

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

IN RE: §
§
Continental Exploration, LLC, § CASE NO. 15-41607
Debtor. § CHAPTER 11

CHAPTER 11 TRUSTEE’S MOTION FOR ORDERS (A)(i) APPROVING BID PROCEDURES IN CONNECTION WITH THE PROPOSED SALE OF CERTAIN ASSETS OF THE DEBTOR AND (ii) SCHEDULING A HEARING TO CONSIDER APPROVAL OF SUCH SALE AND PRESCRIBING THE FORM AND MANNER OF NOTICE WITH RESPECT THERETO AND (B)(i) AUTHORIZING AND APPROVING THE SALE OF CERTAIN ASSETS OF THE DEBTOR FREE AND CLEAR OF ALL LIENS, CLAIMS AND ENCUMBRANCES (ii) AUTHORIZING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES; AND (iii) GRANTING RELATED RELIEF

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Jason Searcy, the Chapter 11 Trustee of Continental Exploration, LLC (the “Trustee”) in the above referenced bankruptcy case (the “Bankruptcy Case”) hereby files this Motion for Orders (A)(i) Approving Bid Procedures in Connection with the Proposed Sale of Certain Assets of the Debtors and (ii) Scheduling a Hearing to Consider Approval of Such Sale and Prescribing the Form and Manner of Notice with Respect Thereto and (B)(i) Authorizing and Approving the Sale of Certain Assets of the Debtors Free and Clear of all Liens, Claims and Encumbrances; (ii) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (iii) Granting Related Relief (the “Motion”), and respectfully represents as follows:

I. Jurisdiction

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief sought herein are Sections 105, 363 and 365 of Chapter 11 of title 11 of

the United States Code (the “Bankruptcy Code”), as complemented by Rules 2002, 6004 and 6006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

II. Preliminary Statement

2. The Debtor is an oil and gas exploration company that claims to own over 1,000 non-operating working and royalty interest across the United States, including in Texas, Oklahoma and Pennsylvania. The Debtor operates 34 wells across southern Oklahoma and Texas. Included in those 34 wells are 16 wells and the accompanying leasehold interest, mineral interest, equipment and other Assets (as defined in Section IV(A) herein and on Exhibit A attached hereto). During the course of this Bankruptcy Case Jason Searcy was appointed as the chapter 11 trustee (the “Trustee”), effectively removing the Debtor’s principal, Douglas Harrington (“Harrington”), from control of the Debtor.

3. Prior to the appointment of the Trustee, multiple working interest owners related to the Assets discovered that the Debtor, through Harrington, misappropriated millions in production revenue funds that are owned by working interest and royalty interest owners. It was also discovered that Harrington misappropriated over one million dollars in prepayment monies paid to the Debtor by certain working interest owners to drill or complete specific wells that make up part of the Assets. After the appointment of the Trustee, it was discovered that Harrington orchestrated additional accounting, record and property misappropriations with regards to many of the Debtor’s assets, including, but not limited to, the Assets that are the subject of this Motion. Due to the claims associated with the Assets by royalty owners and working interest owners derived from the Debtor’s pre-petition conduct and Harrington’s pre and post-petition conduct, the marketing and sale of the Assets has proven to be a challenge. The only logical party to serve as a stalking horse bidder for the Assets is a working interest owner or

a group of working interest owners in the Assets that were, themselves, the victims of Harrington's bad acts.

4. In March of 2016, Thunder Oil and Gas ("Thunder"), the Trustee and Wells Fargo Bank N.A. ("Wells Fargo") commenced informal discussions and negotiations regarding the estate's sale of the Assets. The discussions and negotiations resulted in Thunder making a Stalking Horse Bid (as hereinafter defined) to purchase the Assets for \$775,000.00. After additional negotiations between Thunder, Wells Fargo and the Trustee as to the non-cash terms of Thunder's offer, Thunder submitted a proposed stalking horse bid *via* the Second Amended Offer of Thunder Oil and Gas (the "Stalking Horse Bid"). A true and correct copy of the Stalking Horse Bid is attached hereto as Exhibit A. Thunder intends to fund the Stalking Horse Bid *via* contributions from a number of other parties that are working interest owners in the Assets, namely Jackal Oil Company; B&W Exploration, Inc.; RKW Energy, LLC; HHE AS-Prospects 2005; CPE Resources, Inc.; Huntley & Huntley, Inc.; and Red Rock Resources, all collectively with Thunder the "Buyers."

5. The Stalking Horse Bid seeks to purchase the Assets (as defined herein and therein), which constitute, among other things, oil and gas wells and properties operated by the Debtor in Marshal and Johnston Counties, Oklahoma and the assets, equipment, pipelines and contracts related thereto. *See* Exhibit A. Specifically, Thunder has submitted a cash offer of \$775,000.00 for the Assets and has agreed to serve as the stalking horse bidder in an auction of the Assets. In doing so, Thunder has requested specific stalking horse protections and bid procedures, namely that Thunder shall be entitled to a breakup fee equal to 5% of the above stated bid price (\$38,750) for any sale of the Assets in or through Debtor's Bankruptcy Case to any other bidder for a higher or better offer. Thunder has requested that for a prospective

bidder's bid to be considered, such prospective bidder must first become a Qualified Bidder (as hereinafter defined) which, among other things, requires the prospective bidder to deposit \$50,000.00 cash with the Trustee. Thunder has requested that any qualified bid for the Assets be for all of the Assets that are the subject of the Stalking Horse Bid (not piecemeal). Further, Thunder has requested that any and all qualified bids must be delivered to the Trustee on or before 4:00 p.m. central standard time on November 1, 2016, and if another qualified bid is submitted, that the Trustee hold an auction for the Assets (the "Auction") in sufficient time so that Thunder (or the winning purchaser) may close on the sale of the Assets by 5:00 p.m. central standard time on November 14, 2016.

6. Wells Fargo has consented the requested terms of the Stalking Horse Bid, and supports the sale of the Assets, which are Wells Fargo's collateral, to Thunder or the prevailing Qualified Bidder at the conclusion of the Auction.

7. Neither the Trustee nor PLS have received offers from other potential purchasers to purchase the Assets. The Trustee believes it is prudent to have a formal sales process providing potential, unknown purchasers the ability to bid on or purchase the Assets. The Trustee has concluded in his sound business judgment that the sale of the Assets of the Debtor pursuant to the Bid Procedures is in the best interest of the Debtor's bankruptcy estate and creditors of the Debtors. The Bid Procedures will provide a mechanism for the Trustee to sell the Assets in a manner that will result in the highest and best recovery for the Debtor's bankruptcy estate. Therefore, in an effort to move a sale process to conclusion, the Trustee files this Motion for the purpose of seeking authority to establish procedures and sell the Assets. A true and correct copy of the proposed Bid Procedures is attached hereto as Exhibit B.

III. Procedural History

8. On September 2, 2015 (the “Petition Date”), the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of Texas, Sherman Division (the “Court”).

9. On December 30, 2015, the Court ordered the U.S. Trustee to appoint a Chapter 11 trustee for this Bankruptcy Case [Docket No. 116].

10. On January 27, 2016 this Court approved the appointment of the Trustee of the Debtor’s bankruptcy estate [Docket No. 141].

11. On March 1, 2016, the Court approved the Trustee’s retention of Traton Engineering Associates, LP (“Traton”) to operate the oil and gas assets owned by the Debtor’s bankruptcy estate that were formerly operated by the Debtor [Docket No. 163].

12. On July 28, 2016, this Court approved the Trustee’s retention of PLS, Inc. (“PLS”) to market and facilitate the sale of certain assets of the Debtor’s bankruptcy estate. PLS has been actively marketing the Assets¹ since September 19, 2016. Due to the incomplete and inaccurate records kept by the Debtor pre-Petition and prior to the appointment of the Trustee, PLS was not able to obtain sufficient, accurate information to market the Assets prior to mid-September. Nevertheless, the Trustee has obtained numerous offers to purchase some of the Debtor’s assets, including Thunder’s Stalking Horse Bid.

IV. Relief Requested

13. By this Motion, the Trustee seeks the entry of the following two orders, pursuant to Section 105, 363 and 365 of the Bankruptcy Code, and Rules 2004, 6004 and 6009 of the Bankruptcy Rules:

¹ As defined herein.

- a. Bid Procedures Order. The bid procedures order, in a form substantially similar to the proposed order attached hereto as Exhibit C, does the following:
 - i. Allow the Trustee to sell the Assets.
 - ii. Establish and approve bid procedures (the “Bid Procedures”) and requirements for interested parties to submit competing bids for the Assets, and if a competing bid is properly submitted, require the Trustee to hold an auction for the Assets.
 - iii. Schedule a hearing (the “Sale Hearing”) to consider approval of the proposed sale to the winning bidder and the related relief requested in this Motion;
 - iv. Approve the form and manner of Notice of Sale contemplated by this Motion;
 - v. Approve the form, manner and procedure of the Trustee’s assumption and assignment of certain executory contracts and unexpired leases and the notice related thereto;
 - vi. Fix the dates for the filing of objections, if any, to the relief requested in this Motion.
 - vii. Pursuant to the agreement between PLS and the Debtor’s bankruptcy estate, call for PLS to market the Assets to potential purchasers and maintain a data room to allow potential purchasers to conduct due diligence to make a determination whether an offer will be made. Provided, however, that no person or potential purchaser shall be allowed to access the data room or the due diligence contained therein unless such person or potential purchaser first executes a Confidentiality Agreement substantially in the form attached hereto as Exhibit I (“CA”)

- b. Sale Order. The sale order will do the following:
 - i. Approve and authorize the sale and purchase of the Assets to the buyer;
 - ii. Authorize the assumption and assignment of certain executory contracts and unexpired leases;
 - iii. Authorize the sale of the Assets of the Debtor to a buyer, free and clear of all liens, claims and encumbrances (except as expressly agreed);

- iv. Provide for replacement liens against the proceeds for the sale of the Assets in favor of the secured creditor (Wells Fargo) with the same rights and priorities therein as in the sold Assets and allow for distribution of the sales proceeds in accordance with the secured creditor's rights and agreements regarding the Assets; and
- v. Authorize the Trustee to take any and all other actions necessary to consummate the sale of the Assets.

14. Time is of the essence. This case has been pending for over one year. The Debtor/Debtor's equity has proposed two chapter 11 plans of reorganization--confirmation was denied on the Debtor's first plan, and the Court denied approval of the disclosure statement supporting the Debtor's second plan. No other party, entity or person has come forward with a bona-fide offer to purchase the Assets. Moreover, the Trustee and the Debtor's estate continue to incur substantial administrative fees operating the Assets. Thus, establishing the requested time line and process for sale of the Assets as described in this Motion will serve to maximize value for the creditors and will relieve a burden and financial drain on the Debtor's estate.

15. After analyzing the Buyers' offer, the Assets to be sold and the Debtor's business, the Trustee has exercised his business judgment and concluded that the sale of the Assets pursuant to the Bid Procedures, with bids subject to higher and better bids, bid increments and breakup fee as outlined below, is in the best interest of the Debtor, the Debtor's estate and the creditors of the Debtor's estate. A true and correct copy of the Bid Procedures is attached hereto as Exhibit B.

A. Overview of Stalking Horse Bid and transaction proposed thereunder

16. Thunder, backed by the other Buyers, has submitted the Stalking Horse Bid to purchase the Assets from the Debtor's estate. The Trustee, after analyzing the Stalking Horse Bid, has determined that it is in the best interest of the Debtor's estate to designate Thunder as the stalking horse for the purpose of seeking approval of the sale of the Assets.

17. The following are the “Assets” which are the subject of Thunder’s Stalking Horse Bid, this Motion and the Bid Procedures:

Oil and Gas Interests

All of Debtor’s right, title and interests in and to all of the oil, gas and mineral leasehold interest, leases, operating rights, mineral interests, working interest and royalty interests, joint operating agreements, operating agreements and exploration agreements in on or to the wells and sections listed below and all leasehold acreage, force pooled interests, contractual interests, non-consent interests, and farm-in interests held by or as a result of any pooling order, proration unit or drilling order regarding the listed wells and leasehold interests or acreage and any instrument executed in amendment, correction, modification, confirmation, renewal or extension of any such interests (the “Properties”);

Continental Exploration Wells In Oklahoma						
WellName	API	County	State	Section	Township	Range
Logan Beard #1-25	35-069-20083	Johnston	OK	25	4S	5E
Logan Beard #2-25	35-069-20152	Johnston	OK	25	4S	5E
Logan Beard #3-25	35-069-20157	Johnston	OK	25	4S	5E
Baxter Ashford #1-26	35-069-20084	Johnston	OK	26	4S	5E
Baxter Ashford #2-26	35-069-20087	Johnston	OK	26	4S	5E
Douglas Harrington #1-26	35-069-20153	Johnston	OK	26	4S	5E
Frances Duke #1-26	35-069-20086	Johnston	OK	26	4S	5E
Oil Creek #1	35-069-20078	Johnston	OK	26	4S	5E
Randolph Lake #1-26	35-069-20085	Johnston	OK	26	4S	5E
Logan Beard #1-31	35-095-20635	Marshall	OK	31	4S	6E
Shannon Barker #1-31	35-095-20494	Marshall	OK	31	4S	6E
Burtle Duncan #1-35	35-095-20495	Marshall	OK	35	4S	5E
Randolph Bottom #1-35	35-095-20488	Marshall	OK	35	4S	5E
Logan Beard #1-36	35-095-20490	Marshall	OK	36	4S	5E
Logan Beard #2-36	35-095-20619	Marshall	OK	36	4S	5E
Logan Beard #3-36	35-095-20634	Marshall	OK	36	4S	5E

Wells

All of Debtor's right, title and interest in and to all oil wells, gas wells and/or casing-head gas wells and other wells now or hereafter located upon the Properties;

Hydrocarbons

All of Debtor's right, title and interest in and to all oil, casing-head gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and all products refined therefrom, and all other minerals in and under, and that may be produced and saved from the Properties on and after the date of closing;

Equipment

All of Debtor's right, title and interest in and to all equipment, tanks, derricks, fixtures, pumps, jacks, casings, tubing rods, cable lines, pipelines, flow lines, meter runs, separators, buildings, machinery, tools, pipe and all other equipment, appurtenances, apparatus, appliances, and property of every kind and character, movable or immovable, now or at any time hereafter located on the Properties or which may now or hereafter be used or obtained in connection with the Properties;

Compressor Site Lease and Facility Site Lease

All of Debtor's right, title and interest in and to any compressor site lease and facility site on any lands covered by the Properties, and any instrument executed in amendment, correction, modification, confirmation, renewal or extension of any of such leases, together with all equipment and appurtenances located on said leases used or obtained in connection therewith.

Easements and Rights of Ways

All of Debtor's right, title and interest in and to all easements and rights of way on, under or associated any of the Properties.

See Exhibit A.²

18. The bid price for the Assets is \$775,000.00 cash, and includes the transfer of the Assets free and clear of all liens, claims and encumbrances of any kind *save and except* the

² Expressly excluded from the "Assets" are any and all oil and gas wells currently operated by XTO on the Properties. This exclusion and the excepted wells are limited to the well bore only of the XTO operated wells. Such wells, include but are not limited to, the Holly 1-34H27 (API 35-095-205), the Sitzes 1-24HR (API 35-069-20161), the Winford 1-27H (API 35-069-20126) and the Winkler 1-25H30X29 (API 35-069-20158).

Stalking Horse Bid contemplates taking the Baxter Ashford 2-26 wellbore subject to the Debtor's plugging and abandonment liability. Information regarding the Assets is contained in a data room or virtual data room maintained by PLS, access which is available to any bonafide, potential purchaser that executes a CA.

B. Proposed Bid Procedures

19. Thunder (backed by the other Buyers) proposes to pay all cash at closing for the Assets subject to the following conditions:

(1) The entry of a final order by the Court approving the sale of the Assets free and clear of all liens, claims, interests and encumbrances (save and except for the plugging and abandonment liabilities related to the Baxter Ashford 2-26 wellbore) acceptable to Thunder, and obtained in sufficient time to allow Thunder to close the purchase of the Assets by 5:00 p.m. on November 14, 2016;

(2) Submission and acceptance of Thunder's bid as a stalking horse bid with at least the following protections:

a) Thunder shall be entitled to a Break Up Fee equal to 5% of the cash offer (\$38,750) for any sale of the Assets in or through Debtor's bankruptcy case to any other bidder submitting a higher or better offer;

b) The Assets are marketed and sold as a package, not piecemeal, and any bid must be on the same terms and conditions as Thunder's bid;

c) Any other bid must be from a Qualified Bidder to be considered. In order to be a Qualified Bidder, the proposed bidder tender a \$50,000 refundable, cash deposit with the Trustee and provide the Trustee with proof of funds to close the sale of the Assets. Thunder (and the Buyers) are and shall be considered Qualified Bidders and is not required to tender a \$50,000 cash deposit to the Trustee;

d) The first bid for the Assets after Thunder's offer of \$775,000 must be a cash bid equal to or greater than \$825,000 (the "Over Bid");

e) All subsequent bids after the Over Bid must be cash bids in increasing increments of at least \$25,000 greater than the immediate preceding bid (the “Bid Increment”);

f) Any party interested in submitting a bid must become a Qualified Bidder and submit a bid for all of the Assets to the Trustee, in writing, by no later than 4:00 p.m. central standard time on November 1, 2016. Such bids may be submitted to the Trustee *via* email at jsearcy@jsearcylaw.com;

g) Any subsequent bidder, other than Thunder, must include identification of the party submitting the bid and any equity holders, investors, lenders, partners, joint venturers of the party submitting the bid, as well as all parties (if any) that are going to fund or finance the purchase;

h) Any bid submitted shall not contain any due diligence, financing or regulatory contingencies of any kind;

i) Any bid submitted must be for all of the Assets **as is, where is** and without representations and warranties;

j) If a Qualified Bidder timely and properly submits a bid, other than that submitted by Thunder, the Trustee may conduct an auction (the “Auction”) with respect to all of the Assets. Any Auction for the Assets shall take place at the following location: Law Offices of Searcy & Searcy, P.C., 446 Forest Square, Longview, Texas 75605 on November 3, 2016 and commence at 9:00 a.m., central standard time;

k) At the Auction for the Assets any responsive, Qualified Bidder shall have 30 minutes to provide a counter or additional bid;

l) The acceptance of any proposal or offer of a Qualified Bidder shall be subject to documentation and the Trustee shall have the option of documenting the last bid from each Qualified Bidder if the Trustee does not agree with the offered documents; and

m) Other typical and reasonable bid and auction procedures acceptable to Thunder.

20. In order to appropriately evaluate bids for the Assets of the Debtor, the Trustee seeks to have this Court establish the Bid Procedures. The Bid Procedures will govern the submission of competing bids for the Assets other than a credit bid made under Section 363(k) of

the Bankruptcy Code, and should ensure that maximum value is obtained for the Assets of the Debtors.

21. The Bid Procedures are designed to strike a balance between the Trustee's fiduciary duty to subject the Assets to a competitive bidding process, and enable the Trustee to close a sale with a buyer on a timely basis in light of the size of the Debtor's bankruptcy estate, the time that the bankruptcy case has been pending and the continued administrative burdens placed on the Debtor's estate that are incurred in connection with, among other things, the ownership and operations of the Assets. The Trustee submits that the Bid Procedures are fair, reasonable and necessary, and do not impose undue obstacles to the competitive bid process. Accordingly, the Trustee respectfully submits that approval of the proposed Bid Procedures is warranted and appropriate.

22. Upon approval of the Bid Procedures, the Trustee shall serve a notice of the Bid Procedures by first class mail, postage prepaid, which will include the bid deadline (the "Bid Procedures Notice") on the U.S. Trustee for the Eastern District of Texas, the Debtor, all parties on the Debtor's Complex Chapter 11 Service List at Docket No. 137, and all entities or persons known to have expressed an interest in purchasing the Assets. The Bid Procedures Notice shall be in the form approved by this Court pursuant to the Bid Procedures Order. A true and correct copy of the proposed Bid Procedures Notice is attached hereto as Exhibit D.

C. Notice of Sale Hearing

23. Upon the entry of the Bid Procedures Order, the Trustee shall serve by first class mail, postage prepaid, a Notice of Sale Hearing on the U.S. Trustee for the Eastern District of Texas, the Debtor, all parties on the Debtor's Complex Chapter 11 Service List at Docket No. 137, and all entities or persons known to have expressed an interest in purchasing the Assets.

The Notice of Sale Hearing shall set forth the date, time and place of the Auction and the Sale Hearing. A true and correct copy of the proposed Notice of Sale Hearing is attached hereto as Exhibit E.

D. Post-Auction Notice

24. As soon as possible after the conclusion of the Auction, the Trustee shall file and serve only through the court's ECF system, a notice identifying any successful bidder for the Assets.

E. Stipulation between Wells Fargo and certain Working Interest Owners

25. When this Bankruptcy Case was filed, a bona fide dispute existed between Wells Fargo on the one hand, and Jackal Oil Company; Waltrip Energy, LLC; Gasco Energy, LLC;, Harper Petroleum Engineering, Inc.; George Michael Harper; HHE AS-Prospects 2005; CPE Resources, Inc.; Huntley & Huntley, Inc.; Thunder Oil & Gas; Jim Newkumet; OKLA Energy Partners; B&W Exploration, Inc.; RKW Energy, LLC, R3 II, LLC; Cajun IVY Investments and Michael P. Bonds (collectively the "Interest Owners") as to the priority of Wells Fargo's liens in the Debtor's interests in the Assets *vis-à-vis* the Interest Owners' alleged liens and claims to the Debtors' interests in the Assets. Pursuant to the Stipulation attached hereto as Exhibit F, the Interested Parties stipulate that Wells Fargo holds pre-petition, valid and properly perfected liens and security interests in the Assets.

V. Authority in Support of the Proposed Procedures and Transaction.

A. Sale of the Assets is authorized pursuant to Section 363 of the Bankruptcy Code

26. Section 363(b)(1) of the Bankruptcy Code provides that "[t]he trustee, 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). The sale of the Assets as requested herein may be approved

under Section 363(b) if the sale is supported by the Trustee's sound business justification. *See e.g. Institutional Creditors of Continental Airlines, Inc. v. Continental Air Lines (In re Continental Air Lines)*, 780 F.2d 1223, 1226 (5th Cir. 1986) (“[F]or a debtor-in-possession or trustee to satisfy its fiduciary duty to the debtor, creditors and equity holders, there must be some articulated business justification for using, selling or leasing the property outside the ordinary course of business.”). Once the Trustee articulates a valid business justification, “[t]he business judgment rule ‘is a presumption that in making the business decision the [Trustee] acted on an informed basis, in good faith and in honest belief that the action was in the best interests of the company.’” *In re S.N.A. Nut Co.*, 186 B.R. 98 (Bankr. N.D. Ill. 1995); *In re Johns-Manville Corp.*, 60 B.R. 612, 615-106 (Bankr. S.D.N.Y. 1986) (“a presumption of reasonableness attaches to a debtor’s management decisions”).

27. The Trustee’s decision to sell the Assets pursuant to the Bid Procedures requested herein is based on a number of factors, including: (i) the time that this bankruptcy case has been pending, (ii) the Debtor’s liquidity issues, (iii) the costs and expense on the Debtor’s estate in operating, maintaining and servicing the Assets, (iv) the existence of a willing buyer (or Buyers) for the Assets, and (v) Wells Fargo’s agreement to allow for the sale of its collateral to a third-party free and clear of its liens (with the understanding that its liens will attach to the proceeds of the sale of the Assets, and reserving its right to credit bid in accordance with its contractual rights). Based on these factors, the Trustee has determined in the sound exercise of his business judgment that the sale of the Assets is in the best interest of the Debtor’s estate and creditors.

28. Additionally, the Trustee has proposed a fair and open process for achieving the highest and best offer for the sale of the Assets for the benefit of the Debtor’s estate and creditors. The sale of the Assets will be subject to competing bids, enhancing the ability for the

Debtor's estate to receive the highest or otherwise best value for the Assets. Consequently, the fairness and reasonableness of the consideration to be received by the Debtor's estate will ultimately be demonstrated by and through the bid and auction process.

29. All creditors and parties-in-interest will receive adequate notice of the Bid Procedures and Sale Hearing. Such notice is reasonably calculated to provide timely and adequate notice to the Debtor's major creditors and those parties most interested in this Chapter 11 case, contract counterparties, those potentially interested in on the Assets and others whose interests are potentially implicated by the proposed sale of the Assets. Accordingly, consummating the sale as soon as possible is in the best interests of the Debtor's estate, its creditors and parties in interest.

B. The Proposed Sale of the Assets Satisfies the Requirement of Section 363(f)

30. Section 363(f) of the Bankruptcy Code permits the Trustee to sell the Assets free and clear of all liens, claims, interests, charges and encumbrances—with any such liens, claims, interests, charges and encumbrances attaching to the proceeds of the sale with the same rights and priorities therein as in the sold Assets. In order to sell the Assets free and clear of all liens, claims, interests, charges and encumbrances, the Trustee must satisfy one of the following conditions: (i) applicable non-bankruptcy law permits the sale of such property free and clear of such interest; (ii) the lienholder or claim holder consents, (iii) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property, (iv) such interest is a bona fide dispute; or (v) the lienholder could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest. *See* 11 U.S.C. § 363(f).

31. In the present case, conditions (ii) and (v) are met. Wells Fargo holds the primary or priority lien against the Assets,³ and has consented to the sale of the Assets as set forth in this Motion. Likewise, because Wells Fargo could be compelled to accept a monetary satisfaction of its interest in the Assets, the requirements of Section 365(f)(5) are met.

C. Assumption and Assignment of Executory Contracts and Unexpired Leases

32. Section 365(a) of the Bankruptcy Code provides, *inter alia*, that the trustee “subject to the court’s approval, may assume or reject any executory contract or [unexpired] lease of the debtor.” 11 U.S.C. § 365(a). The bankruptcy court’s approval of the Trustee’s decision to assume or reject an executory contract or unexpired lease is based on whether the Trustee’s reasonable business judgment supports assumption or rejection. *See e.g. In re Stable Mews Assoc., Inc.*, 41 B.R. 594, 596 (Bankr. S.D.N.Y. 1984). Moreover, pursuant to section 365(b)(1) of the Bankruptcy Code, a debtor must cure or provide adequate assurance that the debtor will promptly cure any default under the to be assumed executory contract. 11 U.S.C. § 365(b)(1).

33. Once an executory contract is assumed, the Trustee may assign such contract. *See In re Rickel Home Center, Inc.*, 209 F.3d 291, 299 (3rd Cir. 2000) (“[t]he Code generally favors free assignability as a means to maximize the value of the debtor’s estate”); *In re Headquarters Doge, Inc.*, 13 F.3d 674, 682 (3rd Cir. 1994) (noting the purpose of section 365(f) is to assist the trustee in realizing the full value of the debtor’s assets). Section 365(f) of the Bankruptcy Code provides that the “trustee may assign an executory contract...only if the trustee assumes such contract...and adequate assurance of future performance is provided.” 11 U.S.C. § 365(f)(2). Adequate assurance may be demonstrated by the assignee’s experience, expertise or financial ability to perform under the contract going forward.

³ Subject to the Stipulation.

34. At the Sale Hearing, the Trustee will request that this Court approve the assumption and assignment of certain executory contracts and unexpired leases. Any and all of the executory contracts and unexpired leases of the Debtors that touch or concern the Assets will be subject to potential assumption and assignment to the purchaser of the Assets pursuant to the Stalking Horse Bid, any subsequent bid from a Qualified Bidder (including a subsequent bid from Thunder), and/or the Bid Procedures. The executory contracts that will be assumed and assigned to Thunder if Thunder is the winning bidder pursuant to the Stalking Horse Bid (or subsequent bid) includes, but are not limited to, the contracts listed on Exhibit G (the "Contracts").

35. A majority of the executory Contracts that are to be assumed and assigned are joint operating agreements under which the Debtor has operated the Assets. The Trustee has determined that the assumption, assignment and sale of those executory Contracts, which are included as part of the Assets, is necessary to facilitate the sale of the Assets as a whole. The Assets' value to Thunder or any purchaser will be diminished if the applicable and accompanying Contracts are not assigned along with the conveyance of the other Assets. Therefore, in order to maximize the sales price of the Assets and to facilitate a transaction that will lessen the burden on the Debtor's estate, the assumption and assignment of the Contracts is not only supported by the Trustee's reasonable business judgment, but is in the best interest of the Debtor's estate and creditors.

36. Most, if not all of the holders of cure claims are working interest owners of the various wells and Properties that make up the Assets. During the course of this bankruptcy case it was discovered (or confirmed) that Harrington, the owner of the Debtor, misappropriated revenues owed to working interest owners and usurped prepayment monies paid by working

interest owners to the Debtor to drill or complete wells. Harrington used millions of dollars that belong to the working interest owners under the various joint operating agreements and exploration agreements to pay for and purchase assets in his own name or the Debtor's name.

37. The consideration for the cure for any Contract for which a cure is necessary shall be the allowance of a general unsecured claim against the Debtor's estate in the amount necessary to cure the Debtor's monetary defaults under such Contract. As further consideration for the cure of any Contract for which cure is necessary, the Trustee has agreed that the sale of the Assets may not be to an insider or affiliate of the Debtor, an insider of an insider of the Debtor or partners, or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the Assets.

38. Attached hereto as Exhibit H is a proposed Cure Notice and list of Contracts that may be assumed and assigned which provides notice to non-Debtor parties of an opportunity to object to (i) the assumption and/or assignment, (ii) the cure amount, or (iii) the cure treatment. The Cure Notice shall be served on all parties on the Debtor's Complex Chapter 11 Mailing List, the U.S. Trustee for the Eastern District of Texas and all known parties to the Contracts. The sending of the Cure Notice shall not obligate Thunder or any other prevailing bidder to seek assumption and assignment of each of the Contracts. The prevailing bidder may designate the contracts to be assumed prior to Closing.

39. The Trustee requests that any objection to the Trustee assuming or assigning the Contracts or the cure amount or cure treatment with regards to the Contracts listed in the Cure Notice shall be filed with the Court and served on the Trustee at jsearcy@jrsearcylaw.com

within 14 days of the entry of the Bid Procedures Order. The Trustee also requests that the Cure Notice may be supplemented or amended (the "Additional Cure Notice") to add Contracts or alter the cure amount or cure treatment of previously noticed Contracts. Provided that any Additional Cure Notice must be filed with the Court and served on all parties that are ordered to be served the Cure Notice within five (5) business days prior to the conclusion of the Sale Hearing and that the Additional Cure Notice shall state the date of the Sale Hearing and the deadline to object. The Trustee also requests that any objection to the assumption or assignment of Contracts in the Additional Cure Notice or to altered cure amount or cure treatment of a Contract listed in the Cure Notice shall be filed with this Court at least twenty-four (24) hours prior to the date of the Sale Hearing or the date of the continuation of the Sale Hearing following the filing and service of the Additional Cure Notice.

40. The Trustee proposes that if no objection is timely filed, the cure amount and cure relief set forth in the Cure Notice and Additional Cure Notice(s) shall be controlling notwithstanding anything to the contrary in any Contracts or any related documents, and each non-Debtor party or party in interest to the Contracts shall be barred from asserting any other claim arising prior to the assignment against the Trustee or buyer/assignee of any Contracts. If an objection to any assumption or assignment of a Contract is made, including any objection requiring the proposed buyer to demonstrate adequate assurance of future performance, a hearing on such objection will be held at the Sale Hearing. Notwithstanding the foregoing, any party that holds or may hold a cure claim may object to the proposed cure at the Sale Hearing if the proposed cure hereunder is not feasible due to the purchaser.

D. Thunder is entitled to the protections of Section 363(m)

41. If Thunder (or its assigns) is the purchaser of the Assets, it should be entitled to the good faith purchaser protections under section 363(m) of the Bankruptcy Code. Thunder's offer to purchase the Assets was negotiated at arm's length with the Trustee and Wells Fargo. If it is the purchaser, Thunder will pay valuable consideration for the Assets and Thunder is not an insider to, partner with or in any way related to the Debtor or Douglas Harrington.

E. Waiver of Bankruptcy Rule 6004(h) is Appropriate

42. Bankruptcy Rule 6004(h) provides that "an order authorizing the use, sale or lease of property other than cash collateral is stayed until the expiration of 14 days after the entry of the order, unless the court orders otherwise. *See* Federal Bankruptcy Rule 6004(h). The Trustee requests that the Court direct that the Sale Order become effective immediately upon its entry and expressly order that the stay provisions in Bankruptcy Rule 6004(h) do not apply to the Sale Order to the sale of the Assets because it is necessary to close the sale of the Assets as soon as possible after the Sale Hearing to lessen the cost and expense burden on the Debtor's estate caused by the continued ownership and operational expenses of the Assets.

WHEREFORE, the Trustee respectfully requests that the Court:

- i. Enter the Bid Procedures Order as requested herein;
- ii. Schedule a hearing to consider the approval of the sale of the Assets as set forth herein and prescribe the form and manner of notice with respect thereto;
- iii. Authorize and approve the sale of the Assets free and clear of all liens, claims and encumbrances (except as expressly agreed by the purchaser);
- iv. Authorize the assumption and assignment of the Contracts and approve the Cure Notice; and
- v. grant any further relief that the Trustee is entitled.

DATED: October 5, 2016

Respectfully submitted,
SEARCY & SEARCY, P.C.

/s/ Callan C. Searcy

Jason R. Searcy, State Bar No. 17953500

Email: jsearcy@jrsearcylaw.com

Joshua P. Searcy, State Bar No. 24053468

Email: joshsearcy@jrsearcylaw.com

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Email: ccsearcy@jrsearcylaw.com

PO Box 3929

Longview, Texas 75606

903.757.3399 TEL

903.757.9559 FAX

ATTORNEY'S FOR CH. 11 TRUSTEE

CERTIFICATE OF SERVICE

I, the undersigned, certify that a true and correct copy of the above and foregoing was served by electronic notice on all persons requesting notice under the ECF filing system for the Eastern District of Texas and via regular first class mail to the interested party shown below by this law firm on October 5, 2016. I further certify that a true and correct copy was served via U. S. Mail, postage paid, to each interested party on the attached service list by the service agent, Certificateofservice.com, on or before October 6, 2016.

/s/ Callan C. Searcy

Callan C. Searcy

Dorchester Resources, LP
PO Box 18879
Oklahoma City, OK 73154-8879

SHANNON GRACEY

EXHIBIT A

SHANNON, GRACEY, RATLIFF & MILLER, LLP

H. Brandon Jones
bjones@shannongracey.com

Direct: (817) 877-8165
Facsimile: (817) 336-3735

September 16, 2016

Via Email: jsearcy@jrsearcy.com

Jason Searcy
As Chapter 11 Trustee of the Bankruptcy Estate
of Continental Exploration, LLC
P.O. Box 3929
Longview, Texas 75606

Re: *In re Continental Exploration, LLC*, Case No. 15-41607 pending before the
United States Bankruptcy Court for the Eastern District of Texas, Sherman
Division

Second Amended Offer of Thunder Oil and Gas to purchase certain Assets of
Continental Exploration, LLC

Dear Jason:

As you know, our firm represents a number of working interest owners and creditors in the Continental Exploration, LLC (“CEX”) bankruptcy case, including Thunder Oil and Gas (“Thunder”). On or about July 21, 2016, Thunder submitted an offer to you, as named purchaser, to purchase certain Assets currently owned by CEX. Subsequent to the initial offer, Wells Fargo Bank, N.A. (“WF”) as the claimed priority lien holder as to the Assets commenced negotiations regarding the consideration necessary for it to release its lien on the Assets via a sale under Section 363 of the Bankruptcy Code. On August 30, 2016, Thunder submitted an Amended Offer to you. Subsequent to the Amended Offer, WF and Thunder continued negotiations regarding the marketing period and the date by which the closing of the sale of the Assets must occur. This Second Amended Offer includes the additional terms agreed upon between Thunder and WF.

As a result of the above referenced negotiations, Thunder, as the named purchaser, and its successors and assigns hereby makes the following amended offer to purchase the below described Assets from CEX’s bankruptcy estate.

Assets:

Oil and Gas Interest.

All of CEX's right, title and interest in and to all of the oil, gas and mineral leasehold interest, leases, operating rights, mineral interests, working interest and royalty interest, joint operating agreements, operating agreements and exploration agreements in on or to the wells and sections listed on Exhibit A hereto and all leasehold acreage, force pooled interests, contractual interests, non-consent interests, and farm-in interests held by or as a result of any pooling order, proration unit or drilling order regarding the listed wells and leasehold interest or acreage and any instrument executed in amendment, correction, modification, confirmation, renewal or extension of any such interests (the "Properties");

Wells.

All of CEX's right, title and interest in and to all oil wells, gas wells and/or casinghead gas wells and other wells now or hereafter located upon the Properties;

Hydrocarbons.

All of CEX's right, title and interest in and to all oil, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and all products refined therefrom, and all other minerals in and under, and that may be produced and saved from the Properties on and after the date of closing;

Equipment.

All of CEX's right, title and interest in and to all equipment, tanks, derricks, fixtures, pumps, jacks, casings, tubing rods, cable lines, pipelines, flow lines, meter runs, separators, buildings, machinery, tools, pipe and all other equipment, appurtenances, apparatus, appliances, and property of every kind and character, movable or immovable, now or at any time hereafter located on the Properties or which may now or hereafter be used or obtained in connection with the Properties;

Compressor Site Lease and Facility Site Lease.

All of CEX's right, title and interest in and to any compressor site lease and facility site on any lands covered by the Properties, and any instrument executed in amendment, correction, modification, confirmation, renewal or extension of

any of such leases, together with all equipment and appurtenances located on said leases used or obtained in connection therewith.

Easements and Rights of Ways.

All of CEX's right, title and interest in and to all easements and rights of way on, under or associated any of the Properties.

BUT EXPRESSLY EXCLUDING any and all oil and gas wells currently operated by XTO on the Properties. This exclusion and the excepted wells are limited to the well bore only of the XTO operated wells. Such wells, include but are not limited to, the Holly 1-34H27, the Sitzes 1-24HR, the Winford 1-27H and the Winkler 1-25H30X29.

Purchase Price: \$775,000.00 cash.

Named Purchaser: Thunder Oil and Gas.

Terms:

- a) The above listed Assets shall be purchased free and clear of all liens, claims or encumbrances of any kind and of any party pursuant to section 363, save and except for the plugging and abandonment liability on the Baxter Ashford 2-26 wellbore.
- b) Thunder (or its assigns) shall be a good-faith buyer pursuant to Section 363(m) and entitled to the protections afforded thereby.
- c) Thunder shall serve as the Stalking Horse Bidder for any auction or sales process regarding the sale of the Assets in or through CEX's Bankruptcy Case.
- d) Thunder shall be entitled to a Break Up Fee equal to 5% of the above stated Purchase Price (\$38,750) for any sale of the Assets in or through CEX's Bankruptcy Case to any other bidder for a higher or better offer.
- e) If an auction or competitive sale is held with regards to the Assets, all bids must be for cash; all bidders save for Thunder must first post a \$50,000 refundable, cash deposit with the Trustee prior to bidding on the Assets; the first bid for the Assets after Thunder's offer of \$775,000 must be a cash bid equal to or greater than \$825,000; and all subsequent bids must be cash bids in an amount least \$25,000 greater than the immediate preceding bid. All bids must be received by the Trustee (or the Court's designated recipient for bids) by 4:00 central standard time on October 18, 2016.
- f) This offer may be subject to a to-be-executed Purchase and Sale Agreement if either Thunder or the Trustee require or request a Purchase and Sale Agreement be executed.
- g) The Assets shall be purchased as is, where is.

Term and Closing: Closing of the sale of the Assets must occur on or before 5:00 p.m. central standard time on October 31, 2016 or as otherwise agreed by the Trustee and Thunder (the "Closing Date"). If the closing of the Assets does not occur by the Closing Date, this Second Amended Offer shall terminate.

This Second Amended Offer is expressly conditioned upon the entry of an order from the United States Bankruptcy Court for the Eastern District of Texas, Sherman Division allowing the sale of the Assets on the terms stated herein.

Sincerely,



H. Brandon Jones

Enclosure: Exhibit A.

Exhibit A

Continental Exploration Wells In Oklahoma						
WellName	API	County	State	Section	Township	Range
Logan Beard #1-25	35-069-20083	Johnston	OK	25	4S	5E
Logan Beard #2-25	35-069-20152	Johnston	OK	25	4S	5E
Logan Beard #3-25	35-069-20157	Johnston	OK	25	4S	5E
Baxter Ashford #1-26	35-069-20084	Johnston	OK	26	4S	5E
Baxter Ashford #2-26	35-069-20087	Johnston	OK	26	4S	5E
Douglas Harrington #1-26	35-069-20153	Johnston	OK	26	4S	5E
Frances Duke #1-26	35-069-20086	Johnston	OK	26	4S	5E
Oil Creek #1	35-069-20078	Johnston	OK	26	4S	5E
Randolph Lake #1-26	35-069-20085	Johnston	OK	26	4S	5E
Logan Beard #1-31	35-095-20635	Marshall	OK	31	4S	6E
Shannon Barker #1-31	35-095-20494	Marshall	OK	31	4S	6E
Burtle Duncan #1-35	35-095-20495	Marshall	OK	35	4S	5E
Randolph Bottom #1-35	35-095-20488	Marshall	OK	35	4S	5E
Logan Beard #1-36	35-095-20490	Marshall	OK	36	4S	5E
Logan Beard #2-36	35-095-20619	Marshall	OK	36	4S	5E
Logan Beard #3-36	35-095-20634	Marshall	OK	36	4S	5E

EXHIBIT B

)IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

IN RE:	§	
	§	
Continental Exploration, LLC,	§	CASE NO. 15-41607
Debtor.	§	CHAPTER 11

BID PROCEDURES

PROVISION	DESCRIPTION
<i>Assets to be Sold</i>	<p>The Assets to be sold are the following assets, interests, rights and property owned by Continental Exploration, LLC (“Debtor”):</p> <p style="margin-left: 40px;"><i>Oil and Gas Interests.</i></p> <p style="margin-left: 40px;">All of Debtor’s right, title and interest in and to all of the oil, gas and mineral leasehold interests, leases, operating rights, mineral interests, working interests and royalty interests, joint operating agreements, operating agreements and exploration agreements in on or to the wells and sections listed below and all leasehold acreage, force pooled interests, contractual interests, non-consent interests, and farm-in interests held by or as a result of any pooling order, proration unit or drilling order regarding the listed wells and leasehold interests or acreage and any instrument executed in amendment, correction, modification, confirmation, renewal or extension of any such interests (the “Properties”);</p>

Continental Exploration Wells In Oklahoma						
WellName	API	County	State	Section	Township	Range
Logan Beard #1-25	35-069-20083	Johnston	OK	25	4S	5E
Logan Beard #2-25	35-069-20152	Johnston	OK	25	4S	5E
Logan Beard #3-25	35-069-20157	Johnston	OK	25	4S	5E
Baxter Ashford #1-26	35-069-20084	Johnston	OK	26	4S	5E
Baxter Ashford #2-26	35-069-20087	Johnston	OK	26	4S	5E
Douglas Harrington #1-26	35-069-20153	Johnston	OK	26	4S	5E
Frances Duke #1-26	35-069-20086	Johnston	OK	26	4S	5E
Oil Creek #1	35-069-20078	Johnston	OK	26	4S	5E
Randolph Lake #1-26	35-069-20085	Johnston	OK	26	4S	5E
Logan Beard #1-31	35-095-20635	Marshall	OK	31	4S	6E
Shannon Barker #1-31	35-095-20494	Marshall	OK	31	4S	6E
Burtle Duncan #1-35	35-095-20495	Marshall	OK	35	4S	5E
Randolph Bottom #1-35	35-095-20488	Marshall	OK	35	4S	5E
Logan Beard #1-36	35-095-20490	Marshall	OK	36	4S	5E
Logan Beard #2-36	35-095-20619	Marshall	OK	36	4S	5E
Logan Beard #3-36	35-095-20634	Marshall	OK	36	4S	5E

Wells.

All of Debtor's right, title and interest in and to all oil wells, gas wells and/or casinghead gas wells and other wells now or hereafter located upon the Properties;

Hydrocarbons.

All of Debtor's right, title and interest in and to all oil, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons and all products refined therefrom, and all other minerals in and under, and that may be produced and saved from the Properties on and after the date of closing;

Equipment.

All of Debtor's right, title and interest in and to all equipment, tanks, derricks, fixtures, pumps, jacks, casings, tubing rods, cable lines, pipelines, flow lines, meter runs, separators, buildings, machinery, tools, pipe and all other equipment, appurtenances, apparatus, appliances, and property of every kind and character, movable or immovable, now or at any time hereafter located on

	<p>the Properties or which may now or hereafter be used or obtained in connection with the Properties;</p> <p><i>Compressor Site Lease and Facility Site Lease.</i></p> <p>All of Debtor’s right, title and interest in and to any compressor site lease and facility site on any lands covered by the Properties, and any instrument executed in amendment, correction, modification, confirmation, renewal or extension of any of such leases, together with all equipment and appurtenances located on said leases used or obtained in connection therewith.</p> <p><i>Easements and Rights of Ways.</i></p> <p>All of Debtor’s right, title and interest in and to all easements and rights of way on, under or associated any of the Properties.</p> <p><i>BUT EXPRESSLY EXCLUDING</i> any and all oil and gas wells currently operated by XTO on the Properties. This exclusion and the excepted wells are limited to the well bore only of the XTO operated wells. Such wells, include but are not limited to, the Holly 1-34H27 (API 35-095-20580), the Sitzes 1-24HR (API 35-069-20161), the Winford 1-27H (API 35-069-20126) and the Winkler 1-25H30X29 (API 35-069-20158).</p>
<p><i>As Is, Where Is</i></p>	<p>The sale of the Assets shall be on an “as is, where is, basis and without representations or warranties of any kind by Jason Searcy as the Chapter 11 Trustee of the Debtor’s bankruptcy estate (the “Trustee”). All of the Debtor’s right, title and interest in and to the Assets shall be sold free and clear of all known claims, liens, encumbrances and interests (“Interests”) in accordance with Section 363 of the Bankruptcy Code, including, but not limited to, the claims, liens, encumbrances and interests in favor of secured creditors whose secured liens have previously been recognized by the Court, with such Interests of the secured creditor attaching to the net proceeds of the sale of the Assets.</p> <p>Each bidder shall be deemed to acknowledge and represent that it: (i) has had an opportunity to inspect and examine the Assets, and to conduct any and all due diligence regarding the Assets prior to making its offer; (ii) relied solely upon its own independent review, investigation, and/or inspection of any documents and/or the Assets in making its bid; and (iii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever express or implied, by operation of law or otherwise, regarding the Assets, or the completeness of any information provided in connection therewith or the Auction.</p>

<p><i>Notice of Auction</i></p>	<p>Upon approval by the Court, to be noticed as provided in the order of the Court, these Bid Procedures, including the time and place that all Qualified Bidders must submit qualified bids and the place of the Auction (the “Bid Procedures Notice”), shall be served upon the following entities:</p> <ul style="list-style-type: none"> a. The U.S. Trustee for the Eastern District of Texas; b. All parties on the Debtor’s Complex Chapter 11 Service List at Docket No. 137; and c. All entities or persons known to have expressed an interest in purchasing the Assets
<p><i>Due Diligence</i></p>	<p>All bidders (each a “Potential Bidder”) who request information related to the Assets or access to the data room managed by PLS, Inc. (“PLS”) shall be required to enter into a standard confidentiality agreement with the Trustee (the “Confidentiality Agreement”). Unless waived by the Trustee, Potential Bidders will also be required to provide a current financial statement, if available, or, if the Potential Bidder is an entity formed for the purpose of acquiring the Assets, current financial statements of the equity holder(s) of the Potential Bidder, or such other form of financial disclosure that is reasonably acceptable to the Chapter 11 Trustee.</p> <p>Upon: (i) the execution of the Confidentiality Agreement; and (ii) a determination by the Trustee that the Potential Bidder has established that it has or is likely to have sufficient cash on hand to purchase the Assets on or before the Closing Date, the Trustee shall provide such Potential Bidder reasonable access to the Debtor’s information <i>via</i> the data room managed by PLS, and shall allow the Potential Bidder to inspect the Assets if the Potential Bidder so desires. The terms of Thunder Oil and Gas’ (“Thunder”) bid for the purchase of the Assets (the “Stalking Horse Bid”), including any draft of an asset purchase agreement related to such bid, shall also be provided to Potential Bidders who satisfy the requirements of this paragraph.</p>
<p><i>Bid Procedures</i></p>	<p>Each Potential Bidder that wishes to be qualified as a Qualified Bidder (as defined below) and continue to participate in the bidding process must tender to the Trustee a \$50,000.00 refundable cash deposit (the “Deposit”), and deliver to the Trustee the following documents (the “Bid Documents”):</p> <ul style="list-style-type: none"> a. A written offer for a sum certain to acquire the Assets on the same terms as the Stalking Horse Bid that is in a form acceptable to the Trustee. The written offer must describe any contracts and leases to be assumed by the Debtor and assigned to the Potential Bidder. A bid may provide for the assumption of specific liabilities; b. Evidence reasonably satisfactory to the Trustee demonstrating that the

	<p>Potential Bidder’s proposed bid meets the requirements for a Qualified Bid (defined below), including all relevant financial documents;</p> <p>c. Any bid other than the Stalking Horse Bid must be for cash and in the amount of \$825,000.00, or greater (the “Over Bid”);</p> <p>d. Every bid after the Over Bid shall be made in increments of at least \$25,000 over and above the prior bid;</p> <p>e. All bidders shall be deemed to have consented to the core jurisdiction of the Court and to have waived any right to a jury trial in connection with any disputes relating to the Auction and/or the sale of the Assets; and</p> <p>f. An acknowledgement signed by a representative of the bidder that provides that: (i) it is familiar with the collusive bidding provisions contained in 11 U.S.C § 363(n); (ii) agrees to comply with such provisions; and (ii) certifies that it has in fact complied with such provision.</p> <p>g. Any Deposit from the Successful Bidder (as hereinafter defined) shall be applied to the purchase price of the Assets.</p>
<p><i>Bid Deadline</i></p>	<p>Bids must be actually received by the Trustee by 4:00 p.m. central standard time on November 1, 2016 (the “Bid Deadline”). Bids may be sent to the Trustee <i>via</i> email at jsearcy@searcy.com.</p> <p>Within forty-eight (48) hours of the Trustee receiving a bid from a Potential Bidder, the Trustee will notify each Potential Bidder whether their bid constitutes a Qualified Bid (as hereinafter defined). If such bid constitutes a Qualified Bid, the Trustee may, at the request of any other Qualified Bidder or Thunder, disclose the terms of any bid from a Qualified Bidder to other Qualified Bidders.</p>
<p><i>Qualified Bidder</i></p>	<p>A bid must meet of the following requirements to be considered a qualified bid (“Qualified Bid”):</p> <p>a. Each Prospective Bidder must tender the Deposit to the Trustee, and such funds must clear any holds and constitute good funds in order to be deemed received by the Trustee.</p> <p>b. Each bid must include the Bid Documents set forth above;</p> <p>c. Each bid must constitute a good faith, bona fide offer to acquire all of the Assets;</p> <p>d. Each bid shall not be conditioned on any terms or conditions, including but not limited to any of the following: financing, regulatory approval, shareholder</p>

	<p>approval, environmental contingencies, and/or the outcome of due diligence by the Potential Bidder;</p> <p>e. Each bid must remain irrevocable until the Closing Date (November 14, 2016, or as extended by agreement);</p> <p>f. As a condition to making a bid, any Potential Bidder must have provided the Chapter 11 Trustee on or before the Bid Deadline, with sufficient and adequate information to demonstrate, to the reasonable satisfaction of the Trustee that such bidder: (i) has the financial wherewithal and ability to consummate the acquisition of the Assets; and (ii) can establish an ability to provide all non-debtor counter-parties to the contracts and leases to be assumed with "adequate assurance" of future performance as contemplated by section 365(f) of the Bankruptcy Code, if applicable; and</p> <p>g. Secured creditors with a valid and unavoidable lien on collateral, which has been previously recognized by the Bankruptcy Court and whose collateral is being sold and included in the auction, are "qualified bidders" with respect to their rights under 11 U.S.C. § 363(k), and may credit bid as part of the auction. Such secured creditors need not otherwise qualify pursuant to the Bid Procedures, including but not limited to providing Bid Documents, to exercise such right.</p>
<p><i>Auction and Bidding Increments</i></p>	<p>If the Trustee determines that there is at least two Qualified Bidders, the Chapter 11 Trustee shall conduct an Auction sale of the Assets in accordance herewith. <i>If there is only one Qualified Bidder that submits a bid in accordance with these bid procedures (i.e. if there is no other qualified bid other than Thunder's Stalking Horse Bid), an Auction will not be conducted and Thunder shall be the winning bidder.</i></p> <p>The Auction shall commence at 9:00 a.m. (central standard time) on November 3, 2016, at the offices of Searcy & Searcy, P.C., 446 Forest Square, Longview, Texas 75605.</p> <p>At the Auction, the Chapter 11 Trustee shall prescribe the method for the conduct of the Auction in accordance with these Bid Procedures.</p> <p>During the Auction, bidding shall begin initially with the highest and/or best Qualified Bid. Bidding at the Auction shall continue until such time as the highest or otherwise best bid is determined. The Trustee will only consider increased bids raised in increments of \$25,000, or more. When the Qualified Bidders are notified that a proposed purchase amount has been tendered, the responsive bidder will have thirty (30) minutes to provide a counter bid.</p> <p>The winning bidder's Deposit shall be refunded if the winning offer is not</p>

	<p>approved by the Court, or the Trustee is unable to close the transaction through no fault of the bidder.</p> <p>Acceptance of any proposal will be subject to documentation and the Trustee will have the option of documenting the last bid from each Qualified Bidder if the Trustee does not agree with the offered documents. At the sole discretion of the Trustee, a binding purchase and sale agreement in a format proposed by the Trustee may be executed prior to any hearing seeking approval of the offer.</p> <p>All Qualified Bidders wishing to participate in the Auction shall appear in person at the Auction, or through a duty-authorized representative.</p>
<i>Break Up Fee</i>	<p>If the Assets or any of the Assets are sold by the Trustee or the Debtor's bankruptcy estate to a party other than Thunder for an amount or value exceeding \$775,000, Thunder is and shall be entitled to a break up fee of \$38,750.00 (the "Break Up Fee") from the funds paid for the Assets. If the Assets are purchased by a party other than Thunder without the use of funds (i.e. <i>via</i> a credit bid) the winning bidder shall be responsible for and liable for the Break Up Fee.</p>
<i>Expenses</i>	<p>Each party submitting a bid shall bear its own expenses in connection with the sale of the Assets (save and except for the Break Up Fee), whether or not such party is the Successful Bidder (as defined below) or the sale of the Assets is ultimately approved. Any transfer, sales or other similar taxes or fees to be paid in connection with the transaction shall be paid by the Successful Bidder.</p>
<i>Winning Bid/Back-up Bid</i>	<p>Upon conclusion of the Auction, the Trustee shall evaluate the Qualified Bids, and shall determine which bid is the highest and best offer for the Assets in accordance with these Bid Procedures (the "Highest and Best Bid") (the bidder having submitted a Highest and Best Bid is the "Successful Bidder").</p> <p>The Successful Bidder shall immediately complete and execute all agreements, contracts, instruments, or other documents evidencing and containing the terms and conditions upon which the Winning Bid was made, including, without limitation, a purchase and sale agreement. The Successful Bidder shall be bound by the applicable purchase and sale agreement, subject to the conditions thereof, including, without limitation, approval of the sale by the Court pursuant to the Sale Hearing or otherwise.</p> <p>The Chapter 11 Trustee shall evaluate all bids and determine which bid (the "Back-up Bid") would be the highest and best bid if the Successful Bidder's bid does not close. The Back-up Bid shall remain open until the Closing of the sale of the Assets to the Successful Bidder. In the event the Successful Bidder does not close the sale of the Assets, then the Back-up Bid shall become the Successful Bidder and the Chapter 11 Trustee will proceed to</p>

	close on the Back-up Bid without further order of the Court.
<i>Sale Approval Hearing</i>	A hearing on the sale of the Assets the (“Sale Hearing”) will take place on November ____, 2016 at _____ a.m/p.m. before the Honorable Brenda T. Rhoades, United States Bankruptcy Judge for the Eastern District of Texas, Sherman Division.
<i>Closing</i>	<p>The consummation of the transaction contemplated hereby (the “Closing”) shall take place at the offices of Searcy & Searcy, P.C., 446 Forest Square, Longview, Texas 75605, on or before 5:00 p.m. central standard time on November 14, 2016 (the “Closing Date”) or as extended by the agreement of the Trustee and the Successful Bidder.</p> <p>If the Successful Bidder fails to close the purchase of the Assets by the Closing Date, other than as a result of a material breach by Trustee or events or conditions outside of the control of the Successful Bidder, on the terms set forth in the applicable purchase and sale agreement (a “Purchase Default”), such Successful Bidder shall forfeit the Deposit, and such Deposit shall be irrevocably retained by the Trustee as liquidated damages subject to the liens of secured creditors (if any).</p> <p>In the event of a Purchase Default, the Back-up Bid shall be deemed to be the highest and best bid, and such bid will be deemed to be the Successful Bidder.</p>
<i>Application of the Deposit</i>	The Deposit (together with any interest thereon, if any, accruing prior to the Closing Date) of any Successful Bidder shall be credited to the price paid for the Assets by such Successful Bidder.
<i>Reservation of Rights</i>	The Trustee with the approval of the Court, shall have the right to reject any bid if the Trustee determines, in the reasonable exercise of their fiduciary duties, that such Qualified Bid is: (i) inadequate or insufficient; (ii) not in conformity with the requirements of the Bankruptcy Code, any related rules or the terms set forth herein; or (iii) contrary to the best interests of the Debtors’ estate.
<i>Lien on Proceeds of Sale and Deposits</i>	Any secured creditors shall have a lien on the proceeds of sale and deposits, and any other consideration or claim arising out of the sale to the extent of the respective collateral interests.

Cure Notice List

	Contract	Cure Amount for each Contract Counter Party	Cure Treatment	Parties to the Contract
1.	Joint Operating Agreement regarding the Logan Beard #1-25 well (35-069-20083)	Total amount of unused or mis-used pre-payments paid to the Debtor pre-petition for the Logan Beard #1-25 well. Total amount of revenues owed from the production of the Logan Beard #1-25 well.	Allowance of the Cure Amount as a general unsecured claim. The Assets may not be sold to an insider or affiliate of the Debtor, an insider of an insider of the Debtor or partners, or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the Assets.	See Exhibit 1 regarding the Logan Beard #1-25 well
2.	Joint Operating Agreement regarding the Logan Beard #2-25 well (35-069-20152)	Total amount of unused or mis-used pre-payments paid to the Debtor pre-petition for the Logan Beard #2-25 well. Total amount	Allowance of the Cure Amount as a general unsecured claim. The Assets may not be sold to an insider or affiliate of the Debtor, an insider of an insider of the Debtor or partners,	See Exhibit 1 regarding the Logan Beard #2-25 well

		of revenues owed from the production of the Logan Beard #2-25 well.	or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the Assets.	
3.	Joint Operating Agreement regarding the Logan Beard #3-25 well (35-069-20157)	Total amount of unused or mis-used pre-payments paid to the Debtor pre-petition for the Logan Beard #3-25 well. Total amount of revenues owed from the production of the Logan Beard #3-25 well.	Allowance of the Cure Amount as a general unsecured claim. The Assets may not be sold to an insider or affiliate of the Debtor, an insider of an insider of the Debtor or partners, or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the Assets.	See Exhibit 1 regarding the Logan Beard #3-25 well

<p>4.</p>	<p>Joint Operating Agreement regarding the Baxter Ashford #1-26 well (35-069-20084)</p>	<p>Total amount of unused or mis-used pre-payments paid to the Debtor pre-petition for the Baxter Ashford #1-26 well.</p> <p>Total amount of revenues owed from the production of the Baxter Ashford #1-26 well.</p>	<p>Allowance of the Cure Amount as a general unsecured claim.</p> <p>The Assets may not be sold to an insider or affiliate of the Debtor, an insider of an insider of the Debtor or partners, or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the Assets.</p>	<p>See Exhibit 1 regarding the Baxter Ashford #1-26 well</p>
<p>5.</p>	<p>Joint Operating Agreement regarding the Baxter Ashford #2-26 well (35-069-20087)</p>	<p>Total amount of unused or mis-used pre-payments paid to the Debtor pre-petition for the Baxter Ashford #2-26 well.</p> <p>Total amount of revenues owed from the production of the Baxter Ashford #2-26 well.</p>	<p>Allowance of the Cure Amount as a general unsecured claim.</p> <p>The Assets may not be sold to an insider or affiliate of the Debtor, an insider of an insider of the Debtor or partners, or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any</p>	<p>See Exhibit 1 regarding the Baxter Ashford #2-26 well</p>

			person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the Assets.	
6.	Joint Operating Agreement regarding the Douglas Harrington #1-26 well (35-069-20153)	Total amount of unused or mis-used pre-payments paid to the Debtor pre-petition for the Douglas Harrington #1-26 well. Total amount of revenues owed from the production of the Douglas Harrington #1-26 well.	Allowance of the Cure Amount as a general unsecured claim. The Assets may not be sold to an insider or affiliate of the Debtor, an insider of an insider of the Debtor or partners, or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the Assets.	See Exhibit 1 regarding the Douglas Harrington #1-26 well
7.	Joint Operating Agreement regarding the Frances Duke #1-26 well (35-069-20086)	Total amount of unused or mis-used pre-payments paid to the Debtor pre-petition for the Frances	Allowance of the Cure Amount as a general unsecured claim. The Assets may not be sold to an insider	See Exhibit 1 regarding the Frances Duke #1-26 well

		<p>Duke #1-26 well.</p> <p>Total amount of revenues owed from the production of the Frances Duke #1-26 well.</p>	<p>or affiliate of the Debtor, an insider of an insider of the Debtor or partners, or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the Assets.</p>	
8.	<p>Joint Operating Agreement regarding the Oil Creek #1 well (35-069-20078)</p>	<p>Total amount of unused or mis-used pre-payments paid to the Debtor pre-petition for the Oil Creek #1 well.</p> <p>Total amount of revenues owed from the production of the Oil Creek #1 well.</p>	<p>Allowance of the Cure Amount as a general unsecured claim.</p> <p>The Assets may not be sold to an insider or affiliate of the Debtor, an insider of an insider of the Debtor or partners, or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him</p>	<p>See Exhibit 1 regarding the Oil Creek #1 well</p>

			will own the Assets or operate the Assets.	
9.	Joint Operating Agreement regarding the Randolph Lake #1-26 well (35-069-20085)	Total amount of unused or mis-used pre-payments paid to the Debtor pre-petition for the Randolph Lake #1-26 well. Total amount of revenues owed from the production of the Randolph Lake #1-26 well.	Allowance of the Cure Amount as a general unsecured claim. The Assets may not be sold to an insider or affiliate of the Debtor, an insider of an insider of the Debtor or partners, or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the Assets.	See Exhibit 1 regarding the Randolph Lake #1-26 well
10.	Joint Operating Agreement regarding the Logan Beard #1-31 well (35-095-20635)	Total amount of unused or mis-used pre-payments paid to the Debtor pre-petition for the Logan Beard #1-31 well. Total amount of revenues owed from the production of	Allowance of the Cure Amount as a general unsecured claim. The Assets may not be sold to an insider or affiliate of the Debtor, an insider of an insider of the Debtor or partners, or co-owners / joint ventures with an insider of an affiliate	See Exhibit 1 regarding the Logan Beard #1-31 well

		the Logan Beard #1-31 well.	of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the Assets.	
11.	Joint Operating Agreement regarding the Shannon Barker #1-31 well (35-095-20494)	Total amount of unused or mis-used pre-payments paid to the Debtor pre-petition for the Shannon Barker #1-31 well. Total amount of revenues owed from the production of the Shannon Barker #1-31 well.	Allowance of the Cure Amount as a general unsecured claim. The Assets may not be sold to an insider or affiliate of the Debtor, an insider of an insider of the Debtor or partners, or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the Assets.	See Exhibit 1 regarding the Shannon Barker #1-31 well
12.	Joint Operating Agreement regarding the	Total amount of unused or mis-used pre-	Allowance of the Cure Amount as a general unsecured	See Exhibit 1 regarding the Burtle

	<p>Burtle Duncan #1-35 well (35-095-20495)</p>	<p>payments paid to the Debtor pre-petition for the Burtle Duncan #1-35 well.</p> <p>Total amount of revenues owed from the production of the Burtle Duncan #1-35 well.</p>	<p>claim.</p> <p>The Assets may not be sold to an insider or affiliate of the Debtor, an insider of an insider of the Debtor or partners, or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the Assets.</p>	<p>Duncan #1-35 well</p>
13.	<p>Joint Operating Agreement regarding the Randolph Bottom #1-35 well (35-095-20488)</p>	<p>Total amount of unused or mis-used pre-payments paid to the Debtor pre-petition for the Randolph Bottom #1-35 well.</p> <p>Total amount of revenues owed from the production of the Randolph Bottom #1-35 well.</p>	<p>Allowance of the Cure Amount as a general unsecured claim.</p> <p>The Assets may not be sold to an insider or affiliate of the Debtor, an insider of an insider of the Debtor or partners, or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures</p>	<p>See Exhibit 1 regarding the Randolph Bottom #1-35 well</p>

			with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the Assets.	
14.	Joint Operating Agreement regarding the Logan Beard #1-36 well (35-095-20490)	Total amount of unused or mis-used pre-payments paid to the Debtor pre-petition for the Logan Beard #1-36 well. Total amount of revenues owed from the production of the Logan Beard #1-36 well.	Allowance of the Cure Amount as a general unsecured claim. The Assets may not be sold to an insider or affiliate of the Debtor, an insider of an insider of the Debtor or partners, or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the Assets.	See Exhibit 1 regarding the Logan Beard #1-36 well
15.	Joint Operating Agreement regarding the Logan Beard #2-36 well (35-095-20619)	Total amount of unused or mis-used pre-payments paid to the Debtor pre-petition for the Logan Beard #2-36 well.	Allowance of the Cure Amount as a general unsecured claim. The Assets may not be sold to an insider or affiliate of the Debtor, an insider of an insider of the	See Exhibit 1 regarding the Logan Beard #2-36 well

		<p>Total amount of revenues owed from the production of the Logan Beard #2-36 well.</p>	<p>Debtor or partners, or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the Assets.</p>	
<p>16.</p>	<p>Joint Operating Agreement regarding the Logan Beard #3-36 well (35-095-20634)</p>	<p>Total amount of unused or mis-used pre-payments paid to the Debtor pre-petition for the Logan Beard #3-36 well.</p> <p>Total amount of revenues owed from the production of the Logan Beard #3-36 well.</p>	<p>Allowance of the Cure Amount as a general unsecured claim.</p> <p>The Assets may not be sold to an insider or affiliate of the Debtor, an insider of an insider of the Debtor or partners, or co-owners / joint ventures with an insider of an affiliate of the Debtor. The proposed cure will insure that neither Harrington, nor any person or entity related to, partners with, joint ventures with nor investors with Harrington, or any entity owned or controlled by him will own the Assets or operate the</p>	<p>See Exhibit 1 regarding the Logan Beard #3-36 well</p>

			Assets.	
17.	To the extent that it is an executory contract, that certain Exploration Agreement dated August 1, 1996 titled Exploration Agreement (S.W. Tishomingo Prospect)	There are no known monetary defaults under the Exploration Agreement.	To the extent that the purchaser of the Assets is also a party to the Exploration Agreement (Thunder and Thunder's financial backers are parties), the AMI inside of the Exploration Agreement will be honored as to the Assets purchased	See Exhibit 1. All current parties to the Exploration Agreement are also working interest owners in the various wells operated by Continental in southern Oklahoma; however, not all working interest owners in the various wells are parties to the Exploration Agreement
18.	To the extent that it is an executory contract, the existing written Surface Agreement with landowner/surface owner regarding the Logan Beard #1-25 well to the extent that such agreement exists.	There are no defaults under any written Surface Agreement regarding the Logan Beard 1-25 well.	The purchaser will continue to abide by the terms of the written Surface Agreement (if any) regarding the Logan Beard 1-25 well.	Logan Beard
19.	To the extent that it is an executory contract, the existing written Surface Agreement with landowner/surface owner regarding the Baxter Ashford 1-26 well to the extent that such agreement exists.	There are no defaults under any written Surface Agreement regarding the Baxter Ashford 1-26 well.	The purchaser will continue to abide by the terms of the written Surface Agreement (if any) regarding the Baxter Ashford 1-26 well.	Richard Cooper 9714 State Highway 3W Ada, OK 74820
20.	To the extent that it is an executory contract, the	There are no defaults under any written	The purchaser will continue to abide by the terms of the	Richard Cooper 9714 State Highway 3W

	existing written Surface Agreement with landowner/surface owner regarding the Baxter Ashford 2-26 well to the extent that such agreement exists.	Surface Agreement regarding the Baxter Ashford 2-26 well.	written Surface Agreement (if any) regarding the Baxter Ashford 2-26 well.	Ada, OK 74820
21.	To the extent that it is an executory contract, the existing written Surface Agreement with landowner/surface owner regarding the Douglas Harrington 1-26 well to the extent that such agreement exists.	There are no defaults under any written Surface Agreement regarding the Douglas Harrington 1-26 well.	The purchaser will continue to abide by the terms of the written Surface Agreement (if any) regarding the Douglas Harrington 1-26 well.	Douglas Harrington 1812 Wyndcliff Drive Richardson, TX 75002
22.	To the extent that it is an executory contract, the existing written Surface Agreement with landowner/surface owner regarding the Francis Duke 1-26 well to the extent that such agreement exists.	There are no defaults under any written Surface Agreement regarding the Francis Duke 1-26 well.	The purchaser will continue to abide by the terms of the written Surface Agreement (if any) regarding the Francis Duke 1-26 well.	Francis Duke 521 N.W. 34 th Street Oklahoma City, OK 73118
23.	To the extent that it is an executory contract, the existing written Surface Agreement with landowner/surface owner regarding the Oil Creek 1 well to the extent	There are no defaults under any written Surface Agreement regarding the Oil Creek 1 well.	The purchaser will continue to abide by the terms of the written Surface Agreement (if any) regarding the Oil Creek 1 well.	Baxter Joe Ashford Rt. 1, Box 560 Ada, OK 74820

	that such agreement exists.			
24.	To the extent that it is an executory contract, the existing written Surface Agreement with landowner/surface owner regarding the Randolph Lake 1-26 well to the extent that such agreement exists.	There are no defaults under any written Surface Agreement regarding the Randolph Lake 1-26 well.	The purchaser will continue to abide by the terms of the written Surface Agreement (if any) regarding the Randolph Lake 1-26 well.	United States of America c/o Oklahoma Department of Wildlife ATTN: Dakota Cagle P.O. Box 53465 Oklahoma City, OK 73152
25.	To the extent that it is an executory contract, the existing written Surface Agreement with landowner/surface owner regarding the Shannon Barker 1-31 well to the extent that such agreement exists.	There are no defaults under any written Surface Agreement regarding the Shannon Barker 1-31 well.	The purchaser will continue to abide by the terms of the written Surface Agreement (if any) regarding the Shannon Barker 1-31 well.	Gary & Shannon Barker P.O. Box 573 Madill, OK 73446
26.	To the extent that it is an executory contract, the existing written Surface Agreement with landowner/surface owner regarding the Burtle Duncan 1-35 well to the extent that such agreement exists.	There are no defaults under any written Surface Agreement regarding the Burtle Duncan 1-35 well.	The purchaser will continue to abide by the terms of the written Surface Agreement (if any) regarding the Burtle Duncan 1-35 well.	Burtle Duncan Rt. 2, Box 355 Madill, OK 73446
27.	To the extent that it is an executory contract, the existing written	There are no defaults under any written Surface	The purchaser will continue to abide by the terms of the written Surface	Burtle Duncan Rt. 2, Box 355 Madill, OK 73446

	Surface Agreement with landowner/surface owner regarding the Randolph Bottom 1-35 well to the extent that such agreement exists.	Agreement regarding the Randolph Bottom 1-35 well.	Agreement (if any) regarding the Randolph Bottom 1-35 well.	
28.	To the extent that it is an executory contract, the existing written Surface Agreement with landowner/surface owner regarding the Logan Beard 1-36 well to the extent that such agreement exists.	There are no defaults under any written Surface Agreement regarding the Logan Beard 1-36 well.	The purchaser will continue to abide by the terms of the written Surface Agreement (if any) regarding the Logan Beard 1-36 well.	Logan Beard P.O. Box 128 Madill, OK 73446
29.	Purchase Agreement for Oil with Vitol, Inc.	There are no defaults under the Purchase Agreement with Vitol, Inc.	The purchaser of the Assets will continue to abide by the terms of the Purchase Agreement with Vitol, Inc.	Vitol, Inc.
30.	Purchase Agreement for Gas with Targa Pipeline Mid-Continent, LLC	There are no defaults under the Purchase Agreement with Targa Pipeline Mid-Continent, LLC	The purchaser of the Assets will continue to abide by the terms of the Purchase Agreement with Targa Pipeline Mid-Continent, LLC	Targa Pipeline Mid-Continent, LLC

EXHIBIT G-1

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Rept DMM-E2 Brief Expense-Deck Reference Listing by Well
 Effective Dates: 11/01/14 thru: 11/01/14

Requested by:GLENN
 Comp: 30 CONTINENTAL EXPLORATION, LLC Page 1

Well: 134695 Baxter Ashford #26-1 State:OK JIB-Hold:NO
 Deck:EXPT EffectiveDate:11/01/14 CasePt:A Name:JIB 11-14. Perm NotStd

----- Participants -----						
Entity Code	Entity Name	ST Hold	JIB Memo Int. Type	Decimal Interest	Stat.	
C:	10 ANCIENT SEAS E & P LLC			TX	WI	0.0002310600
C:	30 CONTINENTAL EXPLORATION, LLC			TX	WI	0.2828543600
O:	153150 Mike Bonds			IL	WI	0.0488120500
O:	167110 Cajun-Ivy Investments			TX	WI	0.0227343800
O:	176421 Chapman Minerals LLC			OK	WI	0.0208333300
O:	176423 Chapman Energy LLC			OK	WI	0.0208333300
O:	182007 Claycombe Energy, LLC			TX	WI	0.0035795700
O:	187219 CPE Resources Inc			TX	WI	0.0298922000
O:	334286 George Michael Harper			TX	WI	0.0009775100
O:	334289 Ted N. Harper			TX	WI	0.0029325400
O:	334445 Harper Petroleum Engineering			TX	WI	0.0152931600
O:	353960 HHE AS-PROSPECTS 2005			TX	WI	0.0335117700
O:	361560 Huntley & Huntley Exploration			PA	WI	0.0046211200
O:	361950 Husted Investments, Inc.			OK	WI	0.0064955400
O:	400210 Jackal Oil Company			TX	WI	0.0129910700
O:	500970 Matney Oil & Gas, Inc.			TX	WI	0.0084114600
O:	580844 OKLA Energy Partners LP			OK	WI	0.0655912800
O:	604675 PetroHill Resources LLC			TX	WI	0.0456868300
O:	610890 Pintail Production Co., Inc.			TX	WI	0.1160702100
O:	672265 Ream Interests, Inc.			WV	WI	0.0024102200
O:	681116 R Kirk Whitman			OK	WI	0.0213474600
O:	693269 R3 11 LLC			OK	WI	0.0143980800
O:	700090 S & S Exploration, LP			TX	WI	0.0369992900
O:	700115 SAC Mud Company, Inc.			TX	WI	0.0071036800
O:	717150 Suzanne H Smith			LA	WI	0.0029325400
O:	726510 Steel Holdings, Inc.			CN	WI	0.0689220600
O:	744155 Thunder Oil & Gas, LLC			OK	WI	0.0011608300
O:	870101 XTO Energy Inc (Chinn)			TX	WI	0.1023730700

----- Deck Totals (28 Participants) -----		
Working Interest:		1.0000000000
Total Interest:		1.0000000000

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Requested by:GLENN

Rept DMM-E2 Brief Expense-Deck Reference Listing by Well
 Effective Dates: 11/01/14 thru: 11/01/14

Comp: 30 CONTINENTAL EXPLORATION, LLC Page 1

Well: 139175 Burtle Duncan 1-35 State:OK JIB-Hold:NO
 Deck:EXPI EffectiveDate:11/01/14 CasePt:A Name:JIB 11/14 Perm NotStd

----- Participants -----

Entity Code	Entity Name	ST JIB Hold	Memo Int. Type	Decimal Interest	Stat.
C: 10	ANCIENT SEAS E & P LLC		TX	WI 0.0000811000	
C: 30	CONTINENTAL EXPLORATION, LLC		TX	WI 0.1759290500	
O:118229	Angel Exploration LLC		OK	WI 0.0046875000	
O:133425	B & W Exploration		OK	WI 0.0390626000	
O:153150	Mike Bonds		IL	WI 0.0239259000	
O:167110	Cajun-Ivy Investments		TX	WI 0.0131044000	
O:176423	Chapman Energy LLC		OK	WI 0.0039714000	
O:182007	Claycombe Energy, LLC		TX	WI 0.0019897000	
O:187084	Coromandel Energy LLC		TX	WI 0.0312500000	
O:187219	CPE Resources Inc		TX	WI 0.0101825000	
O:320384	Gore Exploration LLC		OK	WI 0.0048387000	
O:334286	George Michael Harper		TX	WI 0.0011907000	
O:334289	Ted N. Harper		TX	WI 0.0017011000	
O:334445	Harper Petroleum Engineering		TX	WI 0.0088474000	
O:353960	HHE AS-PROSPECTS 2005		TX	WI 0.0163741000	
O:361560	Huntley & Huntley Exploration		PA	WI 0.0228997000	
O:400210	Jackal Oil Company		TX	WI 0.0074878000	
O:500970	Matney Oil & Gas, Inc.		TX	WI 0.0041094000	
O:604675	PetroHill Resources LLC		TX	WI 0.0255606000	
O:610890	Pintail Production Co., Inc.		TX	WI 0.0651564000	
O:681116	R Kirk Whitman		OK	WI 0.0097657000	
O:700090	S & S Exploration, LP		TX	WI 0.0210047500	
O:700115	SAC Mud Company, Inc.		TX	WI 0.0039581000	
O:717150	Suzanne H Smith		LA	WI 0.0017011000	
O:726510	Steel Holdings, Inc.		CN	WI 0.0258278000	
O:744155	Thunder Oil & Gas, LLC		OK	WI 0.0046828000	
O:844754	Ronnie G Williams Tr, Ronnie W		OK	WI 0.0015625000	
O:870100	XTO Energy Inc		TX	WI 0.3747247000	
O:870101	XTO Energy Inc (Chinn)		TX	WI 0.0490596000	
O:870102	XTO Energy Inc (Chpk)		TX	WI 0.0453629000	

----- Deck Totals (30 Participants) -----

Working Interest: 1.0000000000
 Total Interest: 1.0000000000

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Rept DMM-E2 Brief Expense-Deck Reference Listing by Well
 Effective Dates: 11/01/14 thru: 11/01/14

Requested by:GLENN
 Comp: 30 CONTINENTAL EXPLORATION, LLC Page 1

Well: 219976 Douglas Harrington #1-26 State:OK JIB-Hold:Hold
 Deck:EXPL EffectiveDate:11/01/14 CasePt:A Name:Expenses Perm NotStd

----- Participants -----						
Entity Code	Entity Name	ST Hold	JIB Memo	Int. Type	Decimal Interest	Stat.

C: 10	ANCIENT SEAS E & P LLC			TX WI	0.0009558000	
C: 30	CONTINENTAL EXPLORATION, LLC			TX WI	0.2583142000	
O:153150	Mike Bonds			IL WI	0.0048110000	
O:158036	Broughton Petroleum			TX WI	0.0523413000	
O:167110	Cajun-Ivy Investments			TX WI	0.0049601000	
O:182007	Claycombe Energy, LLC			TX WI	0.0027179000	
O:353960	HHE AS-PROSPECTS 2005			TX WI	0.0085131000	
O:361560	Huntley & Huntley Exploration			PA WI	0.0428225000	
O:439164	Keepa Oil Corporation			OK WI	0.0262500000	
O:487308	Louis M. Ford LLC			OK WI	0.0323264000	
O:500963	Marks Oil, Inc			CO WI	0.0546169000	
O:500970	Matney Oil & Gas, Inc.			TX WI	0.0023930000	
O:540052	Jim Newkumat			OK WI	0.0301821000	
O:580844	OKLA Energy Partners LP			OK WI	0.0151865000	
O:600705	Panhandle Oil and Gas Inc			OK WI	0.2667453000	
O:604675	PetroHill Resources LLC			TX WI	0.0265016000	
O:610890	Pintail Production Co., Inc.			TX WI	0.0503137000	
O:693269	R3 11 LLC			OK WI	0.0032693000	
O:700090	S & S Exploration, LP			TX WI	0.0115290000	
O:700115	SAC Mud Company, Inc.			TX WI	0.0044553000	
O:726510	Steel Holdings, Inc.			CN WI	0.0659493000	
O:744155	Thunder Oil & Gas, LLC			OK WI	0.0070957000	
O:870101	XTO Energy Inc (Chinn)			TX WI	0.0277500000	

----- Deck Totals (23 Participants) -----	
Working Interest:	1.0000000000
Total Interest:	1.0000000000

Printed on:12/01/15 at 03:25 PM

Requested by:GLENN

Rept DM-E2 Brief Expense-Deck Reference Listing by Well

Comp: 30 CONTINENTAL EXPLORATION, LLC Page 1

Effective Dates: 11/01/14 thru: 11/01/14

Well: 290265 Frances Duke #1-26 State:OK JIB-Hold:NO
 Deck:EXP EffectiveDate:11/01/14 CasePt:A Name:BPO 11/14 Perm NotStd

----- Participants -----						
Entity Code	Entity Name	ST	JIB Hold	Memo Type	Int. Interest	Stat.

C:	10 ANCIENT SEAS E & P LLC				WI 0.0002152000	
C:	30 CONTINENTAL EXPLORATION, LLC				WI 0.2901652000	
O:	153150 Mike Bonds			IL	WI 0.0502280000	
O:	167110 Cajun-Ivy Investments				TX WI 0.0233940000	
O:	178920 Mary D. Chastaine		CO Hold		WI 0.0033130000	
O:	182007 Claycomba Energy, LLC				TX WI 0.0036430000	
O:	187219 CPE Resources Inc				TX WI 0.0307590000	
O:	333817 John W. Harrell 1984 Trust,		OK Hold		WI 0.0016570000	
O:	334286 George Michael Harper				TX WI 0.0010351000	
O:	334289 Ted N. Harper				TX WI 0.0030180000	
O:	334445 Harper Petroleum Engineering				TX WI 0.0161928000	
O:	353960 HHE AS-PROSPECTS 2005				TX WI 0.0343660000	
O:	361560 Huntley & Huntley Exploration			PA	WI 0.0041940000	
O:	400210 Jackal Oil Company				TX WI 0.0133680000	
O:	487308 Louis M. Ford LLC		OK		WI 0.0298500000	
O:	500970 Matney Oil & Gas, Inc.				TX WI 0.0088707000	
O:	580844 OKLA Energy Partners LP		OK		WI 0.0567650000	
O:	604675 PetroHill Resources LLC				TX WI 0.0465920000	
O:	610890 Pintail Production Co., Inc.				TX WI 0.1184880000	
O:	681116 R Kirk Whitman		OK		WI 0.0242260000	
O:	693269 R3 11 LLC		OK		WI 0.0124610000	
O:	700090 S & S Exploration, LP				TX WI 0.0378280000	
O:	700115 SAC Mud Company, Inc.				TX WI 0.0072360000	
O:	717150 Suzanne H Smith		LA		WI 0.0030180000	
O:	726510 Steel Holdings, Inc.		CN		WI 0.0732820000	
O:	744155 Thunder Oil & Gas, LLC		OK		WI 0.0010530000	
O:	870101 XTO Energy Inc (Chinn)				TX WI 0.1047820000	

----- Deck Totals (27 Participants) -----	
Working Interest:	1.0000000000
Total Interest:	1.0000000000

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Requested by:GLENN

Rept DMM-E2 Brief Expense-Deck Reference Listing by Well
 Effective Dates: 11/01/14 thru: 11/01/14

Comp: 30 CONTINENTAL EXPLORATION, LLC Page 1

Well: 486795 Logan Beard #1-25 State:OK JIB-Hold:NO
 Deck:EXPI EffectiveDate:11/01/14 CasePt:A Name:JIB 11/14 Perm NotStd

----- Participants -----

Entity Code	Entity Name	ST Hold	JIB Memo Type	Int. Type	Decimal Interest	Stat.
C:	10 ANCIENT SEAS E & P LLC		TX	WI	0.0002500000	
C:	30 CONTINENTAL EXPLORATION, LLC		TX	WI	0.2846648800	
O:	153150 Mike Bonds		IL	WI	0.0499348200	
O:	167110 Cajun-Ivy Investments		TX	WI	0.0232572900	
O:	182007 Claycombe Energy, LLC		TX	WI	0.0036813700	
O:	187219 CPE Resources Inc		TX	WI	0.0305797600	
O:	319625 Peter Godfrey	OK Hold		WI	0.0130210000	
O:	319630 William R Godfrey Estate	OK Hold		WI	0.0130210000	
O:	334286 George Michael Harper		TX	WI	0.0100000000	
O:	334289 Ted N. Harper		TX	WI	0.0030000000	
O:	334445 Harper Petroleum Engineering		TX	WI	0.0066449400	
O:	353960 HHE AS-PROSPECTS 2005		TX	WI	0.0343398800	
O:	361560 Huntley & Huntley Exploration		PA	WI	0.0050000000	
O:	361950 Husted Investments, Inc.	OK		WI	0.0066450000	
O:	400210 Jackal Oil Company		TX	WI	0.0132898800	
O:	487308 Louis M. Ford LLC		OK	WI	0.0106640000	
O:	500970 Matney Oil & Gas, Inc.		TX	WI	0.0086215700	
O:	604675 PetroHill Resources LLC		TX	WI	0.0469421100	
O:	610890 Pintail Production Co., Inc.		TX	WI	0.1192012100	
O:	672265 Ream Interests, Inc.		WV	WI	0.0154330000	
O:	681116 R Kirk Whitman		OK	WI	0.0573280000	
O:	700090 S & S Exploration, LP		TX	WI	0.0379691500	
O:	700115 SAC Mud Company, Inc.		TX	WI	0.0073029400	
O:	717150 Suzanne H Smith		LA	WI	0.0030000000	
O:	726510 Steel Holdings, Inc.		CN	WI	0.0688890000	
O:	744155 Thunder Oil & Gas, LLC		OK	WI	0.0012562000	
O:	870101 XTO Energy Inc (Chinn)		TX	WI	0.1050000000	
O:	870102 XTO Energy Inc (Chpk)		TX	WI	0.0210630000	

----- Deck Totals (28 Participants) -----

Working Interest: 1.0000000000
 Total Interest: 1.0000000000

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Requested by:GLENN

Rept DM4-E2 Brief Expense-Deck Reference Listing by Well
 Effective Dates: 11/01/14 thru: 11/01/14

Comp: 30 CONTINENTAL EXPLORATION, LLC Page 1

Well: 486797 Logan Beard #1-36 State:OK JIB-Hold:NO
 Deck:EXPI EffectiveDate:11/01/14 CasePt:A Name:JIB 11/14 Perm NotStd

----- Participants -----

Entity Code	Entity Name	ST Hold	JIB Memo Int. Type	Decimal Interest	Stat.
C:	10 ANCIENT SEAS E & P LLC	TX	WI	0.0001080000	
C:	30 CONTINENTAL EXPLORATION, LLC	TX	WI	0.1228330000	
O:	123673 Dorchester Resources, LP	OK	WI	0.0250000000	
O:	133425 B & W Exploration	OK	WI	0.0520310000	
O:	153150 Mike Bonds	IL	WI	0.0209920000	
O:	167110 Cajun-Ivy Investments	TX	WI	0.0097770000	
O:	182007 Claycombe Energy, LLC	TX	WI	0.0015520000	
O:	187219 CPE Resources Inc	TX	WI	0.0128550000	
O:	278510 Finley Resources Inc.	TX	WI	0.0683600000	
O:	334286 George Michael Harper	TX	WI	0.0004200000	
O:	334289 Ted N. Harper	TX	WI	0.0012610000	
O:	334445 Harper Petroleum Engineering	TX	WI	0.0065770000	
O:	353960 HHE AS-PROSPECTS 2005	TX	WI	0.0144500000	
O:	361560 Huntley & Huntley Exploration	PA	WI	0.0021680000	
O:	400210 Jackal Oil Company	TX	WI	0.0055870000	
O:	500970 Matney Oil & Gas, Inc.	TX	WI	0.0036280000	
O:	604675 PetroHill Resources LLC	TX	WI	0.0197830000	
O:	610890 Pintail Production Co., Inc.	TX	WI	0.0502210000	
O:	681116 R Kirk Whitman	OK	WI	0.0130070000	
O:	700090 S & S Exploration, LP	TX	WI	0.0159900000	
O:	700115 SAC Mud Company, Inc.	TX	WI	0.0030790000	
O:	717150 Suzanne H Smith	LA	WI	0.0012610000	
O:	726510 Steel Holdings, Inc.	CN	WI	0.0312620000	
O:	744155 Thunder Oil & Gas, LLC	OK	WI	0.0005450000	
O:	870100 XTO Energy Inc	TX	WI	0.1562500000	
O:	870101 XTO Energy Inc (Chinn)	TX	WI	0.0442060000	
O:	870102 XTO Energy Inc (Chpk)	TX	WI	0.3167970000	

----- Deck Totals (27 Participants) -----

Working Interest:	1.0000000000
Total Interest:	1.0000000000

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Requested by:GLENN

Rept DMM-E2 Brief Expense-Deck Reference Listing by Well
 Effective Dates: 11/01/14 thru: 11/01/14

Comp: 30 CONTINENTAL EXPLORATION, LLC Page 1

Well: 486799 Logan Beard #1-31 State:OK JIB-Hold:Hold
 Deck:DRG1 EffectiveDate:11/01/14 CasePt:B Name:Dr1g11/14 Perm NotStd

----- Participants -----						
Entity Code	Entity Name	ST Hold	JIB Memo Type	Int. Interest	Stat.	
C: 10	ANCIENT SEAS E & P LLC		TX	WI	0.0003199000	
C: 30	CONTINENTAL EXPLORATION, LLC		TX	WI	0.3354933800	
O:133425	B & W Exploration		OK	WI	0.1244787000	
O:153150	Mike Bonds		IL	WI	0.0598554000	
O:167110	Cajun-Ivy Investments		TX	WI	0.0227324000	
O:182007	Claycombe Energy, LLC		TX	WI	0.0036403000	
O:187219	CPE Resources Inc		TX	WI	0.0039098000	
O:334286	George Michael Harper		TX	WI	0.0008818000	
O:334445	Harper Petroleum Engineering		TX	WI	0.0146535000	
O:353960	HHE AS-PROSPECTS 2005		TX	WI	0.0328915000	
O:361560	Huntley & Huntley Exploration		FA	WI	0.0058518000	
O:400210	Jackal Oil Company		TX	WI	0.0129899000	
O:500970	Matney Oil & Gas, Inc.		TX	WI	0.0105538000	
O:502924	Terry McCart		TX	WI	0.0023379000	
O:604675	PetroHill Resources LLC		TX	WI	0.0463198000	
O:610890	Pintail Production Co., Inc.		TX	WI	0.1005116000	
O:681116	R Kirk Whitman		OK	WI	0.0311195000	
O:700090	S & S Exploration, LP		TX	WI	0.0383299200	
O:700115	SAC Mud Company, Inc.		TX	WI	0.0072147000	
O:726510	Steel Holdings, Inc.		CN	WI	0.0788765000	
O:739990	Texada Development Co., Inc.		TX Hold	WI	0.0222245000	
O:744155	Thunder Oil & Gas, LLC		OK	WI	0.0016072000	
O:870100	XTO Energy Inc		TX	WI	0.0411776000	
O:870102	XTO Energy Inc (Chpk)		TX	WI	0.0020286000	

----- Deck Totals (24 Participants) -----	
Working Interest:	1.0000000000
Total Interest:	1.0000000000

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Requested by:GLENN

Rept DMF-E2 Brief Expense-Deck Reference Listing by Well
 Effective Dates: 11/01/14 thru: 11/01/14

Comp: 30 CONTINENTAL EXPLORATION, LLC Page 1

Well: 486800 Logan Beard #2-25 State:OK JIB-Hold:NO
 Deck:EXP1 EffectiveDate:11/01/14 CasePt:B Name:LOE-BPO. Perm NotStd

----- Participants -----

Entity Code	Entity Name	ST Hold	JIB Memo	Int. Type	Decimal Interest	Stat.
C:	10 ANCIENT SEAS E & P LLC			TX	WI 0.0003138000	
C:	30 CONTINENTAL EXPLORATION, LLC			TX	WI 0.3778147000	
O:	153150 Mike Bonds			IL	WI 0.0562534000	
O:	167110 Cajun-Ivy Investments			TX	WI 0.0262002000	
O:	182007 Claycombe Energy, LLC			TX	WI 0.0036814000	
O:	187219 CPE Resources Inc			TX	WI 0.0305798000	
O:	334286 George Michael Harper			TX	WI 0.0125541000	
O:	334289 Ted N. Harper			TX	WI 0.0030000000	
O:	334445 Harper Petroleum Engineering			TX	WI 0.0083420000	
O:	353960 HHE AS-PROSPECTS 2005			TX	WI 0.0343399000	
O:	361560 Huntley & Huntley Exploration			PA	WI 0.0056327000	
O:	361950 Husted Investments, Inc.			OK	WI 0.0074858000	
O:	400210 Jackal Oil Company			TX	WI 0.0149715000	
O:	487308 Louis M. Ford LLC			OK	WI 0.0120134000	
O:	500970 Matney Oil & Gas, Inc.			TX	WI 0.0108236000	
O:	604675 PetroHill Resources LLC			TX	WI 0.0528820000	
O:	610890 Pintail Production Co., Inc.			TX	WI 0.1192012000	
O:	672265 Ream Interests, Inc.			WV	WI 0.0154330000	
O:	681116 R Kirk Whitman			OK	WI 0.0573280000	
O:	700090 S & S Exploration, LP			TX	WI 0.0379691000	
O:	700115 SAC Mud Company, Inc.			TX	WI 0.0091682000	
O:	717150 Suzanne H Smith			LA	WI 0.0037662000	
O:	726510 Steel Holdings, Inc.			CN	WI 0.0776060000	
O:	744155 Thunder Oil & Gas, LLC			OK	WI 0.0015770000	
O:	870100 XTO Energy Inc			TX	WI 0.0210630000	

----- Deck Totals (25 Participants) -----

Working Interest:	1.0000000000
Total Interest:	1.0000000000

Printed on: 12/01/15 at 03:29 PM

Rept DM-E2 Brief Expense-Deck Reference Listing by Well
 Effective Dates: 11/01/14 thru: 11/01/14

Requested by: GLENN
 Comp: 30 CONTINENTAL EXPLORATION, LLC Page 1

Well: 486805 Logan Beard #2-36 State: OK JIB-Hold: NO
 Deck: EXP1 Effective Date: 11/01/14 Case Pt: B Name: LOE BPO Perm NotStd

----- Participants -----

Entity Code	Entity Name	ST	JIB Hold	Memo Int. Type	Decimal Interest	Stat.
C: 10	ANCIENT SEAS E & P LLC			TX	WI 0.0001080000	
C: 30	CONTINENTAL EXPLORATION, LLC			TX	WI 0.1227908000	
O: 133425	B & W Exploration			OK	WI 0.0520310000	
O: 153150	Mike Bonds			IL	WI 0.0209983000	
O: 167110	Cajun-Ivy Investments			TX	WI 0.0097845000	
O: 182007	Claycombe Energy, LLC			TX	WI 0.0015525000	
O: 187219	CPE Resources Inc			TX	WI 0.0128550000	
O: 278510	Finley Resources Inc.			TX	WI 0.0683600000	
O: 334286	George Michael Harper			TX	WI 0.0004203000	
O: 334289	Ted N. Harper			TX	WI 0.0012610000	
O: 334445	Harper Petroleum Engineering			TX	WI 0.0065821000	
O: 353960	HHE AS-PROSPECTS 2005			TX	WI 0.0144500000	
O: 361560	Huntley & Huntley Exploration			PA	WI 0.0021687000	
O: 400210	Jackal Oil Company			TX	WI 0.0055870000	
O: 500970	Matney Oil & Gas, Inc.			TX	WI 0.0036308000	
O: 604675	PetroHill Resources LLC			TX	WI 0.0197889000	
O: 610890	Pintail Production Co., Inc.			TX	WI 0.0502210000	
O: 681116	R Kirk Whitman			OK	WI 0.0130070000	
O: 700090	S & S Exploration, LP			TX	WI 0.0159899000	
O: 700115	SAC Mud Company, Inc.			TX	WI 0.0030814000	
O: 717150	Suzanne H Smith			LA	WI 0.0012620000	
O: 726510	Steel Holdings, Inc.			CN	WI 0.0312714000	
O: 744155	Thunder Oil & Gas, LLC			OK	WI 0.0005454000	
O: 870101	XTO Energy Inc (Chinn)			TX	WI 0.0442060000	
O: 870102	XTO Energy Inc (Chpk)			TX	WI 0.4980470000	

----- Deck Totals (25 Participants) -----

Working Interest: 1.0000000000
 Total Interest: 1.0000000000

Printed on:12/01/15 at 03:28 PM

Requested by:GLENN

Rept DMM-E2 Brief Expense-Deck Reference Listing by Well
 Effective Dates: 11/01/14 thru: 11/01/14

Comp: 30 CONTINENTAL EXPLORATION, LLC Page 1

Well: 486810 Logan Beard #3-25 State:OK JIB-Hold:NO
 Deck:EXPL EffectiveDate:11/01/14 CasePt:A Name:BEO 11/14 Perm NotStd

Participants						
Entity Code	Entity Name	ST Hold	JIB Memo Type	Int.	Decimal Interest	Stat.
C:	10 ANCIENT SEAS E & P LLC		TX		WI 0.0003521000	
C:	30 CONTINENTAL EXPLORATION, LLC		TX		WI 0.3976213000	
O:	153150 Mike Bonds		IL		WI 0.0607357000	
O:	167110 Cajun-Ivy Investments		TX		WI 0.0282878000	
O:	182007 Claycombe Energy, LLC		TX		WI 0.0044777000	
O:	187219 CPE Resources Inc		TX		WI 0.0322115000	
O:	334286 George Michael Harper		TX		WI 0.0121630000	
O:	334289 Ted N. Harper		TX		WI 0.0030000000	
O:	334445 Harper Petroleum Engineering		TX		WI 0.0080822000	
O:	353960 HHE AS-PROSPECTS 2005		TX		WI 0.0343399000	
O:	361560 Huntley & Huntley Exploration		PA		WI 0.0060815000	
O:	361950 Husted Investments, Inc.		OK		WI 0.0080823000	
O:	400210 Jackal Oil Company		TX		WI 0.0161645000	
O:	487308 Louis M. Ford LLC		OK		WI 0.0129706000	
O:	500970 Matney Oil & Gas, Inc.		TX		WI 0.0086216000	
O:	604675 PetroHill Resources LLC		TX		WI 0.0469421000	
O:	610890 Pintail Production Co., Inc.		TX		WI 0.1192012000	
O:	672265 Ream Interests, Inc.		WV		WI 0.0154330000	
O:	681116 R Kirk Whitman		OK		WI 0.0697281000	
O:	700090 S & S Exploration, LP		TX		WI 0.0000000000	
O:	700115 SAC Mud Company, Inc.		TX		WI 0.0088826000	
O:	717150 Suzanne H Smith		LA		WI 0.0000000000	
O:	726510 Steel Holdings, Inc.		CN		WI 0.0837897000	
O:	744155 Thunder Oil & Gas, LLC		OK		WI 0.0017686000	
O:	870102 XTO Energy Inc (Chpk)		TX		WI 0.0210630000	

----- Deck Totals (25 Participants) -----

Working Interest: 1.0000000000
 Total Interest: 1.0000000000

Printed on:12/01/15 at 04:15 PM

Requested by:GLENN

Rept DMM-E2 Brief Expense-Deck Reference Listing by Well
 Effective Dates: 11/01/14 thru: 11/01/14

Comp: 30 CONTINENTAL EXPLORATION, LLC Page 1

Well: 486815 Logan Beard #3-36 State:OK JIB-Hold:Hold
 Deck:DRG1 EffectiveDate:11/01/14 CasePt:B Name:Dr1g BFO Perm NotStd

Participants						
Entity Code	Entity Name	ST Hold	JIB Memo	Int. Type	Decimal Interest	Stat.
C:	10 ANCIENT SEAS E & P LLC			TX	WI 0.0001088000	
C:	30 CONTINENTAL EXPLORATION, LLC			TX	WI 0.1234840000	
O:	133425 B & W Exploration			OK	WI 0.0520310000	
O:	153150 Mike Bonds			IL	WI 0.0210596000	
O:	167110 Cajun-Ivy Investments			TX	WI 0.0098439000	
O:	182007 Claycombe Energy, LLC			TX	WI 0.0015626000	
O:	187219 CPE Resources Inc			TX	WI 0.0016864000	
O:	278510 Finley Resources Inc.			TX	WI 0.0683600000	
O:	334286 George Michael Harper			TX	WI 0.0004229000	
O:	334289 Ted N. Harper			TX	WI 0.0012610000	
O:	334445 Harper Petroleum Engineering			TX	WI 0.0066220000	
O:	353960 HHE AS-PROSPECTS 2005			TX	WI 0.0144500000	
O:	361560 Huntley & Huntley Exploration			PA	WI 0.0021828000	
O:	400210 Jackal Oil Company			TX	WI 0.0056050000	
O:	500970 Matney Oil & Gas, Inc.			TX	WI 0.0036529000	
O:	511853 Minerale Resources, Inc.			TX	WI 0.0000000000	
O:	604675 PetroHill Resources LLC			TX	WI 0.0199184000	
O:	610890 Pintail Production Co., Inc.			TX	WI 0.0502210000	
O:	681116 R Kirk Whitman			OK	WI 0.0130070000	
O:	700090 S & S Exploration, LP			TX	WI 0.0159900000	
O:	700115 SAC Mud Company, Inc.			TX	WI 0.0030790000	
O:	717150 Suzanne H Smith			LA	WI 0.0000000000	
O:	726510 Steel Holdings, Inc.			CN	WI 0.0314760000	
O:	739990 Taxada Development Co., Inc.			TX Hold	WI 0.0111740000	
O:	744155 Thunder Oil & Gas, LLC			OK	WI 0.0005487000	
O:	870101 XTO Energy Inc (Chinn)			TX	WI 0.0442060000	
O:	870102 XTO Energy Inc (Chpk)			TX	WI 0.4980470000	

Deck Totals (27 Participants)	
Working Interest:	1.0000000000
Total Interest:	1.0000000000

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Requested by:GLENN

Rept DMM-E2 Brief Expense-Deck Reference Listing by Well
 Effective Dates: 04/01/15 thru: 04/01/15

Comp: 30 CONTINENTAL EXPLORATION, LLC Page 1

Well: 578410 Oil Creek #1 State:OK JIB-Hold:Hold
 Deck:EXPk EffectiveDate:04/01/15 CasePt:A Name:JIB 04/15 Perm NotStd

----- Participants -----						
Entity Code	Entity Name	ST JIB Hold	Memo Int. Type	Decimal Interest	Stat.	
C:	10 ANCIENT SEAS E & P LLC		TX	WI	0.0008870000	
C:	30 CONTINENTAL EXPLORATION, LLC		TX	WI	0.2968260000	
O:	139940 Betelgeuse Production		TX	WI	0.0416670000	
O:	153150 Mike Bonds		IL	WI	0.0031880000	
O:	158036 Broughton Petroleum		TX	WI	0.0416670000	
O:	167110 Cajun-Ivy Investments		TX	WI	0.0037190000	
O:	182007 Claycombe Energy, LLC		TX	WI	0.0017740000	
O:	323855 Greenleaf Energy Corporation		OK	WI	0.0200000000	
O:	334445 Harper Petroleum Engineering		TX	WI	0.0010000000	
O:	353960 HHE AS-PROSPECTS 2005		TX	WI	0.0058530000	
O:	361560 Huntley & Huntley Exploration		PA	WI	0.0283760000	
O:	400210 Jackal Oil Company		TX	WI	0.0021250000	
O:	419439 Jobe, Inc.		OK	WI	0.0262500000	
O:	439164 Keepa Oil Corporation		OK	WI	0.0262500000	
O:	439728 Kepasa Corp.		OK	WI	0.0200000000	
O:	487308 Louis M. Ford LLC		OK	WI	0.0300000000	
O:	500963 Marks Oil, Inc		CO	WI	0.0416670000	
O:	500970 Matney Oil & Gas, Inc.		TX	WI	0.0015620000	
O:	540052 Jim Newkumet		OK	WI	0.0200000000	
O:	580844 OKLA Energy Partners LP		OK	WI	0.0144000000	
O:	600705 Panhandle Oil and Gas Inc		OK	WI	0.2000000000	
O:	604675 PetroHill Resources LLC		TX	WI	0.0202180000	
O:	610890 Pintail Production Co., Inc.		TX	WI	0.0477080000	
O:	693269 R3 ll LLC		OK	WI	0.0031000000	
O:	700090 S & S Exploration, LP		TX	WI	0.0115290000	
O:	700115 SAC Mud Company, Inc.		TX	WI	0.0033990000	
O:	726510 Steel Holdings, Inc.		CN	WI	0.0525000000	
O:	744155 Thunder Oil & Gas, LLC		OK	WI	0.0065850000	
O:	870101 XTO Energy Inc (Chinn)		TX	WI	0.0277500000	

----- Deck Totals (29 Participants) -----			
Working Interest:			1.0000000000
Total Interest:			1.0000000000

Printed on:12/01/15 at 03:31 PM

Requested by:GLENN

Rept DMM-E2 Brief Expense-Deck Reference Listing by Well
 Effective Dates: 11/01/14 thru: 11/01/14

Comp: 30 CONTINENTAL EXPLORATION, LLC Page 1

Well: 667413 Randolph Lake #1-26 State:OK JIB-Hold:NO
 Deck:EXPL EffectiveDate:11/01/14 CasePt:A Name:JIB 11/14. Perm NotStd

----- Participants -----						
Entity Code	Entity Name	ST	JIB Hold	Memo Int. Type	Decimal Interest	Stat.

C:	10 ANCIENT SEAS E & P LLC			TX	WI	0.0001200000
C:	30 CONTINENTAL EXPLORATION, LLC			TX	WI	0.1340680000
O:	153150 Mike Bonds			IL	WI	0.0227400000
O:	167110 Cajun-Ivy Investments			TX	WI	0.0105900000
O:	182007 Claycombe Energy, LLC			TX	WI	0.0016900000
O:	187219 CPE Resources Inc			TX	WI	0.0139300000
O:	334286 George Michael Harper			TX	WI	0.0004600000
O:	334289 Ted N. Harper			TX	WI	0.0013700000
O:	334445 Harper Petroleum Engineering			TX	WI	0.0071300000
O:	353960 HHE AS-PROSPECTS 2005			TX	WI	0.0156600000
O:	361560 Huntley & Huntley Exploration			PA	WI	0.0023900000
O:	400210 Jackal Oil Company			TX	WI	0.0060500000
O:	500970 Matney Oil & Gas, Inc.			TX	WI	0.0039300000
O:	580844 OKLA Energy Partners LP			OK	WI	0.0432500000
O:	604675 PetroHill Resources LLC			TX	WI	0.0214700000
O:	610890 Pintail Production Co., Inc.			TX	WI	0.0544900000
O:	681116 R Kirk Whitman			OK	WI	0.0103560000
O:	693269 R3 11 LLC			OK	WI	0.0094940000
O:	700090 S & S Exploration, LP			TX	WI	0.0173420000
O:	700115 SAC Mud Company, Inc.			TX	WI	0.0033400000
O:	717150 Suzanne H Smith			LA	WI	0.0013700000
O:	726510 Steel Holdings, Inc.			CN	WI	0.0345100000
O:	744155 Thunder Oil & Gas, LLC			OK	WI	0.0006000000
O:	870101 XTO Energy Inc (Chinn)			TX	WI	0.0479400000
O:	870102 XTO Energy Inc (Chpk)			TX	WI	0.5357100000

----- Deck Totals (25 Participants) -----		
Working Interest:		1.0000000000
Total Interest:		1.0000000000

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Rept DMM-E2 Brief Expense-Deck Reference Listing by Well
 Effective Dates: 11/01/14 thru: 11/01/14

Requested by:GLENN
 Comp: 30 CONTINENTAL EXPLORATION, LLC Page 1

Well: 686897 Randolph Bottom #1-35 State:OK JIB-Hold:Hold
 Deck:EXPL EffectiveDate:11/01/14 CasePt:A Name:JIB 11/14 Perm NotStd

----- Participants -----

Entity Code	Entity Name	ST Hold	JIB Hold	Memo Int. Type	Decimal Interest	Stat.
C:	30 CONTINENTAL EXPLORATION, LLC			TX	WI 0.2850430700	
O:123673	Dorchester Resources, LP			OK	WI 0.0250000000	
O:153150	Mike Bonds			IL	WI 0.0198395000	
O:167110	Cajun-Ivy Investments			TX	WI 0.0231415000	
O:182007	Claycombe Energy, LLC			TX	WI 0.0033089000	
O:320384	Gore Exploration LLC			OK	WI 0.0130208000	
O:334445	Harper Petroleum Engineering			TX	WI 0.0066109000	
O:353960	HHE AS-PROSPECTS 2005			TX	WI 0.0132218000	
O:361560	Huntley & Huntley Exploration			PA	WI 0.0661227000	
O:400210	Jackal Oil Company			TX	WI 0.0132218000	
O:500970	Matney Oil & Gas, Inc.			TX	WI 0.0033089000	
O:604675	PetroHill Resources LLC			TX	WI 0.0429881000	
O:610890	Pintail Production Co., Inc.			TX	WI 0.1102114000	
O:700090	S & S Exploration, LP			TX	WI 0.0236406300	
O:700115	SAC Mud Company, Inc.			TX	WI 0.0066109000	
O:744155	Thunder Oil & Gas, LLC			OK	WI 0.0132218000	
O:870100	XTO Energy Inc			TX	WI 0.0130208000	
O:870101	XTO Energy Inc (Chinn)			TX	WI 0.0661227000	
O:870102	XTO Energy Inc (Chpk)			TX	WI 0.2523438000	

----- Deck Totals (19 Participants) -----

Working Interest: 1.0000000000
 Total Interest: 1.0000000000

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Rept DMM-E2

Brief Expense-Deck Reference Listing by Well

Requested by:GLENN

Effective Dates: 11/01/14 thru: 11/01/14

Comp: 30 CONTINENTAL EXPLORATION, LLC Page 1

Well: 709788 Shannon Barker #1-31

State:OK JIB-Hold:NO

Deck:EXPL EffectiveDate:11/01/14 CasePt:A Name:APO 11/14 Perm NotStd

----- Participants -----

Entity Code	Entity Name	ST	JIB Hold	Memo Int. Type	Decimal Interest	Stat.	
C:	10 ANCIENT SEAS E & P LLC			TX	WI	0.0002340000	
C:	30 CONTINENTAL EXPLORATION, LLC			TX	WI	0.2501086800	
O:	133425 B & W Exploration			OK	WI	0.1123025000	
O:	153150 Mike Bonds			IL	WI	0.0478633000	
O:	167110 Cajun-Ivy Investments			TX	WI	0.0194465000	
O:	182007 Claycombe Energy, LLC			TX	WI	0.0031140000	
O:	187219 CPE Resources Inc			TX	WI	0.0255691000	
O:	319625 Peter Godfrey			OK Hold	WI	0.0258978000	
O:	319630 William R Godfrey Estate			OK Hold	WI	0.0258978000	
O:	334286 George Michael Harper			TX	WI	0.0008361000	
O:	334289 Ted N. Harper			TX	WI	0.0025084000	
O:	334445 Harper Petroleum Engineering			TX	WI	0.0138945000	
O:	353960 HHE AS-PROSPECTS 2005			TX	WI	0.0328915000	
O:	361560 Huntley & Huntley Exploration			PA	WI	0.0046793000	
O:	400210 Jackal Oil Company			TX	WI	0.0111123000	
O:	500970 Matney Oil & Gas, Inc.			TX	WI	0.0082568000	
O:	502924 Terry McCart			TX	WI	0.0020000000	
O:	604675 PetroHill Resources LLC			TX	WI	0.0396244000	
O:	610890 Pintail Production Co., Inc.			TX	WI	0.1005116000	
O:	681116 R Kirk Whitman			OK	WI	0.0280755000	
O:	700090 S & S Exploration, LP			TX	WI	0.0363446200	
O:	700115 SAC Mud Company, Inc.			TX	WI	0.0061719000	
O:	717150 Suzanne H Smith			LA	WI	0.0025085000	
O:	726510 Steel Holdings, Inc.			CN	WI	0.0674751000	
O:	744155 Thunder Oil & Gas, LLC			OK	WI	0.0011754000	
O:	870100 XTO Energy Inc			TX	WI	0.0411776000	
O:	870101 XTO Energy Inc (Chinn)			TX	WI	0.0882942000	
O:	870102 XTO Energy Inc (Chpk)			TX	WI	0.0020286000	

----- Deck Totals (28 Participants) -----

Working Interest: 1.0000000000
 Total Interest: 1.0000000000