paid by such Bidder, including the amount of proposed cash consideration and liabilities to be assumed, with such consideration allocated on an asset by asset basis, and (iii) not be subject to any: (a) financing contingency, (b) contingency relating to due diligence after the Bid Deadline, or (c) contingency relating to the approval of the Bidder’s board of directors or other internal approvals or non-governmental third-party consents or approvals.
- b. Be accompanied by the provision of a certified or bank check or wire transfer in the amount of at least 5% of the purchase price proposed in the Qualified APA as a good faith deposit (the “Good Faith Deposit”). The Good Faith Deposit shall be held in escrow and credited to the closing payment if the Bidder is ultimately determined to be the Successful Bidder (as defined below), if any closing payment is due, or to be returned to the Bidder in whole or in part as applicable if the Bidder is not the Successful Bidder or the Backup Successful Bidder. In the event that a Bidder is selected as the Backup Successful Bidder, the Good Faith Deposit shall be returned to the Backup Successful Bidder within three (3) business days following the closing of a Sale to the Successful Bidder.
- c. Contain a written statement that the Bidder agrees to be bound by the terms of the Bidding Procedures and the Bidding Procedures Order and include a commitment that the Bidder shall consummate the purchase of the relevant Assets no later than 14 days following approval of the Sale by the Court.
- d. Identify, with particularity, each and every executory contract and unexpired lease it intends to assume; provided, however, that such list of contracts may be later modified to the extent permitted under the Qualified APA.
- e. Be accompanied by evidence satisfactory to the Debtors that the Bidder is willing, authorized (including by such Bidder’s board of directors or comparable governing body), capable and qualified financially, operationally, legally and otherwise, of unconditionally performing all obligations under the Qualified APA, including, without limitation, (1) all Assumed Obligations with respect to the relevant Assets and (2) the ability to provide adequate assurance of future performance under contracts and leases to be assumed pursuant to Section 365 of the Bankruptcy Code.
- f. Provide (i) that the Bidder agrees to serve as the Backup Successful Bid (as defined herein) if it is selected as the next highest and best bid for any particular Assets after the Successful Bid is determined in accordance with the Bidding Procedures and (ii) that the Bidder’s Bid shall remain open and irrevocable until at least thirty (30) days after the entry of an order by the Court approving a definitive agreement providing for the Sale of those Assets.

- g. Fully disclose the identity of each entity, its affiliates and the individuals that serve as principals for such entity that will be bidding in any Auction scheduled by the Debtors.
- h. Be submitted to (i) the Debtors, Arabella Exploration, LLC and Arabella Operating, LLC, Attn: Charles (Chip) Hoebeke II, P.O. Box 506, Fort Worth, Texas 76101, chip.hoebeke@rehmann.com, and (ii) Co-counsel to the Debtors, David A. Hall, Miller Johnson, 45 Ottawa Ave. SW, Suite 1100, Grand Rapids, MI 49503, halld@millerjohnson.com and Ray Battaglia, Law Offices of Ray Battaglia PLLC, 66 Granburg Circle, San Antonio, Texas 78218, rbattaglia@outlook.com; so as to be received not later than the Bid Deadline, July 27, 2017 at 5:00 p.m. (Central Time). Promptly following the receipt of a Qualified Bid(s), but in no event later than one calendar day after the applicable Bid Deadline, the Debtors shall provide copies of each Qualified Bid to the Consultation Parties. Following consultation with the Consultation Parties, the Debtors may extend the Bid Deadline until the commencement of any Auction for one or more bidders without further notice, but shall not be obligated to do so.

6. Qualified Bidders

A Bid that satisfies each of the Bid Requirements, as determined in the Debtors' reasonable business judgment and after consultation with the Consultation Parties, shall constitute a "Qualified Bid," and such Potential Bidder shall be a "Qualified Bidder." The Debtors shall notify each Qualified Bidder that such party is a Qualified Bidder prior to the Auction.

If any Bid is determined by the Debtors, in consultation with the Consultation Parties, not to be a Qualified Bid, the Debtors shall cause such Bidder to be refunded its Good Faith Deposit and all accumulated interest thereon on or within three (3) business days after the Bid Deadline.

Between the date that the Debtors notify a Potential Bidder that it is a Qualified Bidder and the Auction, the Debtors, in consultation with the Consultation Parties, may discuss, negotiate, or seek clarification of any Qualified Bid from a Qualified Bidder. Except as otherwise set forth in a Qualified APA, a Qualified Bidder may not modify, amend, or withdraw its Qualified Bid without the written consent of the Debtors (which consent may only be provided following consultation with the Consultation Parties), except for proposed amendments to increase the consideration contemplated by, or otherwise improve the terms of, the Qualified Bid, during the period that such Qualified Bid remains binding as specified herein; provided, that any Qualified Bid may be improved at the Auction as set forth herein. Any improved Qualified Bid must continue to comply with the requirements for Qualified Bids herein.

7. Notice Procedures

- a. Notice of Auction and Sale Hearing

After entry of the Bidding Procedures Order, the Debtors will cause the Notice of Auction and Sale Hearing, substantially in the form attached as Exhibit 2 to the Bidding Procedures Order (the “Auction and Sale Notice”), to be served by first-class mail, postage prepaid, facsimile, electronic transmission, overnight or first class mail upon: (i) all entities known by the Debtors to have expressed an interest in a transaction with respect to the Assets; (ii) all state and local taxing authorities or recording offices which have a reasonably known interest in the relief requested; (iii) all insurers; (iv) all non-debtor parties to relevant contracts or leases (executory or otherwise); (v) all parties who are known or reasonably believed, after reasonable inquiry, to have asserted any lien, encumbrance, claim, or other interest in the Assets; and (vi) upon all parties set forth in the Debtors’ master service list maintained in these cases (to the extent any party to receive notice thereby would not receive notice pursuant to sections (i) through (v) above).

b. Notice of Assumption and Assignment of Contracts

The Debtors will serve the Assumption and Assignment Notice, substantially in the form attached as Exhibit 3 to the Bidding Procedures Order (the “Assumption and Assignment Notice”), by first-class mail, facsimile, electronic transmission, or overnight mail on each counterparty (a “Contract Counterparty”) under each potential Contract and/or Lease to be assumed and assigned in connection with the sale (an “Assumed and Assigned Contract”) and its attorney, if known, in each case, at the last known address available to the Debtors.

The Assumption and Assignment Notice shall set forth the following information: (i) the Contract(s) and/or Lease(s) that may be assumed by the Debtors and assigned to the Successful Bidder(s); (ii) the name and address of the Contract Counterparty thereto; (iii) the amount, if any, determined by the Debtors to be necessary to be paid to cure any existing default in accordance with Sections 365(b) and 365(f)(2) of the Bankruptcy Code (the “Cure Amount”); and (iv) the deadlines by which any such Contract Counterparty must file an objection to the proposed assumption and assignment of any Assumed and Assigned Contract; provided, however, that the presence of any Contract or Lease on an Assumption and Assignment Notice does not constitute an admission that such Contract or Lease is an executory contract or unexpired lease or that it will be ultimately assumed and assigned to the Successful Bidder.

As soon as practicable after the conclusion of the Auction, the Debtors shall file with the Court and serve by facsimile, electronic transmission, or overnight on the Contract Counterparty (and its attorney, if known) to each Assumed and Assigned Contract a notice: (a) identifying the Successful Bidder(s); (b) stating which Contract(s) and/or Lease(s) will be assumed and assigned thereto; and (c) containing a statement as to the Successful Bidder(s)’ ability to perform the Debtors’ obligations under the applicable Assumed and Assigned Contracts.

8. Auction

In the event the Debtors receive multiple Qualified Bids, the Debtors may determine, after consultation with the Consultation Parties and in the exercise of sound business judgment, to schedule an Auction to request additional competitive Bids from Qualified Bidders.

Following consultation with the Consultation Parties, the Debtors shall determine which Qualified Bid shall constitute the “Baseline Bid” for purposes of the Auction. The Debtors shall notify each Qualified Bidder of the contents of the Baseline Bid. The Baseline Bid shall be subject to higher and better Bids at the Auction.

In making the determination of which Qualified Bid(s) constitutes the Successful Bid(s), the Debtors may, following consultation with the Consultation Parties, take into account any factors the Debtors reasonably deem relevant to the value of the Qualified Bid(s) to the Debtors’ estate, including, among other things: (a) the amount and nature of the total consideration; (b) the likelihood of the Bidder’s ability to close a transaction and the timing thereof; and (c) the tax consequences of such Qualified Bid (collectively, the “Bid Assessment Criteria”). The Debtors will evaluate competing Bids in a manner that will maximize the aggregate value to the estate.

In the event the Debtors determine to conduct an Auction, the Auction shall take place on August 7, 2017 at 10:00 a.m. (Central Time) at a location to be announced by the Debtors, in consultation with the Consultation Parties, or such later date and time or other location as selected by the Debtors, in consultation with the Consultation Parties. The Auction shall be conducted in a timely fashion according to the following procedures:

a. The Debtors Shall Conduct the Auction.

The Debtors and its professionals shall direct and preside over the Auction. At the start of the Auction, the Debtors shall describe the terms of the Baseline Bid. All incremental Bids made thereafter shall be Overbids (as defined herein) and shall be made and received on an open basis, and all material terms of each Overbid shall be fully disclosed to all other Qualified Bidders. The Debtors shall maintain a written transcript of all Bids made and announced at the Auction, including the Baseline Bid, all Overbids, and the Successful Bid(s).

In order to participate in the Auction, each prospective purchaser must be a Qualified Bidder. Each Qualified Bidder must have at least one individual representative with authority to bind the Qualified Bidder attend the Auction in person. Only the Consultation Parties and Qualified Bidders and their respective legal and financial advisors shall be entitled to attend the Auction. By attending the Auction, each party present at the Auction agrees to keep the Auction, the Bids at the Auction and all details concerning the Auction confidential. The Auction shall be conducted in the presence of a certified court reporter who shall transcribe the Auction.

b. Auction Procedures.

A Qualified Bidder wishing to submit a Bid at the Auction must submit a Bid containing aggregate consideration of at least \$25,000 more than the total consideration contained in the Baseline Bid (the “Minimum Overbid”), which such Minimum Overbid may be adjusted downward at the Auction by the Debtors in consultation with the Consultation Parties.

Subject to the Minimum Overbid, Qualified Bidders shall submit successive Overbids in increments to be determined by the Debtors at the Auction, following consultation

with the Consultation Parties (the “Incremental Bid Amount”), for the purchase of the Assets for which it is bidding (each an “Overbid”).

For avoidance of doubt, the criteria for assessing bids listed herein are not exhaustive and are provided for illustrative purposes only, and the Debtors, in consultation with the Consultation Parties, may consider any additional criteria that they consider reasonably relevant to the value of any Qualified Bid.

During the course of the Auction, the Debtors shall, after the submission of each Overbid, promptly inform each Qualified Bidder which Overbid reflects, in the Debtors’ view, following consultation with the Consultation Parties, the highest or otherwise best Bid for some or all of the Assets.

c. Consideration of Overbids.

The Debtors reserve the right, in their reasonable business judgment (determined following consultation with the Consultation Parties), to adjourn the Auction to, among other things: facilitate discussions between the Debtors and Qualified Bidders; allow Qualified Bidders to consider how they wish to proceed; and provide Qualified Bidders the opportunity to provide the Debtors with such additional evidence as the Debtors, in their reasonable business judgment (determined following consultation with the Consultation Parties), that the Qualified Bidder has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Overbid amount.

d. Closing the Auction.

- (i) The Auction shall continue until there is only one offer that the Debtors determine, following consultation with the Consultation Parties, and subject to Court approval, is the highest and/or best offer for the purchase of the Assets (whether in an aggregate sale to a single buyer or on an asset by asset basis (each a “Successful Bid” and such Bidder, the “Successful Bidder”), at which point, the Auction will be closed. Such acceptance by the Debtors of the Successful Bid(s) is conditioned upon approval by the Court of the Successful Bid(s). The second highest bid, to the extent determined to be acceptable to the Debtors, in consultation with the Consultation Parties, shall be deemed to be the backup bid (the “Backup Successful Bid” and such Bidder, the “Backup Successful Bidder”).
- (ii) The identity of the Backup Successful Bidder(s) and the amount and material terms of the Backup Successful Bid(s) shall be announced by the Debtors at the conclusion of the Auction at the same time the Debtors announce the identity of the Successful Bidder(s). The Backup Bidder(s) shall be required to keep its or their Qualified Bid(s) (or if the Backup Bidder(s) submitted one or more Overbids at the Auction, its final Overbid(s)) open and irrevocable until the closing of the transaction with the Successful Bidder(s).

- (iii) For the avoidance of doubt, nothing in these Bidding Procedures shall prevent the Debtors from exercising their fiduciary duties under applicable law.
- (iv) Absent the prior written consent of each Consultation Party, the Debtors shall not consider any Bids or Overbids submitted after the conclusion of the Auction and any and all such Bids and Overbids shall be deemed untimely and shall under no circumstances constitute a Qualified Bid.
- (v) As soon as reasonably practicable after closing the Auction, and in any event, no later than three days following the closing of the Auction, the Debtors shall cause the definitive asset purchase agreement for the Successful Bid(s) to be filed with the Court.

e. No Collusion; Good Faith Bona Fide Offer.

Each Qualified Bidder participating at the Auction will be required at the beginning of the Auction to confirm on the record that: (i) it has not engaged in any collusion with respect to the bidding; and (ii) its Qualified Bid is a good faith bona fide offer and it intends to consummate the proposed transaction if selected as the Successful Bidder. At the conclusion of the Auction, the Successful Bidder and the Backup Successful Bidder shall confirm on the record that: (i) it has not engaged in any collusion with respect to the bidding; and (ii) its bid is a good faith bona fide offer.

9. Backup Successful Bidder

If a Successful Bidder fails to consummate an approved transaction contemplated by its Successful Bid, following consultation with the Consultation Parties the Debtors may select the applicable Backup Successful Bidder as the Successful Bidder, and such Backup Successful Bidder shall be deemed a Successful Bidder for all purposes. The Debtors will be authorized, but not required, to consummate all transactions contemplated by the Bid of such Backup Successful Bidder without further order of the Court or notice to any party. In such case, the defaulting Successful Bidder's Good Faith Deposit shall be forfeited to the Debtors, and the Debtors specifically reserve the right to seek all available remedies against the defaulting Successful Bidder (or Backup Successful Bidder, if such party shall also breach or fail to perform), as applicable, including with respect to specific performance. In the event that the Backup Successful Bidder fails to consummate an approved Sale, the Assets may be sold pursuant to one or more subsequent sales.

10. Highest or Otherwise Best Bid

At all times during the proposed sale process, the Debtors shall retain the right to determine, following consultation with the Consultation Parties, which Bid or Bids constitutes the highest or otherwise best offer for the purchase of the Assets (whether in an aggregate sale to a single buyer or on an asset by asset basis), and which Bid or Bids should be selected as the Successful Bid(s), if any, all subject to final approval by the Court pursuant to the provisions of Section 363(b) of the Bankruptcy Code. Following consultation with the Consultation Parties,

the Debtors may adopt rules for the Auction that, in their judgment, will better promote the goals of the Auction and that are not inconsistent in any material respect with any of the other material provisions hereof or of any Court order.

11. Proceeds

All valid and properly perfected liens against the Debtors' Assets shall attach to the proceeds of the Sale of such Assets.

12. Consent to Jurisdiction

All Qualified Bidders at the Auction shall be deemed to have consented to the jurisdiction of the Court and waived any right to a jury trial in connection with any disputes relating to the Auction, the construction and enforcement of these Bidding Procedures, and/or the Confidentiality Agreements, as applicable.

13. Sale Hearing

A hearing to consider approval of the Sale of all or substantially all of the Assets to the Successful Bidder(s) (the "Sale Hearing") is presently scheduled to take place on August 21, 2017 at 1:30 p.m. (Central Time), or as soon thereafter as counsel may be heard, before the Honorable Russell F. Nelms, United States Bankruptcy Court, United States Bankruptcy Court, Northern District of Texas — Fort Worth Division, Eldon B. Mahon U.S. Courthouse, 501 W. 10th St., Fort Worth, Texas 76102-3643, or before any other judge who may be sitting in his place and stead.

The Sale Hearing may be continued to a later date by the Debtors by sending notice prior to, or making an announcement at, the Sale Hearing. No further notice of any such continuance will be required to be provided to any party.

At the Sale Hearing, the Debtors shall present the Successful Bid(s) to the Court for approval. Following the approval of the Successful Bid(s) at the Sale Hearing, the Debtors will be authorized to take any and all actions necessary and appropriate to complete and implement the Sale(s) contemplated by the Successful Bid(s), including, without limitation, seeking entry of one or more orders approving such Sale(s).

14. Return of Good Faith Deposits

The Good Faith Deposit of the Successful Bidder(s) shall be applied to the purchase price of such transaction at Closing. The Good Faith Deposits for each Qualified Bidder shall be held in one or more non-interest bearing escrow accounts on terms acceptable to the Debtors in their sole discretion and shall be returned (other than with respect to the Successful Bidder(s) and the Backup Successful Bidder(s)) on or within three (3) business days after the Auction. Upon the return of the Good Faith Deposits, their respective owners shall receive any and all interest that will have accrued thereon.

If a Successful Bidder fails to consummate a proposed transaction because of a breach by such Successful Bidder, the Debtors will not have any obligation to return the Good Faith Deposit deposited by such Successful Bidder, which may be retained by the Debtors as liquidated damages, in addition to any and all rights, remedies, and/or causes of action that may be available to the Debtors, and the Debtors shall be free to consummate the proposed transaction with the applicable Backup Successful Bidder without the need for an additional hearing or order of the Court.

15. Reservation of Rights

Notwithstanding any of the foregoing, the Debtors and their estates, in consultation with the Consultation Parties, reserve the right to modify these Bid Procedures at or prior to the Auction, including, without limitation, to extend the deadlines set forth herein, modify bidding increments, waive terms and conditions set forth herein with respect to any or all Potential Bidders (including, without limitation, the Qualified Bid requirements), impose additional terms and conditions with respect to any or all Potential Bidders, and adjourn or cancel the Auction at or prior to the Auction and/or adjourn the Sale Hearing.

The Debtors shall consult with the Consultation Parties as explicitly provided for in these Bid Procedures; provided, however, that the Debtors shall not be required to consult with any Consultation Party (or its advisors) that submits a Bid or has a Bid submitted on its behalf for so long as such Bid remains open if the Debtors determines, in their reasonable business judgment, that consulting with such Consultation Party regarding any issue, selection, or determination is (a) likely to have a chilling effect on the potential bidding or (b) otherwise contrary to the goal of maximizing value from the sale process for the Debtors' estate, their creditors, and all other parties in interest.

EXHIBIT 2

(Auction and Sale Notice)

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORTH WORTH DIVISION

IN RE: § Case No. 17-40120-rfn
ARABELLA EXPLORATION, LLC, a Texas limited § Chapter 11
liability corporation, et al., § (Jointly Administered)
§ Honorable Russell F. Nelms
Debtors.¹ § U.S. Bankruptcy Judge
§
§

**NOTICE OF (I) SOLICITATION OF INITIAL BIDS; (II) BIDDING PROCEDURES;
(III) AUCTION; (IV) SALE HEARING AND (V) RELATED RELIEF AND DATES**

TO ALL CREDITORS AND OTHER PARTIES IN INTEREST:

PLEASE TAKE NOTICE that the Debtors are soliciting offers for the purchase of substantially all of the Assets and assumption of substantially all of the liabilities of the Debtors with respect thereto consistent with the bidding procedures (the “Bidding Procedures”) approved by the Bankruptcy Court by entry of an order dated _____ (Docket No. _____) (the “Bidding Procedures Order”). Potential Bidders interested in bidding on Assets should contact the Debtors’ attorneys Miller Johnson (Attn: David A. Hall, halld@millerjohnson.com; Office: (616) 831-1743) to request a confidentiality agreement. All interested bidders should carefully read the Bidding Procedures and Bidding Procedures Order. To the extent that there are any inconsistencies between this notice and the Bidding Procedures or Bidding Procedures Order, the Bidding Procedures or Bidding Procedures Order, as applicable, shall govern in all respects.

PLEASE TAKE FURTHER NOTICE that, if the Debtors receive more than one qualified bid within the requirements and time frame specified by the Bidding Procedures, the Debtors may determine, in the exercise of their business judgment, to schedule an auction (the “Auction”) to request additional competitive bids from qualified bidders with respect to the Sale of the Assets on August 7, 2017 at 10:00 a.m. (Central Time), at a location to be determined by the Debtors, in consultation with the Consultation Parties, or such later date and time as selected by the Debtors. The Auction shall be conducted in a timely fashion according to the Bidding Procedures.

PLEASE TAKE FURTHER NOTICE that a hearing to consider approval of the Sale of all or substantially all of the Assets to one or more Successful Bidder(s) (the “Sale Hearing”) is presently scheduled to take place on August 21, 2017 at 1:30 p.m. (Central Time), or as soon thereafter as counsel may be heard, before the Honorable Russell F. Nelms, United States Bankruptcy Court, United States Bankruptcy Court, Northern District of Texas — Fort

¹ This case is jointly administered with the case of Arabella Operating, LLC, Case No. 17-41479.

Worth Division, Eldon B. Mahon U.S. Courthouse, 501 W. 10th St., Fort Worth, Texas 76102-3643, or before any other judge who may be sitting in his place and stead.

PLEASE TAKE FURTHER NOTICE that, except as otherwise set forth in the Bidding Procedures Order, objections, if any, to the Sale of the Assets, the assumption and assignment of the Contracts, or any relief requested in the Motion other than the relief granted by this Court in the Bidding Procedures Order must be: (a) in writing; (b) signed by counsel or attested to by the objecting party; (c) in conformity with the Bankruptcy Rules and applicable local rules; (d) filed with the Clerk of the Bankruptcy Court for the Northern District of Texas, by no later than 5:00 p.m. (Central Time) on August 16, 2017 (the “General Objection Deadline”); and (e) served in accordance with applicable local rules so as to be received on or before the relevant objection deadline by the following (collectively, the “Objection Notice Parties”): (i) Co-counsel to the Debtors, David A. Hall, Miller Johnson, 45 Ottawa Ave. SW, Suite 1100, Grand Rapids, MI 49503, halld@millerjohnson.com and Ray Battaglia, Law Offices of Ray Battaglia PLLC, 66 Granburg Circle, San Antonio, Texas 78218, rbattagliaw@outlook.com; (ii) counsel to any official committee appointed in this case, and (iii) Office of the United States Trustee for the Northern District of Texas, 1100 Commerce St # 976, Dallas, TX 75242 (these procedures are collectively referred to as the “General Objection Procedures”). Each objection shall state the legal and factual basis of such objection.

CONSEQUENCES OF FAILING TO TIMELY MAKE AN OBJECTION

ANY PARTY OR ENTITY WHO FAILS TO TIMELY MAKE AN OBJECTION TO THE SALE ON OR BEFORE THE GENERAL OBJECTION DEADLINE IN ACCORDANCE WITH THE BIDDING PROCEDURES ORDER SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE, INCLUDING WITH RESPECT TO THE TRANSFER OF THE ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS, EXCEPT AS SET FORTH IN THE APPLICABLE PURCHASE AND SALE AGREEMENT RELATED THERETO. IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT CERTAIN OF THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

PLEASE TAKE FURTHER NOTICE that copies of the Motion, and any exhibits thereto, including the Bidding Procedures Order and Bidding Procedures, are available upon request to counsel for the Debtors, David A. Hall, Miller Johnson, 45 Ottawa Ave. SW, Suite 1100, Grand Rapids, MI 49503, halld@millerjohnson.com.

Dated: _____

EXHIBIT 3

(Assumption and Assignment Notice)

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORTH WORTH DIVISION

IN RE: § Case No. 17-40120-rfn
ARABELLA EXPLORATION, LLC, a Texas limited § Chapter 11
liability corporation, et al., § (Jointly Administered)
§ Honorable Russell F. Nelms
Debtors.¹ § U.S. Bankruptcy Judge
§
§

**NOTICE OF (I) DEBTORS’ REQUEST FOR AUTHORITY TO ASSUME AND ASSIGN
CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES,
AND (II) DEBTORS’ PROPOSED CURE AMOUNTS**

TO ALL COUNTERPARTIES TO EXECUTORY CONTRACTS AND UNEXPIRED
LEASES:

PLEASE TAKE NOTICE that on January 8, 2017, Arabella Exploration, LLC, debtor-in-possession in the above-referenced chapter 11 cases (“AEX”), filed a voluntary petition for relief under Chapter 11 of Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Texas (the “Court”). On April 4, 2017, Arabella Operating, LLC debtor-in-possession in the above-referenced chapter 11 cases (“AO” and together with AEX, collectively, the “Debtors”) filed its voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the Court.

PLEASE TAKE FURTHER NOTICE that on February 2, 2017, AEX filed *Debtor’s Motion, pursuant to Bankruptcy Code Sections 105(a), 363, and 365, and Bankruptcy Rules 2002, 6004, and 6006, for Entry of an Order (A) Approving Sale and Bidding Procedures in Connection with Sale of Assets of the Debtor, (B) Authorizing the Sale of Assets Free and Clear of all Liens, Claims, Encumbrances and Other Interests, and (C) Granting Related Relief* (the “Motion”) (Docket No. 66) with the Clerk of the Bankruptcy Court seeking, among other things, entry of an order (the “Sale Order”) authorizing and approving: (a) the sale of substantially all of its assets (collectively, the “Assets”) free and clear of liens, claims, encumbrances and other interests, with all such liens, claims, encumbrances and other interests attaching with the same validity and priority to the sale proceeds, to one or more purchasers submitting the highest or otherwise best offers therefor (the “Sale”); and (b) procedures for the assumption and assignment of executory contracts and unexpired leases (collectively, the “Contracts”). Please note that all capitalized terms used but not defined herein shall have the meanings set forth in the Motion.

PLEASE TAKE FURTHER NOTICE THAT on [_____] , 2017, the Court entered an order (Docket No. ___) (the “Bidding Procedures Order”) granting certain of the

¹ This case is jointly administered with the case of Arabella Operating, LLC, Case No. 17-41479.

relief sought in the Motion, including, among other things, approving: (a) the bidding procedures for the Sale of the Assets (the “Bidding Procedures”); and (b) procedures for the assumption and assignment of Contracts (the “Assumption and Assignment Procedures”).

PLEASE TAKE FURTHER NOTICE that the Debtors will seek approval of the Sale at a hearing presently scheduled to take place on August 21, 2017 at 1:30 p.m. (Central Time), or as soon thereafter as counsel may be heard, before the Honorable Russell F. Nelms, United States Bankruptcy Court, United States Bankruptcy Court, Northern District of Texas — Fort Worth Division, Eldon B. Mahon U.S. Courthouse, 501 W. 10th St., Fort Worth, Texas 76102-3643, or before any other judge who may be sitting in his place and stead (the “Sale Hearing”).

PLEASE TAKE FURTHER NOTICE THAT at the Sale Hearing, the Debtors may seek to assume and assign to one or more Successful Bidder(s) for the Assets at the Auction (as defined in the Bidding Procedures Order) (each an “Assignee”) some or all of the Contracts and any modifications thereto set forth on Exhibit A hereto (collectively, the “Assumed and Assigned Contracts”). In addition, the Debtors’ calculation of the cure amounts, if any, necessary for the assumption and assignment of the Assumed and Assigned Contracts (the “Cure Amounts”) are set forth on Exhibit A.

PLEASE TAKE FURTHER NOTICE THAT as soon as practicable after the conclusion of the Auction, the Debtors shall file with the Court and serve by first-class mail, facsimile, electronic transmission, or overnight mail on the Contract Counterparty (and its attorney, if known) to each Assumed and Assigned Contract a notice: (a) identifying the Successful Bidder(s); (b) stating which Contract(s) will be assumed and assigned thereto; and (c) containing a statement as to the Successful Bidder(s)’ ability to perform the Debtors’ obligations under the applicable Assumed and Assigned Contracts.

PARTIES LISTED ON EXHIBIT A HERETO ARE RECEIVING THIS NOTICE BECAUSE THE DEBTORS, OR OTHER POTENTIAL BIDDER(S), HAVE IDENTIFIED THEM AS A POTENTIAL COUNTERPARTY TO AN ASSUMED AND ASSIGNED CONTRACT. Under the terms of the Assumption and Assignment Procedures, if at any time after the entry of the Bidding Procedures Order the Debtors identify additional prepetition executory Contracts and/or Leases to be assumed and assigned to the Purchaser as Assumed and Assigned Contracts (whether before or after closing of any Sale(s) of relevant Assets), the Debtors shall serve a supplemental Assumption and Assignment Notice by first-class mail, facsimile, electronic transmission, or overnight mail on the Contract Counterparty (and its attorney, if known) to each supplemental Assumed and Assigned Contract at the last known address available to the Debtors by no later than ten (10) days before the proposed effective date of the assignment. Such Contract Counterparty shall have a period of ten (10) days from receipt of the supplemental Assumption and Assignment Notice to file with the Court any objection to the proposed cure amount or the assumption and assignment of such Contract(s), as applicable, as will be set forth in the supplemental Assumption and Assignment Notice.

Obtaining Additional Information

Additional copies of the Motion, the Bidding Procedures Order, the Bidding Procedures and any other related documents are available upon request to counsel for the Debtors David A. Hall, Miller Johnson, 45 Ottawa Ave. SW, Suite 1100, Grand Rapids, MI 49503, halld@millerjohnson.com.

Assumed and Assigned Contract Objection Procedures

Pursuant to the Assumption and Assignment Procedures, all objections to the assumption and assignment of any Contract, including without limitation any objection to the Debtors' proposed Cure Amount or the provision of adequate assurance of future performance under any Contract pursuant to Section 365 of the Bankruptcy Code ("Adequate Assurance") (other than objections filed in response to any supplemental Assumption and Assignment Notice, as set forth above) must: (a) be in writing; (b) be signed by counsel or attested to by the objecting party; (c) be in conformity with the Bankruptcy Rules and applicable local rules; (d) be filed with the Clerk of the Bankruptcy Court for the Northern District of Texas, Clerk of the Bankruptcy Court for the Northern District of Texas, United States Bankruptcy Court, Northern District of Texas — Fort Worth Division, Eldon B. Mahon U.S. Courthouse, 501 W. 10th St., Fort Worth, Texas 76102-3643, by no later than 5:00 p.m. (Central Time) on August 16, 2017, by no later than 5:00 p.m. (Central Time) or other applicable deadline as indicated in the Motion; (e) be served in accordance with applicable local rules so as to be received on or before the relevant objection deadline by the following: (i) Co-counsel to the Debtors, David A. Hall, Miller Johnson, 45 Ottawa Ave. SW, Suite 1100, Grand Rapids, MI 49503, halld@millerjohnson.com and Ray Battaglia, Law Offices of Ray Battaglia PLLC, 66 Granburg Circle, San Antonio, Texas 78218, rbattaglia@outlook.com; (ii) counsel to any official committee appointed in this case, and (iii) Office of the United States Trustee for the Northern District of Texas, 1100 Commerce St # 976, Dallas, TX 75242; (f) identify the Contract to which the objector is party; (g) describe with particularity any cure the claimant contends is required under Section 365 of the Bankruptcy Code (the "Cure Claim") and identify the basis(es) of the alleged Cure Claim under the Contract; (h) attach all documents supporting or evidencing the Cure Claim; and (i) if the response contains an objection to Adequate Assurance, state with specificity what the objecting party believes is required to provide Adequate Assurance.

CONSEQUENCES OF FAILING TO TIMELY FILE AND SERVE AN OBJECTION

ANY COUNTERPARTY TO AN ASSUMED AND ASSIGNED CONTRACT WHO FAILS TO TIMELY FILE AND SERVE AN OBJECTION TO THE PROPOSED ASSUMPTION AND ASSIGNMENT OF AN ASSUMED AND ASSIGNED CONTRACT AND/OR THE CURE AMOUNT SET FORTH ON EXHIBIT A IN ACCORDANCE WITH THE BIDDING PROCEDURES ORDER AND THE ASSUMPTION AND ASSIGNMENT PROCEDURES SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE ASSUMPTION AND ASSIGNMENT OF THE ASSUMED AND ASSIGNED CONTRACT AND/OR THE CURE AMOUNT SET FORTH ON EXHIBIT A, INCLUDING ASSERTING ADDITIONAL CURE AMOUNTS WITH RESPECT TO THE ASSUMED AND ASSIGNED CONTRACT RELATING TO ANY PERIOD PRIOR TO THE TIME OF ASSUMPTION AND ASSIGNMENT.

Dated: _____

EXHIBIT A

Cure Amount Schedule

Contract Counterparty	Description of Contract or Lease	Proposed Cure Amount

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
MIDLAND DIVISION

IN RE:	§	
ARABELLA PETROLEUM	§	
COMPANY, LLC,	§	CASE NO. 15-70098-TMD-11
	§	
Debtor.	§	CHAPTER 11

**ORDER GRANTING MOTION TO AUTHORIZE SALE OF
PROPERTY OF THE ESTATE**

Came on for consideration the Motion to Authorize Sale of Property of the Estate (the “Motion”), filed by Morris Weiss, Chapter 11 Trustee (the “Trustee”). After considering the Motion, and response and argument, the Court is of the opinion that the Motion should be granted, for the reasons stated on the record. It is, therefore

ORDERED that the Motion is granted, and the Trustee is authorized to sell the Assets (as defined in the Motion) in connection with the sale procedures authorized in the Arabella Exploration, LLC bankruptcy case, No. 17-40120, pending in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division, pursuant to that Court’s Amended Order Approving Sale and Bidding Procedures entered May 5, 2017. This Court will hold a

hearing to approve the sale of the Assets on _____, 2017 at _____ o'clock
____.m.

###

Entry requested by:

Mark C. Taylor
Waller Lansden Dortch & Davis LLP
100 Congress Ave., Suite 1800
Austin, Texas 78701
(512) 685-6400
Mark.taylor@wallerlaw.com

ATTORNEYS FOR MORRIS WEISS,
CHAPTER 11 TRUSTEE