

**ORIGINAL**

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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<i>In re:</i>	:	<b>Chapter 11</b>
	:	
ENDEAVOUR OPERATING	:	<b>Case No. 14-12308 (KJC)</b>
CORPORATION, <i>et al.</i> , <sup>1</sup>	:	
	:	<b>(Jointly Administered)</b>
<b>Debtors.</b>	:	
	:	
-----	x	<b>Re: D.I. 807</b>

**ORDER PURSUANT TO SECTIONS 105(a)  
AND 363(b), (f), (k) AND (m) OF THE BANKRUPTCY CODE  
AND BANKRUPTCY RULES 2002, 6004, AND 9019 APPROVING CREDIT BID ASSET  
PURCHASE AGREEMENT AMONG THE DEBTORS, FIRST PRIORITY  
NOTES COLLATERAL AGENT, AND THE CREDIT BID NOTEHOLDERS, THE  
SETTLEMENT AGREEMENT BETWEEN AND AMONG THE DEBTORS,  
FIRST PRIORITY NOTEHOLDERS, AND AD HOC GROUP OF EEUK TERM  
LOAN LENDERS, RELEASE OF ANY CLAIMS AGAINST EEUK TERM  
LOAN LENDERS, AND MODIFICATION OF DEBTORS' SERVICES AGREEMENTS**

Upon the Motion, dated August 3, 2015 (the "*Motion*"),<sup>2</sup> of Endeavour Operating Corporation and its above-captioned debtor affiliates, as debtors and debtors in possession (collectively, the "*Debtors*"), for, among other things, an order pursuant to sections 105(a) and 363(b), (f), (k) and (m) of title 11 of the United States Code (the "*Bankruptcy Code*") and Rules 2002, 6004, and 9019 of the Federal Rules of Bankruptcy Procedure (the "*Bankruptcy Rules*") seeking approval of (i) the Asset Purchase Agreement, dated as of August 3, 2015, by and among Wells Fargo Bank, National Association, as Trustee and Collateral Agent on behalf of the First Priority Noteholders attached hereto as **Attachment 1** (the "*Credit Bid APA*") (as amended,

<sup>1</sup> The Debtors in these chapter 11 cases and the last four digits of each Debtor's taxpayer identification number are as follows: Endeavour Operating Corporation (6552); Endeavour International Corporation (8389); Endeavour Colorado (0067); END Management Company (7578); Endeavour Energy New Ventures Inc. (7563); Endeavour Energy Luxembourg S.à r.l. (2113). The Debtors' principal offices are located at 811 Main Street, Suite 2100, Houston, Texas 77002.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.



supplemented or modified by that certain Letter Agreement among the Debtors, the First Priority Notes Collateral Agent, the Credit Bid Noteholders, and the Ad Hoc Group, dated as of October 16, 2015, attached hereto as **Attachment 2** (the "**Credit Bid Letter Agreement**") and as may be further amended, supplemented or modified from time to time, the "**Credit Bid APA**", for the purchase of the Intercompany Note and EIHBV Equity by a new company ("**Purchaser**"), which shall be owned by the First Priority Noteholders and the EEUK Term Loan Lenders, (ii) that certain Settlement Agreement, dated as of August 3, 2015, between and among EIC, EOC, and Endeavour Colorado Corporation ("**Endeavour Colorado**"), the Credit Bid Noteholders, and the Ad Hoc Group of EEUK Term Loan Lenders (as amended, supplemented, or modified by the Credit Bid Letter Agreement and as may be further amended, supplemented or modified from time to time, the "**Settlement Agreement**"), attached hereto as **Attachment 3**, (iii) the release of the Debtors' claims, if any, against the EEUK Term Loan Lenders (as defined herein); (iv) the Amendment to that certain Services Agreement, attached hereto as **Attachment 4**, dated as of January 1, 2014, by and between EOC and EEUK (the "**EOC-EEUK Services Agreement**"), and (v) the Amendment to that certain Services Agreement, attached hereto as **Attachment 5**, dated as of January 1, 2014, by and between Endeavour International Corporation ("**EIC**") and EEUK (the "**EIC-EEUK Services Agreement**," together with the EOC-EEUK Services Agreement, the "**Management Services Agreements**"); and a final hearing (the "**Sale Hearing**") to approve the Credit Bid APA having been held on October 16, 2015; and the *Debtors' Motion for (I) Order Approving (A) Bid Procedures, Including Procedures for Selection of Stalking Horse Purchasers, (B) Procedures for Assumption and Assignment of Certain Executory Contracts and Unexpired Leases and Related Notices, (C) Notice of Auction, Stalking Horse Hearing and Sale Hearing, and (D) Related Relief and (II) Order (A) Approving the Sale of Substantially All of the*

*Debtors' Assets Free and Clear of All Liens, Claims, Encumbrances and Other Interests Pursuant to Bankruptcy Code Sections 105, 363(b), (f), and (m), (B) Approving Assumption, Assignment and Sale of Certain Executory Contracts and Unexpired Leases Pursuant to Bankruptcy Code Sections 363 and 365 and Related Cure Amounts, and (C) Granting Related Relief (D.I. 600) (the "Sale Motion") having been filed on April 29, 2015; and the Order Approving (A) Bid Procedures, Including Procedures for Selection of Stalking Horse Purchasers, (B) Procedures for Assumption and Assignment of Certain Executory Contracts and Unexpired Leases and Related Notices, (C) Notice of Auction, Stalking Horse Hearing and Sale Hearing, and (D) Related Relief (D.I. 668) (the "Bid Procedures Order") having been entered on May 20, 2015; and the Sale Motion and Bid Procedures Order having established the bid procedures for the sale of the Debtors' assets, including the Intercompany Note and EIHBV Equity, and having authorized the sale thereof; and the Court having determined that notice of the Motion was adequate and sufficient; and all such parties having been afforded due process and an opportunity to be heard with respect to the Motion and all relief requested therein; and the Court having reviewed and considered: (i) the Motion; (ii) the objections and responsive pleadings filed in connection with the Motion, if any; and (iii) the representations of counsel made, and the evidence proffered, at the Sale Hearing; and the Sale Hearing having been held, and after due deliberation and sufficient cause appearing therefor, hereby finds and determines that:*

A. **Jurisdiction and Venue.** The Court has jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated as of February 29, 2012, the consideration of the Motion and the relief requested therein is a core

proceeding pursuant to 28 U.S.C. § 157(b), and venue is proper under 28 U.S.C. §§ 1408 and 1409.

B. **Final Order.** This Order constitutes a final order within the meaning of 28 U.S.C. § 158(a).

C. **Statutory Predicates.** The statutory predicates for the relief sought in the Motion are sections 105(a) and 363 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, and 9019, and Local Rules 2002-1 and 6004-1.

D. **Notice.** Proper, timely, and adequate notice ("*Notice*") of the Motion, the Credit Bid APA, the Settlement Agreement, and the hearing was provided to all necessary persons and entities, including but not limited to the First Priority Noteholders. The Notice was good, sufficient, and appropriate under the particular circumstances, and no other or further notice of the Motion, the Credit Bid APA, the Settlement Agreement, or the hearing is required. The Notice informed the First Priority Noteholders and any other interested parties that, *inter alia*, any party in interest, including a First Priority Noteholder, who does not make a timely objection to the Motion shall be deemed to have waived such objection and shall forever be foreclosed from making any objection relating to the Motion or this Order.

E. The Notice was the best and most practicable notice under the circumstances, contained sufficient disclosure of the terms and conditions of the Sale and the matters raised in the Motion, and provided reasonable, due, and adequate process under the law. The Notice was provided by first-class mail to the Notice Parties. With respect to entities whose identities were not reasonably ascertained by the Debtors, publication of a summary version of the Notice in *The Wall Street Journal*, *Houston Chronicle*, *The Denver Post*, and certain local or trade publications

by June 10, 2015 was sufficient and reasonably calculated under the circumstances to reach such entities.

F. **Compliance with Bid Procedures Order.** As demonstrated by (i) evidence adduced at the Sale Hearing and (ii) the representations of counsel made on the record at the Sale Hearing, the Debtors have conducted a fair and open sale process in a manner reasonably calculated to produce the highest and otherwise best offer for the EIHBV Equity and the Intercompany Note (the "*Credit Bid Assets*"), in compliance with the Bid Procedures Order. The Credit Bid APA and the Settlement Agreement are substantively and procedurally fair to all parties. The sale process and Bid Procedures were non-collusive, duly noticed, and afforded a full, fair, and reasonable opportunity for any Person to make a higher and otherwise better offer to purchase all or any of the Assets. The Credit Bid APA represents a fair and reasonable offer to purchase the Credit Bid Assets under the circumstances of these chapter 11 cases. No other entity or group of entities has offered to purchase the Credit Bid Assets for greater overall value to the Debtors' estates than the Purchaser.

G. **Corporate Authority.** The Debtors have taken all corporate or other entity action necessary to authorize and approve the Credit Bid APA and Settlement Agreement. The Debtors have full corporate or other entity power and authority to execute the Credit Bid APA, Settlement Agreement, and all other documents contemplated thereby. No consents or approvals, other than those expressly provided for in the Credit Bid APA and Settlement Agreement, are required for the Debtors to consummate the transactions contemplated thereby.

H. **Business Justification.** Approval of the Credit Bid APA and Settlement Agreement is in the best interests of the Debtors, their estates, their creditors, and other parties in interest. The Debtors have demonstrated good, sufficient, and sound business purposes and

justifications for the sale to the Credit Bid Noteholders pursuant to section 363(b) and (k) of the Bankruptcy Code. Such business purposes and justifications include, but are not limited to, that the Credit Bid APA, the Settlement Agreement and the transactions contemplated thereby will present the best opportunity to maximize the value of their estates to the most creditors possible while minimizing additional costs and time spent in chapter 11.

I. The consideration to be provided by the First Priority Notes Collateral Agent under or in connection with the Credit Bid APA (i) is fair and reasonable; (ii) is the highest and otherwise best offer for the Credit Bid Assets; (iii) will provide a greater recovery for the Debtors' creditors than would be provided by any other practically available alternative; and (iv) constitutes reasonably equivalent value and fair consideration. In reaching this determination, the Court has taken into account both the consideration to be realized directly by the Debtors' estates and the indirect benefits of the Credit Bid APA for the Debtors' employees and creditors. The Debtors' determination that the Credit Bid APA constitutes the highest and otherwise best offer for the Credit Bid Assets is a result of due deliberation by the Debtors and constitutes a valid and sound exercise of the Debtors' business judgment.

J. Arm's-Length. The Credit Bid APA and the Settlement Agreement were negotiated, proposed, and entered into (as applicable) by the Debtors, the First Priority Notes Collateral Agent, the Credit Bid Noteholders and the Ad Hoc Group without collusion, in good faith, and was the result of arm's-length bargaining between the parties represented by independent counsel. The Debtors, the Credit Bid Noteholders, the First Priority Notes Collateral Agent and the Ad Hoc Group have not engaged in any conduct that would cause or permit the Credit Bid APA to be avoided under section 363(n) of the Bankruptcy Code. The

Purchaser is not an “insider” or “affiliate” of any of the Debtors, as such terms are defined in the Bankruptcy Code.

K. **Good Faith Purchaser.** The Purchaser is a good faith purchaser under section 363(m) of the Bankruptcy Code and, as such, is entitled to all of the protections afforded thereby. The First Priority Notes Collateral Agent is acting in good faith within the meaning of section 363(m) in consummating the Credit Bid APA. The First Priority Notes Collateral Agent has proceeded in good faith in all respects in that, *inter alia*: (i) the First Priority Notes Collateral Agent recognized that the Debtors were free to deal with any other party interested in acquiring the Credit Bid Assets; (ii) the First Priority Notes Collateral Agent’s bid was subjected to the competitive bid procedures set forth in the Bid Procedures Order; (iii) no common identity of directors or officers exists among the First Priority Notes Collateral Agent and the Debtors, and (v) all payments to be made by the Purchaser and all other material agreements or arrangements entered into by the First Priority Notes Collateral Agent, Credit Bid Noteholders, and the Debtors in connection with the Credit Bid APA have been disclosed.

L. **Legal, Valid and Binding Transfer.** EOC is the sole and lawful owner of the Credit Bid Assets, or otherwise has a valid, enforceable property interest in such, and title thereto is vested in the EOC’s estate within the meaning of section 541(a) of the Bankruptcy Code. EOC has all right, title, and interest in the Credit Bid Assets required to transfer and convey the assets to the Purchaser. The transfer of the Credit Bid Assets to the Purchaser will be a legal, valid, and effective transfer of the Credit Bid Assets and, except as provided in the Credit Bid APA, will vest the Purchaser with all right, title, and interest of EOC to the Credit Bid Assets free and clear of all liens, claims, encumbrances, and other interests of any kind and every kind whatsoever (including liens, claims, encumbrances, and other interests of any Governmental

Body, as defined in the Credit Bid APA) other than those liens, claims, encumbrances, and other interests specifically assumed by the Purchaser pursuant to the Credit Bid APA. The sale of the Credit Bid Assets shall also be free and clear of those liens, claims, encumbrances, and other interests that purport to give to any party a right or option to effectuate any forfeiture, modification, or termination of the EOC's interests in the Credit Bid Assets, or any similar rights.

M. The Credit Bid APA is a valid and binding contract among the parties thereto, which is and shall be enforceable according to its terms.

N. **Free and Clear.** The Credit Bid Noteholders would not have entered into the Credit Bid APA, thus adversely affecting the Debtors, their estates, and their creditors, if the transfer of the Credit Bid Assets to the Purchaser was not free and clear of all liens, claims, encumbrances, and other interests of any kind or nature whatsoever, or if the Purchaser would, or in the future could, be liable for any such lien, claim, encumbrance, or other interest. A sale of the Credit Bid Assets other than one free and clear of any liens, claims, encumbrances, and other interests would adversely impact the Debtors' estates and would yield substantially less value for the Debtors' estates.

O. Subject to the provisions of this Order and except as may be specifically provided in the Credit Bid APA, the Debtors may sell the Credit Bid Assets free and clear of all liens, claims, encumbrances, and other interests of any kind or nature whatsoever, because, in each case, one or more of the standards set forth in section 363(f)(1) through (5) of the Bankruptcy Code have been satisfied. Each entity with a lien, claim, encumbrance, or other interest in the Credit Bid Assets to be transferred on the Closing Date: (i) has, subject to the terms and conditions of this Order, consented to the Credit Bid APA or is deemed to have consented;



(ii) has an interest in a lien and the price at which the property is to be sold is greater than the aggregate value of all liens on the property; or (iii) otherwise falls within the provisions of section 363(f) of the Bankruptcy Code. Those holders of liens, claims, encumbrances, and other interests who did not object to the Motion are deemed to have consented pursuant to section 363(f)(2) of the Bankruptcy Code.

P. **Not a Sub Rosa Plan.** The Credit Bid APA and Settlement Agreement do not constitute an impermissible *sub rosa* chapter 11 plan for which approval has been sought without the protections that a disclosure statement would afford. The Credit Bid APA and Settlement Agreement neither impermissibly restructure the rights of Debtors' creditors nor impermissibly dictate the terms of a plan for the Debtors.

Q. **No Fraudulent Transfer.** The Credit Bid APA and the Settlement Agreement were not entered into for the purpose of hindering, delaying, or defrauding creditors under the Bankruptcy Code or under the laws of the United States or any state, territory, or possession thereof, or the District of Columbia. None of the relevant parties have entered into the Credit Bid APA or the Settlement Agreement fraudulently.

R. **No Successor Liability.** The Purchaser and its affiliates (i) are not, and shall not be, considered a successor in interest to the Debtors, (ii) have not, *de facto* or otherwise, merged with or into the Debtors, (iii) are not a continuation or substantial continuation of the Debtors or any enterprise of the Debtors, and (iv) are not holding themselves out to the public as a continuation of the Debtors. Except as otherwise specifically provided in the Credit Bid APA, the transfer of the Credit Bid Assets to the Purchaser does not and will not subject the Purchaser or any of their affiliates to any Liability (as defined in the Credit Bid APA) whatsoever with respect to the operation of the Debtors' businesses before the Closing Date or by reason of such

transfer under the laws of the United States, any state, territory, or possession thereof, or the District of Columbia, based, in whole or in part, directly or indirectly, on any theory of law or equity, including, without limitation, any theory of antitrust, successor, or transferee liability.

S. **Prompt Consummation.** The Credit Bid APA and Settlement Agreement must be approved and consummated promptly to preserve the viability of the business and maximize the value of the Debtors' estates. Time is of the essence in consummating the Credit Bid APA and Settlement Agreement.

T. The Debtors have demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the immediate approval and consummation of the transactions contemplated by the Credit Bid APA and Settlement Agreement before dismissal of the Debtors' chapter 11 cases.

U. **Duties and Authority of First Priority Notes Collateral Agent.** In accordance with the First Priority Notes indenture (the "*First Priority Indenture*"), the holders of a majority in aggregate principal amount of the outstanding First Priority Notes consented to and directed the First Priority Notes Collateral Agent to, among other things, (i) execute, deliver, and perform the Credit Bid APA, (ii) credit bid up to the full amount of the outstanding indebtedness under the First Priority Indenture pursuant to section 363(k) of the Bankruptcy Code with respect to the Credit Bid Assets, (iii) cause the credit bid to be in the name of the Purchaser, and (iv) cause the Purchaser to acquire and assume from EOC, pursuant to section 363 of the Bankruptcy Code, all of the Credit Bid Assets in accordance with the Credit Bid APA. The directing holders agreed, each in accordance with its proportionate share, to indemnify and hold harmless the First Priority Notes Collateral Agent and each officer, director, and employee of the First Priority Notes Collateral Agent from and against any and all losses incurred or suffered as a result of such

direction. The remaining First Priority Noteholders have not objected to approval of the Motion, the Credit Bid APA, or the Settlement Agreement including the direct allocation, by the Debtors, to the Wind Down Account of any and all proceeds and consideration from the Sale, and all First Priority Noteholders are being provided an opportunity to participate in the transactions contemplated thereby on an equal and ratable basis. Accordingly, the Court finds that the First Priority Notes Collateral Agent has full power and authority to execute, deliver, and perform the Credit Bid APA and Settlement Agreement on behalf of all First Priority Noteholders.

V. Based upon a review of the record, the Court finds that the First Priority Notes Collateral Agent, diligently and in good faith, discharged its duties and obligations pursuant to the First Priority Indenture, and otherwise conducted itself with respect to all matters in any way related to the First Priority Notes, the First Priority Indenture, and the First Priority Noteholders with the same degree of care and skill that a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs. Accordingly, the Court finds that the First Priority Notes Collateral Agent has discharged its duties fully in accordance with the Indenture.

W. Based upon a review of the record, the Court finds that Wilmington Trust, National Association, in its capacity as indenture trustee ("*Wilmington Trust*") diligently and in good faith, discharged its duties and obligations pursuant to that certain indenture, dated February 23, 2012, relating to the \$150 million aggregate principal amount of 12% notes June 2018 (the "*June 2018 Notes*"), and otherwise conducted itself with respect to all matters in any way related to the June 2018 Notes, and the holders (the "*June 2018 Noteholders*") of the June 2018 Notes with the same degree of care and skill that a prudent person would exercise or use

under the circumstances in the conduct of his or her own affairs. Accordingly, the Court finds that the Wilmington Trust has discharged its duties fully in accordance with the indenture.

X. **Good and Sufficient Cause.** There is other good and sufficient cause to grant the relief requested in the Motion and approve the Credit Bid APA and Settlement Agreement.

Y. **Fair and Reasonable.** Based upon a review of the record, the Court finds that the Credit Bid APA and Settlement Agreement are prudent, reasonable, fair and equitable, in the best interests of the Debtors' estates, and reflect the sound and reasonable exercise of business judgment by the Debtors and the First Priority Notes Collateral Agent.

Z. **EEUK Term Loan Lender Releases and First Priority Noteholder Releases.** Based upon a review of the record, the Court finds that the EEUK Term Loan Lender Releases and the First Priority Noteholder Releases (each, as defined below) are prudent, reasonable, fair and equitable, in the best interests of the Debtors' estates and reflect the sound and reasonable exercise of business judgment by the Debtors, and satisfy the standards of Bankruptcy Rule 9019.

AA. **Amendment to Credit Bid APA and Settlement Agreement.** The Debtors have entered into the Credit Bid Letter Agreement, attached hereto as **Attachment 2**, with the First Priority Notes Collateral Agent, the Credit Bid Noteholders, and the Ad Hoc Group, which, subject to the terms and conditions set forth therein, amends the terms of the Credit Bid APA and the Settlement Agreement.

BB. **Withdrawal of the Committee's Conversion Motion, Standing Motion, and Objections.** The Official Committee of Unsecured Creditors (the "***Committee***") is hereby deemed to withdraw, without prejudice, to the extent the Committee has not already withdrawn without prejudice, (i) the *Objection of the Official Committee of Unsecured Creditors to (A) the*

*Motion of the Debtors for Entry of (I) an Interim and Final Order Approving the Credit Bid Asset Purchase Agreement, the Settlement Agreement, and Modification of Debtors Services Agreements and (II) an Order Approving Modification of the Adequate Protection Order and (B) Motion for Entry of an Order Authorizing Dismissal of the Debtors Cases Under Certification of Counsel (D.I. 911); (ii) the Motion of the Official Committee of Unsecured Creditors for Entry of an Order Converting Chapter 11 Cases to Cases Under Chapter 7 of the Bankruptcy Code (D.I. 882); (iii) the Motion of the Official Committee of Unsecured Creditors for Entry of an Order Granting Derivative Standing and Authority to Prosecute and Settle Claims on Behalf of the Debtors' Estates (D.I. 545); and (iv) The Official Committee of Unsecured Creditors' Objection to the Claims of the EEUK Secured Parties (D.I. 547). Upon payment of the Settlement Payment (as defined below), such withdrawals by the Committee shall be with prejudice.*

CC. **Withdrawal of Wilmington Trust's Objection and Dismissal of Adversary Proceeding.** In connection with the settlement and compromise contained in this Order, Wilmington Trust (i) is hereby deemed to withdraw, without prejudice, to the extent not already withdrawn, the *Omnibus Protective Objection of Wilmington Trust, National Association, in its Capacity as Indenture Trustee, to the (A) Credit Bid and Settlement Motion and (B) Motion to Dismiss; and Reservation of Rights* and (ii) is hereby deemed to have dismissed, without prejudice, its adversary proceeding seeking a declaratory judgment against Wells Fargo Bank, National Association [A.P. Case No. 15-51342], filed September 17, 2015 in the Bankruptcy Court. Upon payment of the Settlement Payment (as defined below), such withdrawal and dismissal by Wilmington Trust shall be with prejudice.

DD. **Wilmington Trust Releases and Wells Fargo Releases.** Based upon a review of the record, the Court finds that the Wilmington Trust Releases (as defined below) and the Wells

Fargo Releases (as defined below) are prudent, reasonable, fair and equitable, in the best interests of the Debtors' estates and reflect the sound and reasonable exercise of business judgment by the Debtors, and satisfy the standards of Bankruptcy Rule 9019.

EE. **Legal and Factual Bases.** The findings of fact and conclusions of law herein constitute the Court's findings of fact and conclusions of law for the purposes of Bankruptcy Rule 7052, made applicable pursuant to Bankruptcy Rule 9014. To the extent any findings of facts are conclusions of law, they are adopted as such. To the extent any conclusions of law are findings of fact, they are adopted as such. The Court's findings shall also include any oral findings of fact and conclusions of law made by the Court during or at the conclusion of the Sale Hearing.

**NOW, THEREFORE, IT IS HEREBY ORDERED THAT:**

*General Provisions*

1. The notice of the Sale Motion and Sale Hearing are approved as being fair, reasonable, and adequate under the circumstances, and any additional notice as may otherwise be required under state and federal law is hereby deemed satisfied.

2. The Motion is **GRANTED** to the extent set forth herein.

3. All objections to the relief requested in the Motion or the entry of this Order, if any, that have not been withdrawn, waived, or settled as announced to the Court at the Sale Hearing are denied and overruled in their entirety on the merits, with prejudice.

*Approval of Free and Clear Sale of the Credit Bid Assets*

4. The Credit Bid APA, all exhibits and schedules thereto, all ancillary documents, and all of the terms and conditions thereof are hereby approved. Subject to paragraph 6(ii) herein, the portion of the First Priority Noteholders' claims not credit bid as part of the Credit

Bid Transaction and pursuant to the Credit Bid APA shall remain outstanding against the Debtors and any of its assets not purchased by the Purchaser, and the First Priority Collateral Agent and the First Priority Noteholders shall continue to be protected by and entitled to the benefit of the terms and provisions of the Adequate Protection Stipulation and the Indenture and any other orders entered by the Court in respect thereof.

5. Pursuant to sections 105 and 363 of the Bankruptcy Code, the Debtors are authorized to (i) execute, deliver, and perform under, consummate, and implement the Credit Bid APA together with all additional instruments and documents that are requested by the Purchaser and may be reasonably necessary or desirable to implement the Credit Bid APA and (ii) take any and all actions as they deem necessary, appropriate, or advisable for the purpose of assigning, transferring, granting, conveying, and conferring to the Purchaser, or reducing to possession the Credit Bid Assets, or as may be necessary or appropriate to the performance of the obligations as contemplated by the Credit Bid APA, including, without limitation, any and all actions reasonably requested by the Purchaser which are consistent with the Credit Bid APA.

6. Pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, upon the Closing: (i) the transfer of the Credit Bid Assets to the Purchaser pursuant to the Credit Bid APA shall constitute a legal, valid, and effective transfer of the Credit Bid Assets and shall vest the Purchaser with all right, title, and interest in and to the Credit Bid Assets; (ii) the Credit Bid Assets shall be transferred to the Purchaser free and clear of all liens, claims, encumbrances, and other interests of any kind and every kind whatsoever (including, but not limited to, any liens, claims, encumbrances, and other interests of any Governmental Body, any claims or assertions based on any theory of successor or transferee liability, and any restriction on the use, transfer, receipt of income, or other exercise of any attributes of ownership of the Credit Bid Assets) other

than those liens, claims, encumbrances, and other interests specifically assumed by the Purchaser pursuant to the Credit Bid APA; and (iii) all persons are forever prohibited and enjoined from commencing or continuing in any manner any action or other proceeding, whether in law or equity, against the Purchaser and its affiliates with respect to any such liens, claims, encumbrances, and other interests (including, but not limited to, any liens, claims, encumbrances, and other interests of any Governmental Body (as defined in the Credit Bid APA), any claims or assertions based on any theory of successor or transferee liability, and any restriction on the use, transfer, receipt of income, or other exercise of any attributes of ownership of the Credit Bid Assets).

7. Upon entry of this Order, immediately prior to, upon, or after dismissal of the chapter 11 cases, each Debtor is authorized and empowered to take all reasonably necessary steps to dissolve under applicable law, including taking such actions, executing such documents, and expending such funds as may be reasonably necessary to carry out or otherwise effectuate the terms of this Order. EIC is authorized, empowered, and directed to take all necessary actions to dissolve under applicable law, including the laws of the State of Nevada, its state of incorporation, without stockholder approval. The Chief Restructuring Officer, Chief Financial Officer and any other appropriate officer of EIC are authorized to execute and file all necessary documents and take all such actions as may be necessary or appropriate to effectuate the dissolution of EIC under applicable law.

8. On the Closing Date, this Order shall be construed and shall constitute for any and all purposes a full and complete general assignment, conveyance, and transfer of the Debtors' interests in the Credit Bid Assets or a bill of sale transferring good and marketable title in the Credit Bid Assets.



9. Upon entry of this Order, in accordance with the First Priority Indenture and applicable law, the First Priority Notes Collateral Agent is granted the authority to act on behalf of the First Priority Noteholders to enforce the rights and remedies of the First Priority Noteholders, including but not limited to consummating the transactions provided for in the Motion and the Credit Bid APA.

10. As contemplated by the Credit Bid APA and in connection with the transfer of the Credit Bid Assets to the Purchaser, each First Priority Noteholder shall at the Closing be deemed to sell, transfer, assign, convey and deliver to Purchaser (or its designees), and Purchaser (or its designees ) shall be deemed to accept and hold, all of such First Priority Noteholder's First Lien Indebtedness and (ii) the First Priority Collateral Agent, subject and pursuant to a direction letter, shall satisfy the Purchase Price at the Closing as to the amount of the Credit Bid (as defined in the Credit Bid APA) by releasing Seller from the First Lien Indebtedness under or with respect to the Indenture Documents (as defined in the Credit Bid APA) and any other documents or agreements entered into in connection therewith in an aggregate amount up to the Credit Bid.

11. Upon the Closing, \$398,000,002 of the First Lien Indebtedness shall be cancelled on a pro rata basis with respect to all First Priority Noteholders. The balance of the unpaid principal and accrued interest on all of the First Lien Indebtedness as of the Petition Date shall remain outstanding.

12. The Closing shall not occur until after entry of this Order.

*Releases*

13. This Order is and shall be effective as a determination that all liens, claims, encumbrances, and other interests shall be and are, without further action by any Person,

unconditionally released, discharged, and terminated with respect to the Credit Bid Assets as of the Closing Date, except as may otherwise be set forth in the Credit Bid APA.

14. Pursuant to Bankruptcy Rule 9019 and section 105(a) of the Bankruptcy Code, upon the Closing, the Debtors conclusively, absolutely, unconditionally, irrevocably and forever, release and discharge the EEUK Term Loan Lenders, the Term Loan Collateral Agent (and any successor thereto), the First Priority Noteholders, the First Priority Notes Collateral Agent, and each of their respective professionals from any and all claims, obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever, including any derivative claims asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, based on, relating to or arising out of the claims and liens granted by the Debtors to (i) the EEUK Term Loan Lenders and the Term Loan Collateral Agent (and any successor thereto) under the Lender Protection Order and the EEUK Credit Agreement, including but not limited to any and all claims, claims objections, and causes of action alleged in the UCC Pleadings (the "*EEUK Term Loan Lender Releases*") and (ii)(a) the First Priority Noteholders and the First Priority Notes Collateral Agent under the Adequate Protection Order and that certain indenture, dated February 23, 2012, relating to the \$404 million aggregate principal amount of March 2018 notes and (b) on account of their substantial contribution to the Debtors' chapter 11 cases, the Credit Bid Noteholders' professionals, Milbank, Tweed, Hadley & McCloy LLP and Houlihan Lokey Capital, Inc. ((a) and (b) collectively, the "*First Priority Noteholder Releases*").

15. Upon the Closing, the Debtors, pursuant to Bankruptcy Rule 9019 and section 105(a) of the Bankruptcy Code, and Wells Fargo Bank, National Association, in its capacity as indenture trustee for the First Priority Notes and the collateral agent for the First Priority Notes

and the June 2018 Notes, conclusively, absolutely, unconditionally, irrevocably and forever, release and discharge Wilmington Trust (and any successor or assign) and its current and former employees, officers, directors, agents and its professionals from any and all claims, obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever, including any derivative claims asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, in equity or otherwise, based on, relating to, in connection with, or arising out of, in whole or in part, any act, omission, transaction, event, or other occurrence in any way related to the Debtors, these chapter 11 cases, the First Priority Notes, the June 2018 Notes, or any documents or agreements relating to such notes (the "*Wilmington Trust Releases*").

16. Upon the Closing, the Debtors, pursuant to Bankruptcy Rule 9019 and section 105(a) of the Bankruptcy Code, and Wilmington Trust conclusively, absolutely, unconditionally, irrevocably and forever, release and discharge Wells Fargo Bank, National Association, in its capacity as indenture trustee for the First Priority Notes and the collateral agent for the First Priority Notes and the June 2018 Notes (and any successor or assign), and its current and former employees, officers, directors, agents, and its professionals from any and all claims, obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever, including any derivative claims asserted on behalf of the Debtors, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, in equity or otherwise, based on, relating to, in connection with, or arising out of, in whole or in part, any act, omission, transaction, event, or other occurrence in any way related to the Debtors, these chapter 11 cases, the First Priority Notes, the June 2018 Notes, or any documents or agreements relating to such notes (the "*Wells Fargo Releases*").

17. Section 9.7 of the Credit Bid APA shall be amended and superseded by the following: “Upon the Closing, (i) each Priority Noteholder<sup>3</sup> and the Agent does hereby conclusively, absolutely, unconditionally, irrevocably and forever, release and discharge each of (a) EIHBV, (b) each of EIHBV’s Subsidiaries, and (c) each and every former and current director and officer (collectively, the “*EIH Released Parties*”) of each of EIC, Seller, EIHBV, each of EIHBV’s Subsidiaries, Endeavour Colorado, END Management Company, a Delaware corporation, Endeavour Energy New Ventures, Inc., a Delaware corporation, Endeavour Energy Luxembourg S.à.r.l., an entity formed pursuant to the Laws of Luxembourg, each other Subsidiary of EIC (such aforementioned entities, collectively, the “*EIH Subject Entities*”) and (ii) EIC and Seller (each on behalf of itself and each of its Subsidiaries and Affiliates, other than EIHBV and its Subsidiaries) does hereby conclusively, absolutely, unconditionally, irrevocably and forever, release and discharge each of (a) EIHBV, (b) each of EIHBV’s Subsidiaries, and (c) each and every former and current director and officer (collectively, the “*EIHBV Released Parties*” and together with the EIH Released Parties, the “*Released Parties*”) of each of EIHBV and each of EIHBV’s Subsidiaries (such aforementioned entities, collectively, the “*EIHBV Subject Entities*” and together with the EIH Subject Entities, the “*Subject Entities*”) from any and all claims, obligations, rights, suits, damages, causes of action, remedies and liabilities whatsoever, including any derivative claims asserted on behalf of a Subject Entity, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in Law, equity or otherwise, that any such entity would have been legally entitled to assert (whether individually or collectively) (“*Claims*”), based on or relating to, or in any manner arising from, in whole or in

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<sup>3</sup> Capitalized terms used but not defined in this paragraph shall have the meanings ascribed to them in the Credit Bid APA.

part, the Subject Entities, the Subject Entities' restructuring, the Bankruptcy Cases, the purchase, sale or rescission of the purchase or sale of any security of the Subject Entities, the subject matter of, or the transactions or events giving rise to, any claim, the business or contractual arrangements or Commitments between any Subject Entity and any Released Party, the restructuring of claims and equity interests before or during the Bankruptcy Cases, the negotiation, formulation, preparation or withdrawal of the Plan, the Restructuring Support Agreement or the termination thereof, the Credit Bid APA or related agreements, instruments or other documents, or upon any other act or omission, transaction, agreement, event or other occurrence taking place on or before the date hereof, and, in the event of the Closing, as of the Closing Date; *provided, however* that nothing in this paragraph shall release any Released Party or Subject Entity from any Claims under or pursuant to (a) the Credit Bid APA, the transactions contemplated thereby (including, without limitation, the payment of Wind Down Expenses) or any instrument executed or delivered in connection therewith, (b) the Settlement Agreement, (c) the Seller-EEUK Services Agreement, (d) the EIC-EEUK Services Agreement, (e) reimbursement of insurance premium payments, or (f) any Released Party's or any Subject Entity's gross negligence, willful misconduct, or fraud as determined by a judgment of a court that is binding upon such Released Party or Subject Entity, as applicable, final, and not subject to review on appeal.

18. Except as otherwise provided herein, in the Credit Bid APA or in the Settlement Agreement, on the Closing Date, the Debtors' creditors are authorized and directed to execute such documents and instruments and to take all other actions as may be reasonably necessary to document and effectuate the release of their liens, claims, encumbrances, and other interests in the Credit Bid Assets, if any, as such liens, claims, encumbrances, and other interests may have

been recorded or may otherwise exist. If any such creditor fails to execute any such documents or instruments or take any such actions, the Purchaser is authorized to execute such documents and instruments and to take such actions on behalf of the creditor so as to document the release of such liens, claims, encumbrances, and other interests.

*No Successor Liability*

19. The Purchaser and its affiliates, successors, and assigns shall not be deemed, as a result of any action taken in connection with the transfer of the Credit Bid Assets, to (i) be a successor to the Debtors or their estates, (ii) have, *de facto* or otherwise, merged or consolidated with or into the Debtors or their estates, or (iii) be a continuation or substantial continuation of the Debtors or any enterprise of the Debtors, and the Purchaser and their affiliates shall have no successor, transferee or vicarious liability of any kind or character, including, but not limited to, under any theory of foreign, federal, state or local antitrust, environmental, successor, tax, assignee or transferee liability, labor, product liability, employment, *de facto* merger, substantial continuity, or other law, rule, or regulation, whether known or unknown as of the closing of the sale, now existing or hereafter arising, whether asserted or unasserted, fixed or contingent, liquidated or unliquidated with respect to the Debtors or any obligations of the Debtors arising prior to the Closing Date, including, but not limited to, liabilities on account of any taxes or other Governmental Body fees, contributions, or surcharges arising, accruing, or payable under, out of, in connection with, or in any way relating to, the operation of the Credit Bid Assets prior to the Closing Date. Except as otherwise provided herein or in the Credit Bid APA, the transfer of the Credit Bid Assets to the Purchaser pursuant to the Credit Bid APA shall not result in the Purchaser or their affiliates, members, or shareholders, or the Credit Bid Assets, having any liability or responsibility for, or being required to satisfy in any manner, whether in law or in

equity, whether by payment, setoff or otherwise, directly or indirectly, (i) any claim against the Debtors or against any insider of the Debtors, or (ii) any lien, claim, encumbrance, or other interest.

20. Upon the Closing Date, the Purchaser shall not be liable for any claims against, and liabilities of, the Debtors or any of the Debtors' predecessors or affiliates.

21. The Purchaser has given substantial consideration under the Credit Bid APA to the Debtors' estates. The consideration given by the Purchaser shall constitute valid and valuable consideration for the releases of any potential claims of successor or transferee liability of the Purchaser, which releases shall be deemed to have been given in favor of the Purchaser by all holders of liens, claims, encumbrances, and other interests against the Debtors or the Credit Bid Assets.

*No Fraudulent Transfer*

22. The consideration provided by the Purchaser under the Credit Bid APA constitutes (i) reasonably equivalent value under the Bankruptcy Code and the Uniform Fraudulent Transfer Act, (ii) fair consideration under the Uniform Fraudulent Conveyance Act, and (iii) reasonably equivalent value, fair consideration, and fair value under any other applicable laws of the United States, any state, territory, or possession thereof, or the District of Columbia. The consideration provided by the Purchaser for the Credit Bid Assets under the Credit Bid APA is fair and reasonable and may not be avoided under section 363(n) of the Bankruptcy Code.

*Good Faith*

23. The Credit Bid APA is undertaken by the First Priority Notes Collateral Agent without collusion and in good faith, as that term is used in section 363(m) of the Bankruptcy

Code, and accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Credit Bid APA shall not affect the validity of the sale of the Credit Bid Assets to the Purchaser, unless this Order is duly stayed pending such appeal. The First Priority Notes Collateral Agent is a good faith purchaser of the Credit Bid Assets and is entitled to all of the benefits and protections afforded by section 363(m) of the Bankruptcy Code. In accordance with the Court's findings set forth in paragraphs U and V above, the First Priority Notes Collateral Agent has discharged its duties fully in accordance with the Indenture and related documents, and the Settlement Agreement.

*Proceeds of Sale of U.S. Oil and Gas Assets*

24. Subject to, and in accordance with the terms of the Credit Bid APA, the Settlement Agreement and this Order, the net proceeds from any sale of the assets or equity of Endeavour Colorado (the "*Colorado Net Proceeds*") shall be utilized to repay principal under the EEUK Credit Agreement. In determining the Colorado Net Proceeds, the Debtors shall first be permitted to deduct from the gross proceeds from any sale of the assets of Endeavour Colorado (i) an amount up to \$420,000 to satisfy any allowed Claims of the creditors of Endeavour Colorado that arose prior to the Petition Date (including any claims that may be secured by mechanic's liens and any general unsecured claims) and (ii) certain reasonable out-of-pocket expenses of EIC, EOC and their subsidiaries as set forth in paragraph 1(e) of the Settlement Agreement; *provided, however*, the amount of the Colorado Net Proceeds which shall be paid to the EEUK Term Loan Lenders shall be as set forth in paragraph 4 of the Credit Bid Letter Agreement.

25. Subject to, and in accordance with the terms of the Credit Bid APA, the Settlement Agreement and this Order, the net proceeds from any sale of the Debtors' U.S. oil and



gas assets that are not assets of Endeavour Colorado (the "*Other Net Proceeds*") shall be distributed as follows: (i) 47% of such proceeds shall be utilized to repay principal under the EEUK Credit Agreement, and (ii) 53% of such proceeds and consideration shall be paid and deposited by the Debtors into a segregated EOC bank account (the "*Wind Down Account*"). In determining the Other Net Proceeds, the Debtors shall first be permitted to deduct from the gross proceeds from any sale of the Debtors' U.S. oil and gas assets that are not assets of Endeavour Colorado certain reasonable out-of-pocket expenses of EIC, EOC and their subsidiaries as set forth in paragraph 1(e) of the Settlement Agreement.

26. Subject to, and in accordance with, the terms of the Credit Bid APA, the Settlement Agreement and this Order, the proceeds and consideration deposited in the Wind Down Account (the "*Noteholder Asset Sale Proceeds*") shall be utilized as follows: (i) first, to fund the Wind Down Expenses, in accordance with the Wind Down Budget (as such terms are defined in the Credit Bid APA) and the terms of the Credit Bid APA, which Wind Down Budget includes the reasonable fees, expenses, and costs of Wilmington Trust and its professionals, as provided in the Indenture (ii) second, to repay any additional Wind Down Payments made by EEUK, and (iii) third, to the extent there are surplus Noteholder Asset Sale Proceeds after satisfaction of all Wind Down Expenses in accordance with the Wind Down Budget, such surplus shall be utilized to repay principal under the EEUK Credit Agreement in accordance with the terms of the Credit Bid APA and the Settlement Agreement; *provided, however*, that the Debtors shall be permitted to withhold up to \$250,000 from the distribution of the Other Net Proceeds and up to \$450,000 from the distribution of Colorado Net Proceeds pending a determination by the parties to any such transaction of the final amount of such proceeds distributable pursuant to the applicable purchase and sale agreement.

27. Upon entry of this Order, the Credit Bid Noteholders and the Ad Hoc Group shall have a first priority security interest in the Wind Down Account.

*Credit Bid Letter Agreement and Settlement Payment*

28. The Credit Bid Letter Agreement is approved in its entirety.

29. Notwithstanding anything to the contrary herein, subject to the occurrence of the Closing and subject to the terms and conditions of the Credit Bid APA, the Settlement Agreement, the Credit Bid Letter Agreement and the agreement between the Debtors, the Committee and Wilmington Trust, within five (5) business days after the Closing, the Debtors shall make *pro rata* distributions of \$3.2 million (the "**Settlement Payment**") in cash to (i) to Kurtzman Carson Consultants LLC, in the aggregate amount of \$53,659.40 for distribution to holders of liquidated, undisputed, non-contingent general unsecured claims against EOC, other than debt claims, (the "**EOC General Unsecured Claims**") who hold claims as reflected on **Exhibit 2** attached hereto; (ii) to holders of guarantee claims against the Debtors on account of the \$135.0 million in aggregate principal amount of 5.5% convertible notes due 2016 (the "**5.5% Convertible Notes**") in the aggregate amount of \$1,362,508.66; (iii) to holders of guarantee claims against the Debtors on account of the \$17.5 million in aggregate principal amount of 6.5% convertible notes due 2017 (the "**6.5% Convertible Notes**" and together with the 5.5% Convertible Notes, the "**Convertible Notes**") in the aggregate amount of \$178,449.82; and (iv) to Wilmington Trust, National Association, in its capacity as indenture trustee ("**Wilmington Trust**"), for distribution to holders (the "**June 2018 Noteholders**") of the \$150.0 million in aggregate principal amount of 12% notes due June 2018 (the "**June 2018 Notes**") in accordance with and as provided under the terms and provisions of the June 2018 Notes indenture on account of such June 2018 Noteholders' allowed unsecured deficiency claims against the

Debtors in the aggregate amount of \$1,605,382.11; *provided, however*, that the Settlement Payment shall not be used to satisfy (a) unsecured deficiency claims asserted by holders of the \$404.0 million in aggregate principal amount of 12% notes due March 2018 against the Debtors; (b) any administrative expense claims asserted against any of the Debtors; or (c) the claim against the Debtors on account of the \$83.9 million in aggregate principal amount of unsecured 7.5% convertible bonds issued by Endeavour Energy Luxembourg S.à r.l. due January 24, 2016. Other than as set forth in this paragraph and paragraph 24 of this Order and the order authorizing dismissal of the Debtors' chapter 11 cases under certification of counsel, no distributions shall be made to unsecured creditors in the Debtors' chapter 11 cases. The Settlement Payment distributions hereunder shall not be subject to defeasance, offsets, counterclaims, subordination, turnover, reallocation, reduction or recharacterization, whether arising under intercreditor agreements or otherwise.

*Settlement Agreement*

30. The Settlement Agreement is fair, reasonable, and in the best interests of the Debtors' estates.

31. The Debtors (i) are duly authorized and empowered to effectuate the terms set forth in the Settlement Agreement, (ii) are duly authorized and empowered to execute, deliver, implement, and fully perform any and all obligations, instruments, documents and papers that may be necessary or appropriate to consummate or implement the transactions contemplated by the Settlement Agreement, and (iii) shall have the right both in connection with and following consummation of the Settlement Agreement to consent to any amendment, restatement, waiver, supplement, or other modification of any of the transactions described therein. Any such actions may be taken without (a) the necessity of further court proceedings or approval or (b) any

consent of any other party, and shall be conclusive and binding in all respects on all parties in interest in these cases.

*Preservation of Records*

32. Pursuant to the terms of the Credit Bid APA, the Purchaser shall preserve and keep the records held by it or its Affiliates relating to the Debtors' businesses for a period of seven (7) years from the Closing Date and shall make, or cause its Affiliates to make, such records and personnel available to EOC as may be reasonably requested by EOC. In the event Purchaser wishes to destroy such records before or after that time, Purchaser shall first give thirty (30) days prior written notice to EOC, and EOC shall have the right at its option and sole expense, upon prior written notice given to Purchaser within such thirty (30) day period, to take possession of the records within thirty (30) days after the date of such notice.

*Additional Provisions*

33. This Order is and shall be binding upon and shall govern acts of all entities including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of fees, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons, who may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or instruments that reflect that the Purchaser is the assignee and owner of the Credit Bid Assets free and clear of all liens, claims, encumbrances, and other interests (all such entities being referred to as "**Recording Officers**"). All Recording Officers are authorized and specifically directed to strike recorded liens, claims, encumbrances, and interests against the Credit Bid Assets recorded prior to the date

of this Order unless the Credit Bid APA expressly provides that the Purchaser is acquiring the Credit Bid Assets subject to such claims, liens, and interests.

34. To the greatest extent available under applicable law, the Purchaser shall be authorized, as of the Closing Date, to operate under any license, permit, registration, and governmental authorization or approval of the Debtors with respect to the Credit Bid Assets, and all such licenses, permits, registrations, and governmental authorizations are deemed to have been, and hereby are, deemed to be transferred to the Purchaser as of the Closing Date.

35. To the extent provided by section 525 of the Bankruptcy Code, no governmental unit may revoke or suspend any permit or license relating to the operation of the Credit Bid Assets sold, transferred, or conveyed to the Purchaser on account of the filing or pendency of these chapter 11 cases or the consummation of the Credit Bid APA.

36. Following the Closing Date, no holder of any lien, claim, encumbrance, or other interest on the Credit Bid Assets or other party in interest may interfere with the Purchaser's use and enjoyment of the Credit Bid Assets based on or related to such lien, claim, encumbrance, or other interest, or any actions that the Debtors may take in their chapter 11 cases, and no party may take any action to prevent, interfere with or otherwise enjoin consummation of the Credit Bid APA.

37. Except as expressly permitted or otherwise specifically provided by the Credit Bid APA or this Order, all persons and entities, including, but not limited to, all debt security holders, equity security holders, governmental, tax and regulatory authorities, lenders, trade and other creditors, holding interests of any kind or nature whatsoever against or in the Debtors or the Credit Bid Assets (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or non-contingent, senior or subordinated), arising under or out of, in connection

with, or in any way relating to, the Debtors, the Credit Bid Assets, the ownership or operation of the Credit Bid Assets prior to the closing of the sale, or the sale of the Credit Bid Assets are forever barred, estopped, and permanently enjoined from asserting against the Purchaser, its successors or assigns, its property, or the Credit Bid Assets, such persons' or entities' interests.

38. No bulk sales law or any similar law of any state or other jurisdiction shall apply in any way to the transactions authorized herein, including the Credit Bid APA.

39. That certain Amended and Restated Operating Agreement of Aspire Holdings, LLC, to be dated as of the date of the Closing, by and among Aspire Holdings, LLC, a Delaware limited liability company, the Members and Warrant Holders party thereto (the "*Aspire Operating Agreement*") of the Purchaser shall be deemed to be valid, binding and enforceable in accordance with its terms, and each First Priority Noteholder and EEUK Term Loan Lender shall be deemed to be bound thereby, in each case without the need for execution of such agreement by any party thereto other than the Purchaser.

40. All distributions of equity interests in the Purchaser to the First Priority Noteholders shall be made by Aspire Holdings, LLC, or its authorized agent, pursuant to the terms of the Aspire Operating Agreement. The First Priority Collateral Agent shall neither have nor assume any responsibility or liability for making such distributions.

41. Upon entry of the Dismissal Order, and subject to distribution of the Colorado Net Proceeds, the Other Net Proceeds, the Noteholder Asset Sale Proceeds, and the Settlement Payment to the applicable recipients pursuant to this Order, the First Priority Collateral Agent, Wells Fargo Bank, National Association as Collateral Agent on behalf of the holders of the Second Priority Notes, and Wilmington Trust shall be relieved of, released from, and shall have no further obligations under the First Priority Indenture, the First Priority Notes, the Second

Priority Indenture, the Second Priority Notes, and any related instruments or documents (collectively, the “*Notes Documents*”) except for (i) enabling beneficial owners of the First Priority Notes to receive their *pro rata* portion of the equity interests in the Purchaser, (ii) enabling beneficial owners of the Second Priority Notes to receive a their *pro rata* distribution of the Settlement Payment pursuant to this Order, (iii) permitting the First Priority Collateral Agent and Wilmington Trust to have the benefit of all of the protections and other provisions of the Notes Documents, including but not limited to any charging lien held by the First Priority Collateral Agent or Wilmington Trust, and (iv) enforcing the terms and provisions of this Order, Dismissal Order and any other relevant order entered in these proceedings.

42. The terms and provisions of the Credit Bid APA, the Settlement Agreement, the ancillary agreements, and this Order shall be binding in all respects upon, and shall inure to the benefit of, the Debtors, the Purchaser, and their respective affiliates, successors, and assigns, their estates, all creditors of (whether known or unknown) and holders of equity interests in the Debtors, and any affected third parties, notwithstanding the dismissal of any of the Debtors’ cases or any subsequent appointment of any trustee(s) under any chapter of the Bankruptcy Code or conversion of the Debtors’ cases to cases under chapter 7, as to which trustee(s) such terms and provisions likewise shall be binding and not subject to rejection or avoidance. The Credit Bid APA, the Settlement Agreement and this Order shall be enforceable against and binding upon, and shall not be subject to rejection or avoidance by, any chapter 7 or chapter 11 trustee appointed in the Bankruptcy Cases. Further, nothing contained in any plan confirmed in these chapter 11 cases or any order confirming any plan or any other order entered in these cases shall conflict with or derogate from the provisions of the Credit Bid APA, the Settlement Agreement or the terms of this Order.

43. The Credit Bid APA, the Settlement Agreement and any related agreements, documents, or other instruments may be amended by the parties in a writing signed by such parties without further order of the Court, provided that any such amendment does not have a material adverse effect on the Debtors or the Debtors' estates.

44. The failure to include specifically any particular provision of the Credit Bid APA or the Settlement Agreement in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Credit Bid APA and the Settlement Agreement be authorized and approved in their entirety.

45. To the extent of any inconsistency between the provisions of this Order, the Settlement Agreement and the Credit Bid APA, and any documents executed in connection therewith, the provisions contained in this Order, the Settlement Agreement, the Credit Bid APA, and any documents executed in connection therewith shall govern, in that order.

46. Nothing in this Order, the Credit Bid APA, the Settlement Agreement or any document executed in connection with the consummation thereof shall authorize or constitute a transfer of title to property which is excluded from the property of the Debtors' estates pursuant to section 541(b)(4) of the Bankruptcy Code.

47. The provisions of this Order are non-severable and mutually dependent.  
Headings are included in this Order for ease of reference only.

48. The provisions of this Order authorizing the sale and assignment of the Credit Bid Assets free and clear of all liens, claims, encumbrances, and other interests shall be self-executing, and notwithstanding the failure of the Debtors, the Purchaser, or any other party to execute, file, or obtain releases, termination statements, assignments, consents, or other instruments to effectuate, consummate and/or implement the provisions hereof, all liens, claims,



encumbrances, and other interests (other than those expressly assumed by the Purchaser or permitted to survive under the Credit Bid APA) on or against such Credit Bid Assets, if any, shall be deemed released, discharged, and terminated.

49. From time to time, as and when requested by any party, each party to the Credit Bid APA shall execute and deliver, or cause to be executed and delivered, all such documents and instruments and shall take, or cause to be taken, all such further or other actions as such other party may reasonably deem necessary or desirable to consummate the Credit Bid APA, including such actions as may be necessary to vest, perfect, or confirm, of record or otherwise, in Purchaser its right, title, and interest in and to the Credit Bid Assets.

50. Notwithstanding the provisions of Bankruptcy Rule 6004(h), this Order shall be effective and enforceable immediately and shall not be stayed. Time is of the essence in effectuating the Credit Bid APA and the Settlement Agreement, and the Debtors and the Purchaser intend to complete the transactions contemplated thereby as soon as practicable.

51. Notice of the entry of this Order shall be served on the Notice Parties.

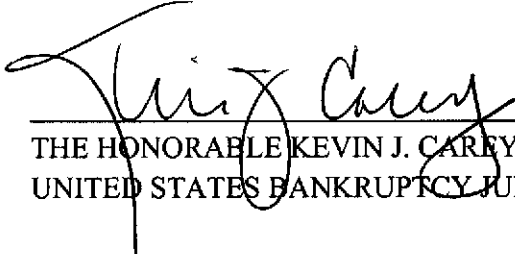
52. This Court shall retain exclusive jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of this Order, the Credit Bid APA and the Settlement Agreement, all amendments thereto, and any waivers and consents thereunder, and each of the agreements executed in connection therewith, including, but not limited to, retaining jurisdiction to (i) compel delivery of the Credit Bid Assets to the Purchaser; (ii) interpret, implement, and enforce the provisions of this Order, the Credit Bid APA and the Settlement Agreement; (iii) adjudicate, if necessary, any and all disputes arising out of, concerning, or

otherwise relating in any way to the Credit Bid APA or the Settlement Agreement; and

(iv) protect the Purchaser against any liens, encumbrances, claims, and interests in the Credit Bid

Assets of any kind or nature whatsoever.

Dated: Oct 16, 2015  
Wilmington, Delaware

  
\_\_\_\_\_  
THE HONORABLE KEVIN J. CARRY  
UNITED STATES BANKRUPTCY JUDGE

**Attachment 1**

**Credit Bid APA**

[Incorporated by reference to Attachment 2 to Exhibit 99.1 to our Current Report on Form 8-K  
filed August 4, 2015.]

**Attachment 2**

**Credit Bid Letter Agreement**

Endeavour International Corporation  
Endeavour Operating Corporation  
Endeavour Colorado Corporation  
811 Main Street, Suite 2100  
Houston, Texas 77002

October 16, 2015

TO: Wells Fargo Bank, National Association  
150 East 42nd Street  
40th Floor  
New York, New York 10017  
Attention: James R. Lewis, Vice President

The First Priority Noteholders (as defined in the Purchase Agreement (as defined below) and the Settlement Agreement (as defined below))

The EEUK Term Loan Lenders (as defined in the Settlement Agreement)

RE: Amendment to the Purchase Agreement (as defined below) and Settlement Agreement (as defined below)

Ladies and Gentlemen:

1. Reference is made to (a) that Certain Asset Purchase Agreement, dated as of August 3, 2015, by and among Wells Fargo Bank, National Association, in its capacity as trustee and collateral agent under the Indenture Documents (as defined therein) and not in its individual capacity (the "Agent"), Endeavour International Corporation, a Nevada corporation ("EIC"), Endeavour Operating Corporation, a Delaware corporation and wholly-owned subsidiary of EIC (the "Seller"), and, solely for the purposes of Articles IX and XII thereof, the Priority Noteholders (as defined therein) (the "Purchase Agreement"), and (b) that certain Settlement Agreement, dated as of August 3, 2015, by and among EIC, the Seller, Endeavour Colorado Corporation ("Endeavour Colorado") and, together with EIC and the Seller, the "Endeavour Parties"), the First Priority Noteholders (as defined therein) and the EEUK Term Loan Lenders (as defined therein) (the "Settlement Agreement"). Capitalized terms used in this letter agreement (this "Letter Agreement") but not defined in this Letter Agreement shall have the meanings ascribed to such terms in the Purchase Agreement.

2. Amendments to Purchase Agreement. The Agent, EIC, Seller and the Priority Noteholders hereby agree to, and the Purchase Agreement is hereby amended by, the following amendments to the Purchase Agreement:

- a. Exhibit E - Sale Order. Exhibit E to the Purchase Agreement is hereby deleted in its entirety and replaced with Exhibit A hereto.
- b. Exhibit F - Wind Down Budget. Exhibit F to the Purchase Agreement is hereby deleted in its entirety and replaced with Exhibit B hereto.
- c. Section 3.1(a). Section 3.1(a) of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

“The purchase price payable to Seller by Purchaser for the Purchased Assets (the “Purchase Price”) shall be: (i) with respect to the Encumbered Purchased Assets (which include and shall include all of the Intercompany Note Documents), the Credit Bid of \$398,000,002, representing the First Lien Indebtedness; *plus* (ii) with respect to the 35% of the EIH Equity that does not constitute Encumbered Purchased Assets, an amount in cash equal to \$1.00 (the “Cash Portion”); *provided, however*, that each of the parties hereto recognizes and agrees that the consideration being given by Purchaser for the Encumbered Purchased Assets in connection with this Agreement comprises the portion of the Purchase Price which is to be satisfied in part by the release of Seller of the First Lien Indebtedness (as contemplated by Section 3.1(a)(i))”

- d. Section 3.1(b). Section 3.1(b) of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

“In connection with Section 3.1(a)(i), (i) pursuant to the Sale Order each Noteholder shall at the Closing be deemed to sell, transfer, assign, convey and deliver to Purchaser (or its designees), and Purchaser (or its designees ) shall be deemed to accept and hold, all of such Noteholder’s First Lien Indebtedness and (ii) the Agent, subject and pursuant to the Direction Letter, shall satisfy the Purchase Price at the Closing as to the amount of the Credit Bid by releasing Seller from the First Lien Indebtedness under or with respect to the Indenture Documents and any other documents or agreements entered into in connection therewith in an aggregate amount up to the Credit Bid.”

- e. Section 4.1. The reference in Section 4.1 of the Purchase Agreement to “unless another time or date, or both, are agreed to in writing by Seller and the Agent” is hereby deleted and replaced with “unless another time or date, or both, are agreed to in writing by Seller and the Agent and, in each case, provided, that the transactions contemplated to occur at the Closing shall take place and be deemed to have occurred in the order set forth in Section 4.4”.

- f. Section 4.4. A new Section 4.4 is hereby added to the Purchase Agreement to read as follows:

“Order of Closing Steps. At the Closing, the transactions contemplated to occur at the Closing shall take place and be deemed to have occurred in the following order: (a) first, each Noteholder shall at the Closing be deemed to sell, transfer, assign, convey and deliver to Purchaser (or its designees), and Purchaser (or its designees ) shall be deemed to accept and hold, all of such Noteholder’s First Lien Indebtedness pursuant to Section 3.1(b), (b) second, Purchaser (or its designee or designees) shall acquire the EIH Equity from the Seller; (c) third, Purchaser (or its designee or designees) shall immediately thereafter acquire the Intercompany Note from the Seller, and (d) fourth, each other transaction contemplated to occur at the Closing shall take place and be deemed to have occurred simultaneously immediately following the transactions described in clauses (a), (b) and (c) of this Section 4.4” .

- g. Section 5.1(c). The reference in Section 5.1(c) of the Purchase Agreement to “October 16, 2015” is hereby deleted and replaced with “October 30, 2015”.

- h. Section 9.6(a). The reference in Section 9.6(a) of the Purchase Agreement to “\$5,500,000” is hereby deleted and replaced with “\$4,300,000”.

- i. Section 9.6(b). The words “the sum of (i) available cash and cash on hand of the Debtors, less \$1,000,000, plus (ii)” shall be added before “the Noteholders’ Asset Sale Proceeds” in the first sentence of Section 9.6(b) of the Purchase Agreement.
- j. Section 9.5(c). A new Section 9.5(c) is hereby added to the Purchase Agreement to read as follows:

“Notwithstanding anything to the contrary contained herein, as soon as reasonably practical after the Closing, pursuant to an agreement among EIC, Seller and the official committee of unsecured creditors in the Bankruptcy Cases (the “Committee”), Debtors are hereby permitted to pay to unsecured and certain undersecured creditors of Seller up to \$3,200,000 in cash (the “Committee Payment”). The Committee Payment shall be funded from (i) a \$1,200,000 reduction in the fees payable to advisors to the Priority Noteholders pursuant to Section 9.6(g), (ii) a \$1,750,000 reduction in the fees payable to advisors to the Debtors and (iii) \$250,000 from the Debtors’ available cash.”

- k. Section 9.6(e). The words “the available cash and cash on hand of the Debtors and” shall be added before “any funds then remaining in the Wind Down Account” in the first sentence of Section 9.6(e) of the Purchase Agreement.
- l. Section 9.6(g). A new Section 9.6(g) is hereby added to the Purchase Agreement, to read as follows:

“The Priority Noteholders have negotiated an aggregate reduction of \$1,200,000 in the fees and expenses specified in Section 9.6(a)(iii). At Closing, the Priority Noteholders shall cause EEUK to pay to Seller, in addition to any other amounts payable pursuant to this Agreement, \$1,200,000 in cash in immediately available funds.”

- m. Section 11.3. Section 11.3 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

“Seller, the Agent (subject and pursuant to the Direction Letter) and Purchaser agree that the Purchase Price (as adjusted pursuant to the terms of this Agreement) shall be allocated among the Purchased Assets as mutually agreed by the Seller and the Agent prior to the Closing (the “Asset Acquisition Statement”) and, except as provided below, all Tax Returns filed by Purchaser, EIC and Seller, or any of their Subsidiaries, shall be prepared consistently with such allocation; *provided, however*, that (a) Purchaser’s reported cost for US Tax purposes for the Purchased Assets may be greater than the Purchase Price to reflect Purchaser’s acquisition costs not included in the total amount so allocated, and (b) Seller’s reported amount realized for US Tax purposes may be less than the Purchase Price to reflect Seller’s costs that reduce the amount realized.

Notwithstanding the foregoing, solely for US Tax purposes, the parties agree that the Purchase Price shall not exceed the fair market value of the Purchased Assets, which the parties acknowledge may exceed or be lower than the Purchase Price paid for the Purchased Assets.”

- 3. Amendments to Settlement Agreement. The Endeavour Parties, the First Priority Noteholders and the EEUK Term Loan Lenders hereby agree to, and the Settlement Agreement is hereby amended by, the following amendments to the Settlement Agreement:

- a. Section 1(h)(iii). The words “in the event of a shortfall in the Noteholder Asset Sale Proceeds” shall be deleted.
- b. Section 1(j). A new Section 1(j) is hereby added to the Settlement Agreement to read as follows:

“Notwithstanding anything to the contrary contained herein, as soon as reasonably practicable after the Closing, pursuant to an agreement among EIC, EOC and the Committee, the Endeavour Parties are hereby permitted to pay to unsecured and certain undersecured creditors of EOC up to \$3,200,000 in cash (the “Committee Payment”). The Committee Payment shall be funded from (i) a \$1,200,000 reduction in the fees payable to advisors to the First Priority Noteholders pursuant to Section 9.6(g) of the Asset Purchase Agreement, (ii) a \$1,750,000 reduction in the fees payable to advisors to the Endeavour Parties and (iii) \$250,000 from the Endeavour Parties’ available cash. Other than as set forth in this paragraph or in the Sale Order, no distributions shall be made to unsecured creditors in the Debtors’ chapter 11 cases.”

- c. Section 2. The reference in Section 2 of the Settlement Agreement to “October 16, 2015” is hereby deleted and replaced with “October 30, 2015”.

4. Obligation to Prepay. The EEUK Term Loan Lenders acknowledge and agree that upon Closing and satisfaction by the Endeavour Parties of their obligations under Section 9.5(a) of the Purchase Agreement and Section 1(e) of the Settlement Agreement (in each case subject to the terms of this Letter Agreement), the obligations of the Endeavour Parties to prepay amounts due under the EEUK Credit Agreement on account of the Colorado Sale Transaction (the “Colorado Sale Transaction Net Proceeds”) contained in that certain Notice and Offer to Prepay Loans, dated as of September 24, 2015, shall be deemed satisfied and the Endeavour Parties shall have no further obligations to the EEUK Term Loan Lenders to prepay such amounts; *provided, however*, that the parties hereto hereby agree that obligations of the Endeavour Parties under Section 9.5(a) of the Purchase Agreement and Section 1(e) of the Settlement Agreement (in each case subject to the terms of this Letter Agreement) shall be satisfied only to the extent that the amount of Colorado Sale Transaction Net Proceeds distributed to the lenders under the EEUK Credit Agreement is no less than \$5,200,000.

5. Consent. The EEUK Term Loan Lenders acknowledge and agree that by their execution hereof, the Required EEUK Term Loan Lenders (as defined in the Settlement Agreement) have consented to each amendment, modification, waiver or other action or inaction contemplated by this Letter Agreement for which such consent may be required pursuant to Section 1(d) of the Settlement Agreement.

6. Withdrawal of Committee Motions and Objections. On or before October 16, 2015, the Committee shall withdraw without prejudice: (i) the Committee’s *Objection of the Official Committee of Unsecured Creditors to (A) the Motion of the Debtors for Entry of (I) an Interim and Final Order Approving the Credit Bid Asset Purchase Agreement, the Settlement Agreement, and Modification of Debtors’ Services Agreements and (II) an Order Approving Modification of the Adequate Protection Order and (B) Motion for Entry of an Order Authorizing Dismissal of the Debtors’ Cases Under Certification of Counsel [D.I. 911] (the “Committee Objection”)*, filed September 11, 2015; (ii) the Committee’s *Motion of the Official Committee of Unsecured Creditors for Entry of an Order Converting Chapter 11 Cases to Cases Under Chapter 7 of the Bankruptcy Code [D.I. 882] (the “Conversion Motion”)*; (iii) the *Motion of Official Committee of Unsecured Creditors for Entry of an Order Granting Derivative Standing and Authority to Prosecute and Settle Claims on Behalf of the Debtors’ Estates [D.I. 545] (the “Standing Motion”)*; and (iv) *The Official Committee of Unsecured Creditors Objection to the*



*Claims of the EEUK Secured Parties* [D.I. 547], (the “Claim Objection” and, together with the Committee Objection, the Conversion Motion and the Standing Motion, the “Withdrawn Objections and Motions”). Notwithstanding the expiration of the Challenge Period (as defined in the Stipulated Order Granting (I) Adequate Protection to Certain of the Debtors' Prepetition Secured Lenders and (II) Related Relief Pursuant to Sections 105(a), 361, 362 and 363(e) and Bankruptcy Rules 2002 and 4001 [D.I. 167]), to the extent that (i) the Challenge Period had not expired prior to the initial filing with the Bankruptcy Court of the Withdrawn Objections and Motions by the Committee and (ii) the Closing does not occur on or prior to October 30, 2015, then the Committee may refile the Withdrawn Objections and Motions with the Bankruptcy Court. If the Committee has not withdrawn, without prejudice, the Withdrawn Objections and Motions on or prior to October 16, 2015, this Letter Agreement shall be null and void *ab initio*.

7. Order Approving Dismissal of the Chapter 11 Cases. Seller shall use its commercially reasonable efforts to obtain entry by the Bankruptcy Court of the Structured Dismissal Order (as defined below). If the Closing occurs prior to October 31, 2015, the Agent, the Priority Noteholders and the EEUK Term Loan Lenders shall support and shall not oppose, object to, or otherwise cause or support any other party to oppose or object to, the Structured Dismissal Order. The “Structured Dismissal Order” means interim and final order(s) of the Bankruptcy Court substantially in the form attached hereto as Exhibit C; *provided, however*, that the Structured Dismissal Order may include such changes as are reasonably acceptable to Seller, the Agent and the EEUK Term Loan Lenders.

8. Effect of Amendment. This Letter Agreement shall modify and amend the Purchase Agreement and Settlement Agreement to the extent, and only to the extent, expressly set forth herein; it being the intent of the parties that all of the terms and provisions of the Purchase Agreement and Settlement Agreement that are not modified or replaced hereunder shall be unaltered and shall remain in full force and effect; *provided, however*, that if either or both of the Purchase Agreement or the Settlement Agreement are terminated by their respective terms, then the amendments and modifications set forth in Section 2(h), Section 2(j), Section 2(l), Section 3(b), Section 4 and Section 7 shall become null and void *ab initio*, and shall have no effect whatsoever, without any action on the part of any Person, in each case, upon such termination. The parties agree that this Letter Agreement shall constitute a Transaction Document as defined in the Settlement Agreement.

9. Governing Law. Except for matters as to which the Bankruptcy Code applies, this Letter Agreement shall be governed by and construed in accordance with the Laws of the State of New York applicable to contracts made and performed in such State, without giving effect to any choice of Law or conflict of Law rules or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of New York.

10. Counterparts. This Agreement may be executed in any number of counterparts (including by telecopier, facsimile or email attachment), each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

[Signature Page Follows]

Kindly confirm your agreement to this Letter Agreement by signing below where indicated.

Very truly yours,

**ENDEAVOUR PARTIES**

**ENDEAVOUR INTERNATIONAL  
CORPORATION**

By: Cathy Stubbs  
Name: Catherine L. Stubbs  
Title: Senior Vice President and Chief Financial Officer

**ENDEAVOUR OPERATING CORPORATION**

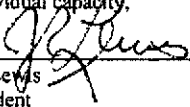
By: Cathy Stubbs  
Name: Catherine L. Stubbs  
Title: Senior Vice President and Chief Financial Officer

**ENDEAVOUR COLORADO CORPORATION**

By: Cathy Stubbs  
Name: Catherine L. Stubbs  
Title: Senior Vice President and Chief Financial Officer

**AGENT:**

**WELLS FARGO BANK, NATIONAL ASSOCIATION**, in its capacity as trustee and collateral agent  
and not in its individual capacity.

By:   
Name: James R. Lewis  
Title: Vice President

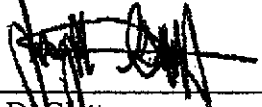
[Signature Page to Letter Agreement]

**FIRST PRIORITY NOTEHOLDERS:**

**AEC (Lux) S.a.r.l.**

By: Apollo European Credit Management, L.P.,  
its investment manager

By: Apollo European Credit Management GP, LLC,  
its general partner

By:   
Name: Joseph D. Glatt  
Title: Vice President

**AES (Lux) S.a.r.l.**

By: Apollo European Strategic Management, L.P.,  
its investment manager


By: Apollo European Strategic Management, LLC,  
its general partner

By:   
Name: Joseph D. Glatt  
Title: Vice President

**Apollo Centre Street Partnership, L.P.**

By: Apollo Centre Street Advisors (APO DC), L.P., its general partner

By: Apollo Centre Street Advisors (APO DC-GP), LLC, its general partner

By:   
Name: Joseph D. Glatt  
Title: Vice President

**Apollo Credit Opportunity Trading Fund III**

By: Apollo Credit Opportunity Fund III LP,  
its general partner

By: Apollo Credit Opportunity Advisors III (APO FC) LP, its general partner

By: Apollo Credit Opportunity Advisors III (APO FC) GP LLC, its general partner

By:   
Name: Joseph D. Glatt  
Title: Vice President

[Signature Page to Letter Agreement]

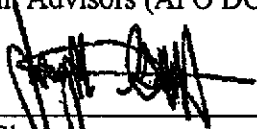
**Apollo Credit Strategies Master Fund Ltd.**

By: Apollo ST Fund Management LLC,  
its Investment Manager

By:   
Name: Joseph D. Glat  
Title: Vice President

**Apollo Franklin Partnership, L.P.**

By: Apollo Franklin Advisors (APO DC), L.P., its General Partner  
By: Apollo Franklin Advisors (APO DC-GP), LLC, its General Partner

By:   
Name: Joseph D. Glat  
Title: Vice President


**Apollo SK Strategic Investments, L.P.**

By: Apollo SK Strategic Advisors GP, L.P., its general partner  
By: Apollo SK Strategic Advisors, LLC, its general partner

By:   
Name: Joseph D. Glat  
Title: Vice President

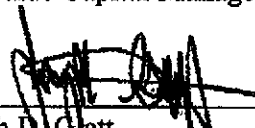
**Apollo Special Opportunities Managed Account, L.P.**

By: Apollo SVF Management, L.P., its investment manager  
By: Apollo SVF Management GP, LLC, its general partner

By:   
Name: Joseph D. Glat  
Title: Vice President

**Apollo Value Investment Master Fund, L.P.**

By: Apollo Value Advisors, L.P., its investment manager  
By: Apollo Value Capital Management, LLC, its general partner

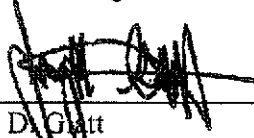
By:   
Name: Joseph D. Glat  
Title: Vice President

[Signature Page to Letter Agreement]

**Apollo Zeus Strategic Investments, L.P.**

By: Apollo Zeus Strategic Advisors, L.P., its general partner

By: Apollo Zeus Strategic Advisors, LLC, its general partner

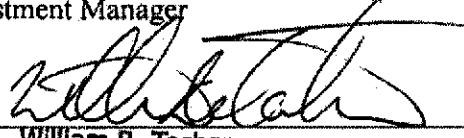
By:   
Name: Joseph D. Gatt  
Title: Vice President

[Signature Page to Letter Agreement]

**ARISTEIA MASTER, L.P.**

By: Aristeia Capital, L.L.C.

its Investment Manager

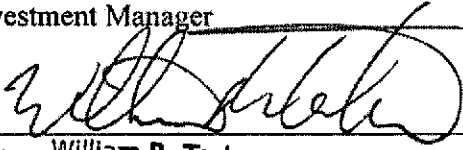
By:   
Name: William R. Techar  
Title: Manager  
Aristeia Capital, L.L.C.

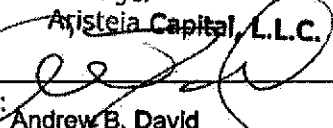
By:   
Name: Andrew B. David  
Title: General Counsel  
Aristeia Capital, L.L.C.

**AAI ARISTEIA REFLECTION FUND, PLC - ARISTEIA REFLECTION FUND**

By: Aristeia Capital, L.L.C.

its Investment Manager

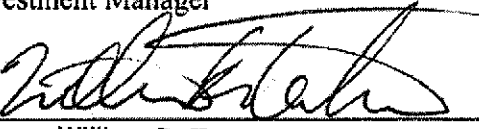
By:   
Name: William R. Techar  
Title: Manager  
Aristeia Capital, L.L.C.

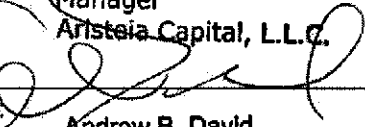
By:   
Name: Andrew B. David  
Title: General Counsel  
Aristeia Capital, L.L.C.

**WINDERMERE IRELAND FUND, PLC**

By: Aristeia Capital, L.L.C.

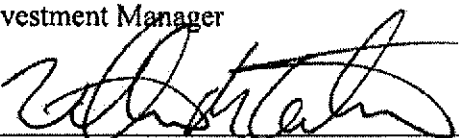
its Investment Manager

By:   
Name: William R. Techar  
Title: Manager  
Aristeia Capital, L.L.C.

By:   
Name: Andrew B. David  
Title: General Counsel  
Aristeia Capital, L.L.C.

**COMPASS ESMA, L.P.**

By: Aristeia Capital, L.L.C.  
its Investment Manager

By: 

Name: William R. Techar  
Title: Manager



Name: Andrew B. David  
Title: General Counsel  
Aristeia Capital, L.L.C.

**COMPASS TSMA, L.P.**

By: Aristeia Capital, L.L.C.  
its Investment Manager

By: 

Name: William R. Techar  
Title: Manager



Name: Andrew B. David  
Title: General Counsel  
Aristeia Capital, L.L.C.



**AVENUE MUTUAL FUNDS TRUST, on behalf of its series  
AVENUE CREDIT STRATEGIES FUND**

By: \_\_\_\_\_  
Name: Sonia Gardner *RAG*  
Title: Authorized Signatory

**AVENUE INVESTMENTS, L.P.**

By: Avenue Partners, LLC  
*its General Partner*

By: \_\_\_\_\_  
Name: Sonia Gardner *RAG*  
Title: Member

**AVENUE COPPERS OPPORTUNITIES FUND, L.P.**

By: Avenue COPPERS Opportunities Fund GenPar,  
LLC  
*its General Partner*

By: \_\_\_\_\_  
Name: Sonia Gardner *RAG*  
Title: Member

[Signature Page to Letter Agreement]

**AVENUE ENERGY OPPORTUNITIES FUND, L.P.**

By: Avenue Energy Opportunities Partners, LLC  
*its General Partner*

By: GL Energy Opportunities Partners, LLC  
*its Managing Member*

By: \_\_\_\_\_ *RJL*  
Name: Sonia Gardner  
Title: Member

**AVENUE ENTRUST CUSTOMIZED  
PORTFOLIO SPC ON BEHALF AND FOR  
THE ACCOUNT OF AVENUE US/EUROPE  
DISTRESSED SEGREGATED PORTFOLIO**

By: \_\_\_\_\_ *RJL*  
Name: Sonia Gardner  
Title: Director

**AVENUE INTERNATIONAL MASTER, L.P.**

By: Avenue International Master GenPar, Ltd.  
*its General Partner*

By: \_\_\_\_\_ *RJL*  
Name: Sonia Gardner  
Title: Director

[Signature Page to Letter Agreement]

**MANAGED ACCOUNTS MASTER FUND SERVICES - MAP10**  
*a Sub Trust of Managed Accounts Master Fund Services*

By: Avenue Capital Management II, L.P.,  
*its Investment Manager*

By: Avenue Capital Management II GenPar, LLC,  
*its General Partner*

By: \_\_\_\_\_ *R.G.K.*  
Name: Sonia Gardner  
Title: Managing Member

**AVENUE PPF OPPORTUNITIES FUND, L.P.**

By: Avenue PPF Opportunities Fund GenPar, LLC  
*its General Partner*

By: \_\_\_\_\_ *R.G.K.*  
Name: Sonia Gardner  
Title: Member

**AVENUE SPECIAL OPPORTUNITIES FUND I, L.P.**

By: Avenue SO Capital Partners I, LLC  
*its General Partner*

By: GL SO Partners I, LLC  
*its Managing Member*

By: \_\_\_\_\_ *R.G.K.*  
Name: Sonia Gardner  
Title: Member

[Signature Page to Letter Agreement]

**AVENUE SPECIAL OPPORTUNITIES CO-  
INVESTMENT FUND I, L.P.**

By: Avenue SO Capital Partners I, LLC  
*its General Partner*


By: GL SO Partners I, LLC  
*its Managing Member*

By: \_\_\_\_\_ *SAK*  
Name: Sonia Gardner  
Title: Member

[Signature Page to Letter Agreement]

**EEUK TERM LOAN LENDER:**

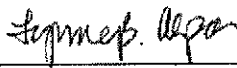
**BARCLAYS BANK PLC**

By:   
Name: Dan Crowley  
Title: Managing Director

**EEUK TERM LOAN LENDER:**

**DOUBLE BLACK DIAMOND OFFSHORE LTD.**

**By: Carlson Capital, L.P., its Investment Advisor**

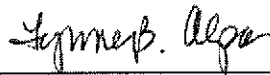
By: 

Name: Lynne B. Alpar

Title: Chief Financial Officer

**BLACK DIAMOND OFFSHORE LTD.**

**By: Carlson Capital, L.P., its Investment Advisor**


By: 

Name: Lynne B. Alpar

Title: Chief Financial Officer

**EEUK TERM LOAN LENDER:**

**CASPIAN CAPITAL LP on behalf of its advisees**

By:   
Name: Kathryn Murtagh  
Title: Authorized Signatory

**EEUK TERM LOAN LENDER:**

**CREDIT VALUE PARTNERS, LP, as agent for  
funds and accounts under management**

By:  \_\_\_\_\_

Name: Michael Geroux


Title: Partner

[Signature Page to Letter Agreement]



**EEUK TERM LOAN LENDER:**

**HUDSON BAY ABSOLUTE RETURN CREDIT  
OPPORTUNITIES MASTER FUND LTD**

By:  \_\_\_\_\_  
Name: Marc Sole  
Title: Authorized Signatory

**EEUK TERM LOAN LENDER:**

**MAGNETAR FINANCIAL LLC,**  
on behalf of each of the following lenders:  
**BLACKWELL PARTNERS LLC**  
**COMPASS OFFSHORE HTV PCC LIMITED**  
**COMPASS HTV LLC LIMITED**  
**MAGNETAR CAPITAL MASTER FUND, LTD**  
**MAGNETAR GLOBAL EVENT DRIVEN MASTER FUND LTD**  
**SPECTRUM OPPORTUNITIES MASTER FUND LTD**

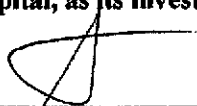
By:  \_\_\_\_\_

Name: Anthony Fox  
Title: Chief Financial Officer - Funds

**EEUK TERM LOAN LENDER:**

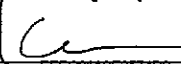
**RIMROCK HIGH INCOME PLUS (MASTER) FUND  
RIMROCK LOW VOLATILITY (MASTER) FUND  
RIMROCK GLOBAL CREDIT (MASTER) FUND, LTD  
By: Rimrock Capital, as its investment manager**

By: \_\_\_\_\_


  
Name: Santino Blumetti  
Title: Managing Director

**EEUK TERM LOAN LENDER:**

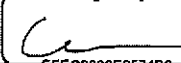
**WHITEBOX MULTI-STRATEGY PARTNERS,  
L.P.**

DocuSigned by:  
By:   
Name: Mark Strefling  
Title: General Counsel & Chief Operating Officer

**PANDORA SELECT PARTNERS, L.P.**

DocuSigned by:  
By:   
Name: Mark Strefling  
Title: General Counsel & Chief Operating Officer

**WHITEBOX INSTITUTIONAL PARTNERS, L.P.**

DocuSigned by:  
By:   
Name: Mark Strefling  
Title: General Counsel & Chief Operating Officer

**EEUK TERM LOAN LENDER:**

**WINGSPAN INVESTMENT MANAGEMENT**

By: 

Name: Brendan Driscoll  
Title: COO/CFO

**EXHIBIT A**

**Sale Order**

**Filed Contemporaneously Herewith.**

**EXHIBIT B**

**Wind Down Budget**

Endeavour International Corporation  
Cash Flow Summary  
\$ in thousands

	10/31/2015	11/30/2015
Beginning Cash	\$ 2,186	\$ 8,796
Total Revenue	\$ -	\$ -
Total Opex	(100)	-
US G&A	(800)	-
Financing/Wind Down Cost <sup>(1)</sup>	-	(3,138)
Restructuring Costs <sup>(2)</sup>	(1,360)	(997)
Total Capex <sup>(3)</sup>	(700)	-
Cash Transfers for G&A <sup>(4)</sup>	800	800
US Asset Sales <sup>(5)</sup>	1,430	-
Cash Transfers to UK for Net US Asset Proceeds <sup>(6)</sup>	(3,770)	-
Cash Transfers for Payment of IP Professionals and Wind Down Cost <sup>(7)</sup>	1,200	1,385
Total US Cash Flows	\$ (3,699)	\$ (1,712)
Completion Fees + Unpaid Fees (Professionals) <sup>(8)</sup>	(4,330)	(6,995)
UCC Settlement	(3,205)	-
US ENDING CASH	\$ 8,706	\$ 0

(1) Contemplates ordinary payments under the MSA and does not contemplate transfers allowed by the backstop for wind down costs.

(2) Assumes ongoing professional fees, excludes \$0.5 million IP advisor payment, completion fees, and settlement of unpaid professional fees resulting from the lag between invoice receipt and payment.

(3) Of the \$0.7 million capex shown in October, \$0.3 million relates to various Colorado payments and the remaining \$0.4 million relates to netting with Samson.

(4) Beginning October 2015, transfers are 100% of G&A paid from the U.S. each month since no US operations exist. Transfers occur until UK cash is assumed to be negative.

(5) Included in the October beginning balance are the net sales proceeds for the Colorado asset sale. The proceeds amount received is derived by deducting \$0.442 million of net costs and PPA from the gross proceeds of \$7.850 million, resulting in adjusted proceeds of \$7.408 million ("Adjusted Colorado Proceeds"). Net sales proceeds for the Non-Colorado asset sale are transferred in October, the estimated closing month. The proceeds amount shown is derived by deducting \$0.130 million of net costs and PPA from the gross proceeds of \$1.568 million, resulting in adjusted proceeds of \$1.438 million ("Adjusted Non-Colorado Proceeds"). After netting the sales costs attributable to the each asset sale, the net Colorado proceeds and a portion of the net Non-Colorado proceeds will be sent to the UK.

(6) Net sales proceeds for the Colorado and Non-Colorado asset sales are transferred from the US in October. After reducing the Adjusted Colorado Proceeds by its pro rata share of the total \$2.532 million in costs associated with the sale (83% - \$2.113 million), the US will receive \$5.295 million in net sales proceeds. Additionally, the US portion of the net Non-Colorado sales proceeds of \$0.478 million will be sent. The \$0.478 million is derived by reducing the Adjusted Non-Colorado Proceeds by its portion of the sales cost (10% - \$0.421 million), resulting in net Non-Colorado proceeds of \$1.019 million. Per the agreement, the UK gets 47% of the \$1.019 million.

(7) \$1.2 million transferred on October 31, 2015 to fund the IP portion of fee conversions to the UCC settlement. Transfer, at an amount to cause ending cash to be \$0.00, from the UK to pay the IP advisors' payout captured in the "Completion Fees + Unpaid Fees (Professionals)" line item.

(8) Includes fee conversions totaling \$2.95 million from various debtor and IP advisors.



**EXHIBIT C**

**Order Approving Dismissal**

**Filed Contemporaneously Herewith**

**Attachment 3**

**Settlement Agreement**

[Incorporated by reference to Exhibit A to Exhibit 99.2 to our Current Report on Form 8-K filed August 4, 2014.]

**Attachment 4**

**EOC-EEUK Services Agreement**

[Incorporated by reference to Attachment 3 to Exhibit A to the Motion, dated August 3, 2015  
(D.I. 807).]

**Attachment 5**

**EIC-EEUK Services Agreement**

[Incorporated by reference to Attachment 4 to Exhibit A to the Motion, dated August 3, 2015  
(D.I. 807).]