

EXHIBIT 1

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

IN RE: §
G.B.G. RANCH, LTD. § Case No. 14-50155
Debtor. § Chapter 11
§

DEBTOR'S ~~SECOND-THIRD~~ AMENDED CHAPTER 11 PLAN OF LIQUIDATION

COMES NOW G.B.G. Ranch, Ltd., Debtor-in-Possession ("Debtor"), pursuant to §1121 (a) and proposes the following ~~First-Third~~ Amended Plan of Liquidation for the Debtor (the "Plan").

**ARTICLE 1
SUMMARY OF THE PLAN**

It is intended that the Debtor's plan shall be a plan of liquidation with all revenue remaining after the payment of allowed third party claims, costs of administration (including professional fees and U.S. Trustee's fees), and liquidation of insider and related party claims, to be distributed to the equity interest owners of the Debtor in proportion to their ownership immediately preceding the Petition date.

The Debtor proposes to dispose of all of its assets ~~in the following manner as follows:~~

a. Liquidate the non-mineral classified lands located on the Hill consisting of Tracts 1, 2, 3, 4, 6, 7, 8 and 9 (collectively referred to as the "Hill Fee Lands") pursuant to a competitive bidding processes approved by the Bankruptcy Court on a sale-by-sale basis. ~~(As of the date hereof, a~~ All but Hill Tracts 6 and 7 have been sold pursuant to final orders of this Court. ~~(To the extent that Hill Tracts 6 and 7 remain unsold as of the date of the settlement of the GBG Ranch Trust, The the~~ Debtor reserves the right to ~~include convey~~ Hill Tract 6 and 7 ~~with the conveyance of Hill Tract 5~~ into the GBG Ranch Trust. ~~); and~~

b. Transfer the surface estate ~~of the Corazon~~, including the mineral classified ~~portion of the Corazon~~ lands thereon, the surface estate of the Oilton, and the ~~Hill Tract 5~~

Formatted: Font: (Default) Arial, Bold, Underline

Formatted: List Paragraph, Indent: Left: 0", First line: 0", Numbered + Level: 1 + Numbering Style: A, B, C, ... + Start at: 1 + Alignment: Left + Aligned at: 0.5" + Indent at: 0.75"

Formatted: Indent: First line: 0"

(mineral classified lands) of the Hill (Tract 5) into the GBG Ranch Trust, a Texas domestic trust (the "GBG Ranch Trust"). The GBG Ranch Trust, which shall have two classes of beneficiaries:

- i. "Surface Estate Beneficiaries"; and
- ii. "Wind Revenue Beneficiaries".

The GBG Ranch Trust will also receive from the Debtor cash in the amount of \$200,000.00, the Corazon Ranch, the Hill Tracts and the Oilton Ranch (collectively the "Ranch Trust Assets"). The GBG Ranch Trust, and will receive from Quita Wind, cash in the amount of \$200,000.00 and the rights of Quita Wind under the Wind Lease.

~~Because the Debtor is not currently apprised of the amount of the claims to be asserted by the Creditor Respondents¹ and, as applicable, the Equity Respondents², the Debtor has contemplated three alternative Plan scenarios in which the settlement of the GBG Ranch Trust may be prohibited fail. These alternatives are, to wit:~~

1. The event of an Absolute Priority Rule violation ("Alternative One");
- ~~2. The lack of an accepting trustee ("Alternative Two");~~
- ~~3-2. The determination by an accepting trustee that one or more proposed trust assets will not be accepted ("Alternative Three").~~

Formatted: Indent: Left: 0.5", First line: 0", Tab stops: 0.5", Left

Alternative One: In the event that the total allowed amount of the claims against the Debtor exceed the value of the cash on hand, the recoverable cash and liquidatable assets of the Debtor, exclusive of the Ranch Trust Assets, all or part of the Ranch Trust Assets may be sold by the Debtor to enable the Plan to comply with the Absolute Priority Rule.

Alternative Two: In the event that the establishment of the GBG Ranch Trust fails because a qualified trustee declines to accept the trusteeship, the Debtor will cause the Corazon, the Oilton and the Remaining Hill Tracts to be sold post confirmation under the supervision of the Bankruptcy Court and utilizing a competitive bidding process established on a sale-by-sale basis. The Creditor Respondents and the Equity Respondents believe that a qualified trustee will be found who will accept all of the real estate assets of GBG

¹ As defined in the Third Amended Disclosure Statement

² As defined in the Third Amended Disclosure Statement

Ranch, including the Corazon Ranch.

~~Alternative Three: In the event that a qualified trustee is identified for the GBG Ranch Trust but declines to accept the Corazon, the Oilton or the Hill Tracts (one or more a "Rejected Plan Asset"), the Debtor will cause the Rejected Plan Asset to be sold under the supervision of the Bankruptcy Court and utilizing a competitive bidding process established on a sale-by-sale basis.~~

In addition, the Debtor will sell all of the personal property of the Debtor, collect all intercompany accounts receivable, and collect all third party accounts receivable.

The Court will retain jurisdiction over the Debtor until such time as all of the Plan Assets have been sold, ~~and~~ all of the Trust Assets have been conveyed to the GBG Ranch Trust, as applicable, and the Litigation Trust has been fully settled. The jurisdictional retention shall apply irrespective of the applicable plan alternative.

This Plan contemplates six categories of claims and establishes five (5) classes of claims. The Administrative Claims consisting of professional fees are unclassified.

All creditors and equity security holders should refer to this Plan for information regarding the precise treatment of their claim. The Third Amended Disclosure Statement circulated with this Plan in support of confirmation provides detailed information regarding this Plan and the rights of creditors and equity interest holders.

YOUR RIGHTS MAY BE AFFECTED. YOU SHOULD READ THESE PAPERS CAREFULLY AND DISCUSS THEM WITH YOUR ATTORNEY, IF YOU HAVE ONE. IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE.

ARTICLE 2

DEFINITIONS, CONSTRUCTION AND INTERPRETATION

1. Definitions

The capitalized terms used herein shall have the respective meanings set forth below:

"GBG" means G.B.G. Ranch, Ltd., the Debtor.

"Administrative Expense" or **"Administrative Claim"** means any cost or expense of the administration of the Chapter 11 Case incurred on or before the Effective Date entitled to priority under §507(a)(1) and allowed under §503(b) of the Bankruptcy Code, including all allowances of compensation or reimbursement of expenses to the

extent allowed by the Bankruptcy Court under the Bankruptcy Code.

“Adversary” means Adversary No. 14-05006 pending in the United States Bankruptcy Court for the Southern District of Texas, Laredo Division.

“Allowed” when used with respect to any Claim, except for a Claim that is an Administrative Expense, means (i) such Claim to the extent it is not a Contested Claim; (ii) such Claim to the extent it may be set forth pursuant to any stipulation or agreement that has been approved by Final Order; or (iii) a Contested Claim, proof of which was filed timely with the Bankruptcy Court and (a) as to which no objection was filed by the Objection Deadline, unless such Claim is to be determined in a forum other than the Bankruptcy Court, in which case such Claim shall not become Allowed until determined by Final Order of such other forum and Allowed by Final Order of the Bankruptcy Court; or (b) as to which an objection was filed by the Objection Deadline, to the extent Allowed by Final Order.

“Avoidance Actions” means any and all rights, claims and causes of action arising under any provision of Chapter 5 of the Bankruptcy Code, including claims for payments made to creditors within 90 days of the Petition Date that may be avoidable under 11 U.S.C. §547.

“Ballot” means the Ballot to be used by creditors and Equity Interests to cast their votes or accept or reject the Plan.

“Bankruptcy Case” means the above-styled case commenced under Chapter 11 of the Bankruptcy Code by the Debtor on the Petition Date.

“Bankruptcy Code” means the Bankruptcy Reform Act of 1978, as amended, and codified at title 11 of the United States Code.

“Bankruptcy Court” means the Bankruptcy Court unit of the United States District Court for the Southern District of Texas, Laredo Division, or such other court having jurisdiction over this Chapter 11 case.

“Bankruptcy Rules” means the Federal Rules of Bankruptcy Procedure, as prescribed by the United States Supreme Court pursuant to §2075 of title 28 of the United States Code.

“Bar Date” means the final date for the filing of proofs of Claims set by the Bankruptcy Court or such other date as may apply to a particular Claim pursuant to a duly entered order of the Bankruptcy Court.

“Business Day” means any day on which commercial banks and federal courts are open for business in Laredo, Texas.

“C&H” means GBG Cattle & Hunting, LLC, a Texas limited liability company that is an affiliate of the Debtor and the lessee under the Master Lease, *infra*.

“Cash” means legal tender of the United States of America or Cash equivalents.

“Causes of Action” means, without limitation, any and all claims, actions, adversary proceedings, causes of action (including causes of action arising under any section of the Bankruptcy Code), liabilities, obligations, rights, suits, debts, sums of money, damages, judgments and demands whatsoever, whether pending or not pending, known or not known, whether or not scheduled as the asset of the Debtor, disputed or undisputed, legal or equitable, absolute or contingent, including, specifically, but without limitation, the Avoidance Actions.

“Claim” shall have the meaning set out in §101 of the Bankruptcy Code.

“Claim Register” shall mean the Claim Register as maintained by the Court as to the Debtor.

“Claimant” or **“Creditor”** means the holder of a Claim.

“Confirmation Date” means the date on which the Clerk of the Bankruptcy Court enters the Confirmation Order.

“Confirmation Hearing” means the hearing held by the Bankruptcy Court pursuant to § 1128 of the Bankruptcy Code, as it may be continued from time to time, on confirmation of the Plan.

“Confirmation Order” means the order of the Bankruptcy Court confirming the Plan pursuant to § 1129 of the Bankruptcy Code.

“Contested,” when used with respect to a Claim, means a Claim against the Debtor (i) that is listed in the Debtor’s Schedules as disputed, contingent or unliquidated regardless of whether a proof of claim has been filed or not; (ii) that is listed in the Debtor’s Schedules as undisputed, liquidated and not contingent and as to which a proof of Claim has been filed with the Bankruptcy Court, to the extent the proof of Claim amount exceeds the scheduled amount; (iii) that is not listed in the Debtor’s Schedules, but as to which a proof of Claim has been filed with the Bankruptcy Court; or (iv) as to which an objection has been or may be filed. Notwithstanding the foregoing, after the Objection Deadline, including any extensions thereto, only Claims to which an Objection has been filed shall

be deemed Contested Claims with respect to claims for which a proof of claim has been filed.

“**Court**” means the United States Bankruptcy Court for the Southern District of Texas, Laredo Division.

“**Corazon**” means the 8,673.68 acres, more or less, located in Webb County, Texas and more particularly described on the Howland Map attached as **Exhibit B** hereto.

“**Debtor**” means G.B.G. Ranch, Ltd.

“**Disclosure Statement**” means the Third Amended Disclosure Statement filed by the Debtor, as amended from time to time.

“**Effective Date**” means the first Business Day after the expiration of the thirtieth (30th) day after the Confirmation Order becomes a Final Order.

“**Equity Interest**” means the interest represented by an “equity security,” as defined in §101 of the Bankruptcy Code, including all partnership interests in the Debtor.

“**Executory Contracts**” means all unexpired leases and executory contracts as such terms are used within § 365 of the Bankruptcy Code to which the Debtor was a party as of the Petition Date.

“**Exhibit**” shall mean the identified Exhibit attached hereto. The Exhibits attached to this Plan are:

- Exhibit A – Hill Survey
- Exhibit A-1 – Hill Tract 5
- Exhibit A-2 – Hill Tract 6
- Exhibit A-3 – Hill Tract 7
- Exhibit B – Corazon
- Exhibit C – Oilton
- Exhibit D – GBG Ranch Trust
- Exhibit E – Litigation Trust

Formatted: Font: Bold

“**Fee Application**” means an application of a Professional Person under §§ 330 or 503 of the Bankruptcy Code for allowance of compensation and reimbursement of expenses in the Chapter 11 case.

Formatted: Indent: First line: 0"

“**Fee Claim**” means a Claim under §§ 330 or 503 of the Bankruptcy Code for

allowance of compensation and reimbursement of expenses in the Chapter 11 case.

“Final Order” means (i) an order as to which the time to appeal, petition for certiorari or motion for re-argument, rehearing, reconsideration, new trial, or to alter or amend findings or judgment has expired and as to which no appeal, petition for certiorari or other proceedings for re-argument, rehearing, reconsideration, new trial, or to alter or amend findings or judgment shall then be pending, or (ii) in the event that an appeal, writ of certiorari, re-argument, rehearing, reconsideration, new trial, or motion to alter or amend findings or judgment thereof has been sought, such order shall have been affirmed by the highest court to which such order was appealed, or certiorari has been denied or from which re-argument, rehearing, reconsideration, new trial, or motion to alter or amend findings or judgment was sought, and the time to take any further appeal, petition for certiorari or move for re-argument, rehearing, reconsideration, new trial, or to alter or amend findings or judgment shall have expired; provided, however, that no order shall fail to be a Final Order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure may be filed with respect to such order.

“GBG Ranch Trust” shall mean the Texas domestic trust the trustee for which shall be an institution approved by the Court. The form of the GBG Trust shall be incorporated into the Plan as a Plan Document contemporaneously with confirmation of the Plan. The form of the GBG Ranch Trust proposed by the Debtor is attached as **Exhibit D** to this Plan.

“General Unsecured Claim” means any Claim against the Debtor that is not a Priority Claim, Secured Claim, or an Administrative Expense.

“Hill” or **“Remaining Hill Tracts”** means the Tracts 5, 6, and 7 identified on the Howland Survey Map attached as **Exhibit A** hereto and as described by metes and bounds on **Exhibits A-1** through **A-3** attached hereto.

“Hill Tract 5” means Tract 5 as identified on the Howland Survey Map attached as **Exhibit A** and the metes and bounds attached hereto as **Exhibit A-1** which tract is mineral classified land.

“Hill Tract 6” means Tract 6 as identified on the Howland Survey Map attached as **Exhibit A** and the metes and bounds attached hereto as **Exhibit A-2**.

“Hill Tract 7” means Tract 7 as identified on the Howland Survey Map attached as **Exhibit A** and the metes and bounds attached hereto as **Exhibit A-3**

“Liens” means valid and enforceable liens, mortgages, security interests, pledges, charges, encumbrances, or other legally cognizable security devices of any kind.

“**Liquidating Debtor**” shall mean the post confirmation GBG Ranch, Ltd. which shall survive under the continuing jurisdiction of the Bankruptcy Court for such time frame as may be required to settle the GBG Ranch Trust and/or liquidate any Rejected Plan Asset.

“**Litigation Expense Fund**” shall mean the funds transferred by the Debtor to fund the offensive and defensive litigation expenses anticipated in connection with the fulfillment of the duties of the Litigation Trustee under the Litigation Trust. The Debtor shall deposit the sum of \$1,000,000.00 with the Litigation Trustee contemporaneously with the settlement of the Litigation Trust.

Formatted: Font: Bold

“**Litigation Trust**” shall mean the trust established to receive any alleged claims for preferential transfers, fraudulent transfers, and, as determined by the Debtor, claims litigation, and the Removed Litigation, a copy of which is attached hereto as **Exhibit E**.

Formatted: Font: Bold

“**Litigation Trustee**” shall mean the person identified at the Confirmation Hearing to serve as the trustee of the Litigation Trust.

“**Master Lease**” means that certain Grazing and Hunting Lease Agreement dated the 2nd day of August, 2006 executed by and between GBG Land and Cattle Co., Ltd. and GBG Cattle & Hunting, LLC as assigned to GBG Ranch, Ltd.

“**Objection Deadline**” means **October 2, 2015 at 4:00 p.m.**, the date by which objections to Claims shall be filed with the Bankruptcy Court and served upon the respective holders of each of the Claims.

“**Oilton**” means the 6,709.81 acres, more or less, located in Webb County, Texas and more particularly identified on the Map attached as **Exhibit C** hereto.

“**Plan Assets**” means the Hill Fee Tracts, all personal property owned by the Debtor, all intercompany accounts receivable owing to the Debtor, and all third party accounts receivable owing to the Debtor.

“**Petition Date**” means July 8, 2014.

“**Plan**” means this Plan of Reorganization, either in its present form or as it may hereafter be altered, amended or modified from time to time.

“**Plan Documents**” means the documents that aid in effectuating the Plan as specifically identified as such herein, which will be substantially in the form filed by the Debtor with the Bankruptcy Court prior to the conclusion of the Confirmation Hearing.

“**Plan Participants**” means the Debtor, its directors, officers, partners, employees and advising professionals as of and after the Confirmation Date.

“**Priority Claim**” means any Claim (other than an Administrative Expense) to the extent entitled to priority in payment under § 507(a) of the Bankruptcy Code.

“**Priority Tax Claim**” means a Priority Claim of a governmental unit of the kind specified in §507(a)(8) of the Bankruptcy Code.

“**Professional Person**” means a person retained or to be compensated pursuant to §§ 327, 328, 330, 503(b) or 1103 of the Bankruptcy Code.

“**Proponent**” means the Debtor.

“**Pro Rata Share**” means the proportion that the amount of an Allowed Claim in a particular class of Claims bears to the aggregate amount of all Claims in such class of Claims, including Contested Claims, but not including Disallowed Claims.

“**Quita Wind**” means Quita Wind Energy Company, LLC, a Texas limited liability company.

“**Ranches**” means the Hill, the Corazon and the Oilton, collectively.

~~“**Rejected Plan Assets**” means all or each of the Hill, Corazon and Oilton.~~

“**Removed Litigation**” shall mean those claims and causes of action, both offensive and defensive, asserted by or against the Debtor in Adversary No. 14-05006.

“**Representatives**” means any officer, director, financial advisor, attorney, law firm, accounting firm, financial advising firm, and other Professional Person.

“**Schedules**” means the Schedules of Assets and Liabilities and the Statements of Financial Affairs filed by the Debtor as required by § 521 of the Bankruptcy Code and Bankruptcy Rule 1007, as such Schedules and Statements have been or may be supplemented or amended.

“**Secured Claim**” means a Claim secured by a lien or right of setoff allowable under 11 U.S.C. § 553 on property of the Debtor, which lien is valid, perfected and enforceable under applicable law, is not subject to avoidance under the Bankruptcy Code or other applicable non-bankruptcy law and which is duly established in the Chapter 11 case, but only to the extent of the value of the Collateral that secures payment of such Claim.

Formatted: Indent: First line: 0"

“Taxing Authority” means the holder of an Allowed Priority Tax Claim.

“Tax Liens” means any statutory liens securing any Allowed Claim of any Taxing Authority.

“Trust Assets” means the Corazon, Oilton, ~~and~~ Hill Tract 5 and, as applicable, Hill Tract 6 and Hill Tract 7, the Wind Rights, the \$200,000.00 cash contribution by the Debtor, the \$200,000.00 cash contribution by Quita Wind, together with all rights and privileges appurtenant thereto, subject to the acceptance of the trusteeship by a qualified accepting trustee and the approval of the GBG Ranch Trust by the Bankruptcy Court,.

“Vested Property” means all property vested in the Liquidating Debtor pursuant to Article 6.2 of the Plan.

“Voting Record Date” means that date set by the Bankruptcy Court for determining the holders of claims and interests entitled to vote to accept or reject the Plan.

“Wind Lease” means the Corrected Wind Lease and Easement Agreement dated the 12th day of January, 2007, executed by and between GBG Ranch and Quita Wind.

“Wind Rights” means the rights, if any, of Quita Wind over the Ranches granted pursuant to the Wind Lease.

Formatted: Font: Bold

“Wind Stipulation” means the Stipulation Regarding Correction Wind Lease and Easement Agreement as Exhibit A to the Emergency Motion To Approve Stipulation Regarding Correction Wind Lease And Easement Agreement With Quita Wind Energy Co., LLC [Docket No. 148].

2. Interpretation

Unless otherwise specified, all section, article, and exhibit references in the Plan are to the respective section in, article of, or exhibit to the Plan, as the same may be amended, waived or modified from time to time. The headings and table of contents in the Plan are for convenience of reference only and shall not limit or otherwise affect the provisions of the Plan. Words denoting the singular number shall include the plural number and vice versa and words denoting one gender shall include the other gender. All exhibits and schedules attached to the Plan are incorporated herein by such attachment.

3. Application of Definitions and Rules of Construction Contained in the Bankruptcy Code

Words and terms defined in §101 of the Bankruptcy Code shall have the same meaning when used in the Plan, unless a different definition is given in the Plan. The rules of construction contained in §102 of the Bankruptcy Code shall apply to the construction of the Plan.

4. Other Terms

The words "herein," "hereof," "hereto," "hereunder" and other of similar import refer to the Plan as a whole and not to any particular section subsection or clause contained in the Plan. A term used herein that is not defined herein shall have the meaning ascribed to that term if any, in the Bankruptcy Code.

5. Integration Clause

This Plan is a complete, whole, and integrated statement of the binding agreement between the Debtor, Creditors, Equity Interests and the parties-in-interest upon the matters herein. Parol evidence shall not be admissible in an action regarding this Plan or any of its provisions.

6. Plan Documents

The Plan Documents are incorporated into and are a part of the Plan as if set forth in full herein, including, but not limited to the GBG Ranch Trust and the Litigation Trust.

**ARTICLE 3
THE GBG RANCH TRUST**

1. General

The GBG Ranch Trust, upon settlement, shall be a Texas domestic Trust. The Debtor has proposed that the duration of the Trust not exceed ~~forty ten~~ (4010) years³. The Debtor further proposes that the trustee of the GBG Ranch Trust shall be a Qualified Corporation as defined in the GBG Ranch Trust. The Debtor, Quita Wind, Memo and

³ Memo and Will, ostensibly on behalf of Quita Wind, propose that the Trust have a life span of at least ~~45-30~~ years.

Formatted: Justified

Will have reached an agreement regarding the administrative provisions of the GBG Ranch Trust which are identified at Articles 1, 2, 4, 5, 6 and 7 of the GBG Ranch Trust. The Debtor, Memo and Will do not agree as to the provisions of Article 3 of the GBG Ranch Trust which controls the duties and obligations of the trustee regarding the development and disposition of Trust Assets. A copy of the GBG Ranch Trust, including the Debtor's Article 3 language is attached hereto as **Exhibit D**⁴. The ~~designation-Debtor's selection~~ of the trustee and that institution's acceptance of the role as trustee shall be subject to the approval of the Bankruptcy Court. The Ranch Trust Assets will be conveyed into the GBG Ranch Trust, subject to the acceptance of those assets by the GBG Ranch Trustee and approval of the GBG Ranch Trustee by the Bankruptcy Court. Upon the confirmation of this Plan, as may be amended, settlement of the GBG Ranch Trust, payment of all allowed claims and distribution of the remaining assets, if any, to the equity interest owners, and in accordance with the requirements of Docket No. 172, GBG Ranch, Ltd. will be terminated.

The Wind Lease shall be terminated as to the real estate Ranch Trust Assets transferred into the GBG Ranch Trust. In consideration of the termination and cancellation of the Wind Lease, the Wind Revenue Beneficiaries shall be entitled to receive payment of the revenue generated from the production of wind energy on the Corazon Ranch, the Oilton Ranch and Remaining Hill Tracts (hereinafter the "Trust Real Estate Assets"), as applicable, if any, in the proportion of the membership interest held in Quita Wind immediately prior to the termination and cancelation of the Wind Lease, ~~if any. Due to the speculative nature of an actual occurrence of wind energy development on any or all of Trust Real Estate Assets and the current inability of wind interests to be severed from the surface estate, the Debtor proposes, but the Creditor Respondents and the Equity Respondents oppose, that upon a sale of any Trust Real Estate Asset for which wind energy development has not occurred, a distribution equal to 30% of the net sales proceeds⁵ of the surface, excluding any amount for the mineral value attributable to the mineral classified acreage, be paid to the Wind Revenue Beneficiaries on account of the beneficial interest of the Wind Revenue Beneficiaries in the real estate sold. The valuation of the rights of the Wind Revenue Beneficiaries, if any, upon the sale of Trust Real Estate Assets shall be made in accordance with the applicable provisions of Section 3.30 of the GBG Ranch Trust.~~

~~In addition to the standard trust provisions, the GBG Ranch Trust shall further provide:~~

⁴ As of the date hereof there is not a qualified accepting trustee for the GBG Ranch Trust. The GBG Ranch Trust Agreement attached hereto as Exhibit D ~~is being~~has been presented to American Bank, Wells Fargo and The Trust Company for consideration. Pending acceptance, it is subject to further change and/or revision.

⁵ ~~After payment of all applicable closing costs and all Trustee's fees and expenses associated with the sale.~~

a. ~~—The development of the wind energy shall be governed by the following Article 3 of the GBG Ranch Trust.:~~

Formatted: Normal, No bullets or numbering

~~j. **The Oilton Ranch:** In the event that the Oilton Ranch is accepted as a Trust Asset, the Torrecillas Wind Lease on the Oilton Ranch, as ratified by that certain Order Approving Ratification and Assumption of Wind Sublease Agreement entered as Docket No. 247, shall be assumed by the Trustee of the GBG Ranch Trust. In the event that the Development Term, as defined under the Torrecillas Wind Lease, expires without the occurrence of the Commercial Operation Date, as defined in the Torrecillas Wind Lease, the Torrecillas Wind Lease shall terminate as to the Oilton Ranch and the Trustee shall be released of any further obligation to develop wind energy on the Oilton Ranch; notwithstanding, the Trustee, in its absolute discretion, may continue attempts to develop wind energy on the Oilton Ranch. In the event that the GBG Ranch Trustee determines that the Oilton Ranch should be sold, then any such sale of the Oilton Ranch would be subject to the terms and conditions of the Torrecillas Wind Lease to the extent that the Torrecillas Wind Lease has not terminated in accordance with its own terms.~~

Formatted: Left, No widow/orphan control, Tab stops: Not at 0" + 0.5" + 1" + 1.5" + 2" + 2.5" + 3" + 3.5" + 4" + 4.5" + 5" + 5.5"

~~ii. **The Corazon Ranch:** In the event that the Corazon Ranch is accepted as a Trust Asset, the GBG Ranch Trustee may, in its sole and absolute discretion develop or not develop wind and/or solar energy on the Corazon.—~~

~~iii. **The Hill Ranch Tracts:** The GBG Ranch Trust trustee shall have no duty to develop wind energy on the Hill Ranch Tract.~~

~~b. The GBG Ranch Trust trustee shall be authorized to sell the Corazon Ranch, the Oilton Ranch and the Hill Ranch Tracts upon terms and conditions determined reasonable in the sole discretion of the GBG Ranch Trust trustee. Upon the sale of all of the Trust Real Estate assets, the proceeds therefrom, together with the Reserve Account shall be distributed in accordance with the terms of the GBG Ranch Trust and the GBG Ranch Trust shall terminate.~~

2. The Wind Revenue Beneficiaries

Upon Confirmation, in advance of the conveyance and in accordance with the Wind Stipulation, the Debtor and Quita Wind will cancel the Wind Lease, Quita Wind will cause the initial cash contribution in the amount of \$200,000.00 to be made to the GBG Ranch Trust, and Quita Wind will, thereafter, be terminated. In consideration for the cancellation of the Wind Lease, the members of Quita Wind will be designated as the Wind Revenue Beneficiaries under the GBG Ranch Trust. Wind Revenue is defined at Section 2.04.A. of the GBG Ranch Trust as follows:

“all net revenue generated from wind energy exploration, generation storage, transportation, and all revenues associated with wind energy operations, bonus payments, installation payments, payments for the erection and/or placement of meteorological towers or other wind measurement devices, and royalty payments under any wind generation/lease contract, on the Corazon Ranch, the Oilton Ranch and the Hill Ranch Tract, as well as any damages payable for the placement of any wind turbines, power lines, power stations, and other infrastructure for the production of wind energy, and, if any, the net income attributable to 50% of the Reserve less the accumulations authorized in Section 2.03 and expenses allocable to Wind Revenue as authorized by this Agreement, including, but not limited to, the payments authorized in Sections 4.06, 4.07, 5.04(g) and 5.04(h).”

Formatted: Justified, Indent: Left: 0.5", Right: 0.5"

~~“s shall be defined as all revenue generated from wind energy exploration and production, consisting of any payment for the erection and/or placement of meteorological towers or other wind measurement device, royalty payable under any wind generation contract, revenue from wind energy generation, storage, transportation and all revenues associated with wind energy operations generated from the Corazon Ranch, the Oilton Ranch and, as applicable, the Remaining Hill Tracts, and income attributable to 50% of the Reserve to be established upon the settlement of the GBG Ranch Trust. Wind Revenue shall also include all damages payable for the placement of any infrastructure for the production of wind, including wind turbines, power lines, power stations, and roads on the Corazon Ranch, the Oilton Ranch, and the Hill Ranch Tract pursuant to an executed wind lease agreement, including the Torrecillas Wind Lease (the “Wind Surface Damages”).”~~

The Wind Revenue Beneficiaries shall receive the Wind Revenue net of the costs of administration of the GBG Ranch Trust. The Wind Revenue Beneficiaries will receive the Wind Revenue in proportion to their ownership interest in Quita Wind immediately preceding the date of the transfer of the interest into the GBG Ranch Trust. It is intended that the Wind Revenue Beneficiaries shall receive their pro rata share of all Wind Revenue based upon their relative ownership interest in Quita Wind immediately preceding the funding of the GBG Ranch Trust. The grant of the beneficial interests to the Quita Wind membership as Wind Revenue Beneficiaries together with (1) the prior payment of 30% of the appraised value of the Hill Tracts 1, 2, 8 and 9 paid pursuant to the HUD 1 attached as Exhibit C to the Third Amended Disclosure Statement, and (2) the ~~allocation~~ prior payment of 30% of the appraised value of each of the Hill Fee Tracts 3 and 4 paid pursuant to the HUD 1 attached as Exhibit D to the Third Amended Disclosure Statement, is in full and final satisfaction of any and all claims, including rejection damage claims which may be asserted by Quita Wind or any individual member of Quita Wind as a result of the settlement of the GBG Ranch Trust.

Formatted: Font: Not Bold

Formatted: Font: Not Bold

To the extent that the GBG Ranch Trust is not settled, whether resulting from the failure of acceptance of the trusteeship by a qualified institutional trustee or the rejection by the Bankruptcy Court of each proposed qualified institutional trustees, the rejection damages of Quita Wind, if any will be determined in accordance with Article 12 hereof.

3. The Surface Estate Beneficiaries

The Surface Estate Beneficiaries shall receive the Surface Revenue. Surface Revenue ~~is shall be~~ defined at Section 2.04.B. of the GBG Ranch Trust as follows:

“as all other net revenue generated from the Trust Assets, including but not limited to revenue generated from the Oilton Ranch, the Corazon Ranch, and the Hill Ranch Tract, other than Wind Revenue. Except as otherwise herein provided as Wind Revenue, Surface Revenue shall include, but shall not be limited to: habitation, destruction or consumption, surface destruction (excluding damages payable as Wind Revenue), caliche sales, fill dirt sales, top soil sales, oyster shell sales, all income from solar energy installation and production, water sales, grazing lease revenue, hunting lease revenue, all revenue from oil, gas and other subsurface minerals related revenue and related surface damages (excluding damages payable as Wind Revenue), royalty revenue from all subsurface hydrocarbon revenue from the mineral classified land, not expressly reserved to the Wind Revenue Beneficiaries, and, if any, the net income attributable to 50% of the Reserve less the accumulations authorized in Section 2.03 and expenses allocable to Surface Revenue as authorized by this Agreement, including, but not limited to, the payments authorized in Sections 4.06, 4.07, 5.04(g) and 5.04(h). In determining income for trust accounting purposes, no reserves shall be set up for either depreciation or depletion, and all revenue from oil, gas and other minerals, caliche sales, and any other depletable asset shall be considered Surface Revenue.” ~~as all other revenue generated by the GBG Ranch Trust, including but not limited to revenue generated from the Oilton Ranch, the Corazon Ranch, and the Hill Ranch Tract other than Wind Revenue. Surface Revenue shall include, but not be limited to: habitation destruction or consumption, surface destruction (excluding the Wind Surface Damages), proceeds from the sale of the Corazon Ranch, the Oilton Ranch, and/or the Hill Ranch Tract⁶, caliche sales, fill dirt sales, top~~

Formatted: Indent: Left: 0.5", Right: 0.5", Tab stops: Not at 0"

⁶ ~~— To the extent that the membership of Quita Wind accept the proposed sale proceeds split detailed in Paragraph 1 of Section B, then the Surface Revenue from Ranch Sales would be limited to 70% of the surface value.~~

~~soil sales, oyster shell sales, water sales, grazing lease revenue, hunting lease revenue, all revenue from oil, gas and other subsurface minerals related revenue, surface damages (excluding the Wind Surface Damages), royalty revenue from all subsurface hydrocarbon revenue from the mineral classified land, not expressly reserved to the Wind Revenue Beneficiaries, and income attributable to 50% of the Reserve.⁷~~

4. Failure of Trust

In the event that the establishment of the GBG Ranch Trust fails for want of a qualified trustee, the Debtor will cause the Trust Real Estate Assets to be sold post confirmation under the supervision of the Bankruptcy Court and utilizing a competitive bidding process established on a sale-by-sale basis. The assets of the Debtor remaining as of the date of confirmation shall vest in the Liquidating Debtor⁸ and the Liquidating Debtor shall, thereafter, market and sell the assets for the benefit of the equity interest owners of the Debtor and, as applicable, the membership of Quita Wind. The claims of Quita Wind arising out of or in connection with the Wind Lease on Trust Real Estate Assets shall be determined in accordance with Article 12 hereof and, to the extent allowed, paid in cash and in full on the earlier of the Effective Date or the entry of a final non-appealable order establishing the allowed amount of the Quita Wind claim arising out of or in connection with the Wind Lease on the subject Trust Real Estate Asset or assets sold. The balance of the sale ~~sale~~ proceeds from the Trust Real Estate Assets remaining after satisfaction of the allowed Quita Wind claim will be distributed to the equity interest owners of the Debtor subject to the resolution of any live claims of the Litigation Trust against such equity interest holder.

⁷ ~~In determining income for trust accounting purposes, no reserves shall be set up for depletion, and all revenue from oil, gas and other minerals, caliche sales, and any other depletable asset shall be considered Surface Revenue.~~

⁸ The post confirmation GBG Ranch, Ltd.

5. Rejection of a Trust Asset

In the event that a qualified trustee is identified for the GBG Ranch Trust, but the trustee declines to accept Rejected Plan Asset, the Debtor will cause any Rejected Plan Asset to be sold post confirmation under the supervision of the Bankruptcy Court and utilizing a competitive bidding process established on a sale-by-sale basis. Payment of the net proceeds of sale will be as provided in the case of a failure of the GBG Ranch Trust.

6. Actual Trust Document Controls

Notwithstanding the foregoing general description, the terms and conditions of the GBG Ranch Trust as accepted by the GBG Ranch Trustee and approved by the Bankruptcy Court shall control ~~over any inconsistencies contained in this Disclosure Statement.~~

~~**7. Proposed Trust by Quita Wind, Memo and/or Will**~~

~~As noted above, Quita Wind, Memo and Will promote a form of Article 3 of the GBG Ranch trust that is different from that proposed by the Debtor. A copy of the form of trust instrument proposed by Quita Wind, Memo and/or Will is identified as the "Alternative Trust" and attached to the Third Amended Disclosure Statement as Exhibit O.~~

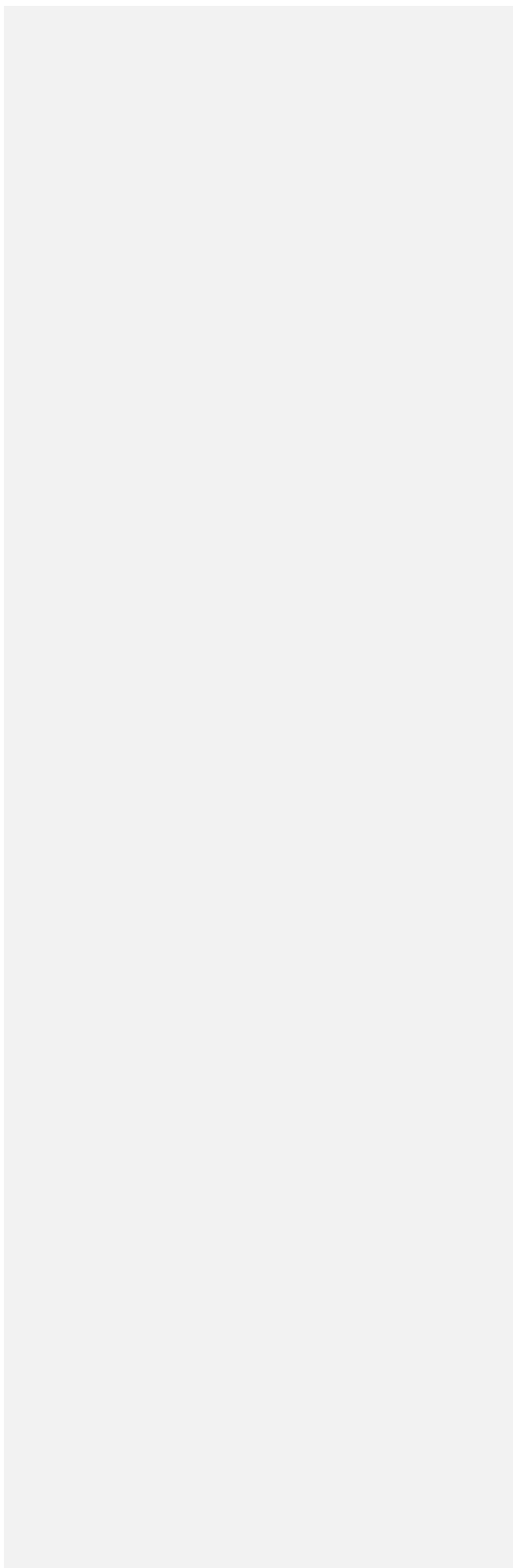
Formatted: Indent: First line: 0"

**ARTICLE 4
CLASSIFICATION AND IMPAIRMENT OF CLAIMS AND EQUITY INTERESTS**

1. Classification

As provided in 11 U.S.C. § 1123(a), Administrative Expense Claims shall not be classified for purposes of voting or receiving distributions under the Plan. The Allowed Claims against, and Allowed Equity Interests in, the Debtor are classified as set forth in this Article 4. A Claim or Equity Interest is in a particular Class only to the extent that such Claim or Equity Interest fits within the description of such Class, and is in such other and different Class or Classes to the extent that the remainder of such Claim or Equity Interest fits within the description of such other Class or Classes. Any dispute with respect to classification of Claims or Equity Interests or impairment shall be resolved by the Bankruptcy Court upon motion of the Claimant or Equity Interest holder affected thereby, with notice to the Debtor. This Plan shall only provide distributions to Allowed Claims; nothing within this Plan shall provide for the Allowance of any Claim. The Allowed Claims and Equity Interests are classified as follows:

| _____



Administrative Claims

Professional Claims

Class 1: Priority Tax Claims

Class 2: General Unsecured Third Party Claims

Class 3: General Unsecured Claims of Affiliated Parties

Class 4: Equity Interests

2. Impaired Classes of Claims and Equity Interests

No classes are impaired under the Plan.

All classes are unimpaired under the Plan. As unimpaired Classes, all classes are conclusively presumed to have accepted the Plan pursuant to ~~section~~Section 1126(f) of the Bankruptcy Code.

3. Impairment and Classification Controversies

If a controversy arises as to whether any Claim or Equity Interest or any class of Claims or class of Equity Interests is impaired under the Plan or is classified incorrectly, the Bankruptcy Court shall, upon notice and a hearing, determine such controversy at the Confirmation Hearing.

4. Class Acceptance Requirement

A class of Claims shall have accepted the Plan if it is accepted by at least two-thirds in amount and more than one-half in number of the holders of Allowed Claims in such class that have voted on the Plan.

5. Cramdown

If any class of Claims or Equity Interests shall fail to accept the Plan in accordance with § 1126(c) of the Bankruptcy Code, the Bankruptcy Court may still confirm the Plan in accordance with § 1129(b) of the Bankruptcy Code. The ~~Proponent~~Debtor will seek confirmation of the Plan pursuant to § 1129(b) with respect to any non-accepting class.

6. Disallowance of Claims Subject To Avoidance Actions

Any otherwise Allowed Claim, subject to Avoidance Actions as described in the Disclosure Statement under Section 547 of the Bankruptcy Code shall be disallowed pursuant to § 502(d) of the Bankruptcy Code until such time as the avoidable transfers are returned to the Debtor's estate and such holder of a claim subject to an avoidable preference shall not be entitled to vote to accept or reject this Plan. All Chapter 5 Claims, including Avoidance Actions, shall be contributed to the Litigation Trust and shall be evaluated and, as applicable, prosecuted by the Litigation Trustee.

7. Elimination of Classes

Any impaired class that is not occupied as of the date of the Confirmation Hearing by an Allowed Claim or Allowed Equity Interest or a Claim or Equity Interest temporarily allowed pursuant to Bankruptcy Rule 3018 shall be deemed deleted from the Plan for purposes of voting on acceptance or rejection of the Plan and determining whether the Plan has been accepted by such class pursuant to 11 U.S.C. § 1129.

ARTICLE 5 PROVISIONS FOR TREATMENT OF CLAIMS AND EQUITY INTERESTS UNDER THE PLAN

The classes of Claims against and Equity Interests in the Debtor shall be treated under the Plan as follows:

A. Administrative Claims:

1. **General:** Subject to the bar date provisions herein, unless otherwise agreed to by the parties, each holder of an Allowed Administrative Claim shall receive Cash equal to the unpaid portion of such Allowed Administrative Claim on the later of (a) the Effective Date, (b) the Allowance Date, or (c) such date as is mutually agreed upon by the Debtor and the holder of such Claim. As of the date hereof, the administrative ad valorem tax claims of Webb County and the associated governmental taxing entities have been paid ~~the for tax year 2014 tax assessments~~ upon the closing of the sale of the Hill Tracts 1, 2, 8 and 9 and Hill Tracts 3 and 4. The Debtor has also paid its pro rata share of the 2015 ad valorem taxes attributable to the Hill Tracts 1, 2, 8 and 9 and Hill Tracts 3 and 4 effective upon the sale of those tracts. Notwithstanding anything in this Plan to the contrary, The the unpaid balance of the 2015 ad valorem taxes on the Corazon Ranch, the Hill Tracts 5, 6 and 7 and the Oilton Ranch will be paid in cash and in full on the earlier of the Effective Date or the date of final assessment.

2. **Payment of Statutory Fees:** All fees payable pursuant to 28 U.S.C. § 1930 shall be paid in Cash equal to the amount of such Administrative Claim as and when due. The Debtor anticipates continuing jurisdiction over the Liquidating Debtor and its

assets and, correspondingly, continuing Statutory Fees beyond the Effective Date. In the event of the ~~upon the event~~ of failure of the GBG Ranch Trust, the Liquidating Debtor will continue to incur and pay all Statutory Fees pending the liquidation of the assets of the Estate for want of a qualified accepting trustee or partial failure due to rejection of a proposed Trust Asset.

B. Bar Date for Administrative Claims:

1. **General Provisions:** Except as otherwise provided in this Article VII, requests for payment of Administrative Claims must be included within a motion or application and filed no later than forty-five (45) days after the Effective Date or by such earlier deadline governing a particular Administrative Claim contained in an order of the Bankruptcy Court entered before the Effective Date. Holders of Administrative Claims (including, without limitation, professionals requesting compensation or reimbursement of expenses and the holders of any Claims for federal, state or local taxes) that are required to file a request for payment of such Claims and that do not file such requests by the applicable bar date specified in this section shall be forever barred from asserting such Claims against the Debtor or any of its respective property. Requests for payments of Administrative Claims included within a proof of claim are of no force and effect, and are disallowed in their entirety as of the Confirmation Date unless such Administrative Claim is subsequently filed in a timely fashion as provided herein.

2. **Professionals:** All Professional Persons requesting compensation or reimbursement of expenses pursuant to sections 327, 328, 330, 331, 503(b), and 1103 of the Bankruptcy Code for services rendered before the Effective Date (including, without limitation, any compensation requested by any professional or any other entity for making a substantial contribution in the Debtor's Bankruptcy Case) shall file and serve on the Debtor an application for final allowance of compensation and reimbursement of expenses no later than sixty (60) days after the Effective Date. Objections to applications of Professional Persons for compensation or reimbursement of expenses must be filed and served on the Debtor and the Professional Persons to whose application the objections are addressed no later than seventy-five (75) days after ~~the Effective Date~~ or fifteen (15) days after the filing of an application by the Professional Persons if such application is filed prior to the 60th day following the Effective Date. Any fees of Professional Persons and reimbursements or expenses incurred by the Debtor subsequent to the Effective Date may be paid without application to the Bankruptcy Court.

3. **Tax Claims:** Except for those Taxing Authorities that have filed Administrative Proofs of Claim, All requests for payment of Administrative Claims and other Claims by a governmental unit for taxes (and for interest and/or penalties related to such taxes) for any tax year or period, which accrued or was assessed within the period from and including the Petition Date through and including the Effective Date

Formatted: Superscript

Formatted: Font: Not Bold

("Post-Petition Tax Claims") and for which no bar date has otherwise been previously established, must be filed on or before the later of (i) forty-five (45) days following the Effective Date; and (ii) ninety (90) days following the filing with the applicable governmental unit of the tax return for such taxes for such tax year or period. Any holder of any Post-Petition Tax Claim that is required to file a request for payment of such taxes and does not file such a Claim by the applicable bar date shall be forever barred from asserting any such Post-Petition Tax Claim against the Reorganized Debtor or its property, whether any such Post-Petition Tax Claim is deemed to arise prior to, on, or subsequent to the Effective Date. To the extent that the holder of a Post-Petition Tax Claim holds a Lien to secure its Claim under applicable state law, the holder of such Claim shall retain its Lien. Post-Petition Tax Claims will be paid by the Reorganized Debtor as set forth in the Plan.

4. Ordinary Course Liabilities: The ~~Reorganized-Liquidating~~ Debtor shall pay each liability incurred in the Ordinary Course of Business pursuant to the payment terms and conditions of the particular transaction giving rise to the Ordinary Course of Business Claim. Holders of any Ordinary Course of Business Claim will not be required to file or serve any request for payment of the Claim in the Ordinary of Course of Business.

5. Impairment & Voting: Administrative claims are not a true class and are neither impaired nor unimpaired. Acceptance of the Plan from such Claimants will not be solicited.

C. Classification of Claims

Class 1: Priority and/or secured claims of Taxing Authorities:

A. United Independent School District (UISD)

The UISD claim is a priority and/or secured claim for ad valorem taxes estimated at the Petition Date to be \$18,548.01. No proof of claim has been filed by UISD.

B. Webb County Independent School District (WCISD)

The WCISD claim is a priority and/or secured claim for ad valorem taxes estimated at the Petition Date of be \$4,185.93. Based upon the amended Proof of Claim, Claim No. 1-3, the claim is currently identified at \$43.76 for unpaid pre-petition taxes.

C. Webb County

The Webb County claim is a priority and/or secured claim for ad valorem taxes estimated at the Petition Date to be

\$8,680.86. Based upon the Proof of Claim of Webb County
ISD, Claim No. 5, the claim is currently identified at \$4,065.65
for estimated 2015 ad valorem taxes to Webb County ISD.

Treatment: The claims for ad valorem taxes outstanding and unpaid as of confirmation will be paid in full on the Effective Date.

Funding: The ~~Reorganized-Liquidating~~ Debtor will pay the class 1 claims from cash on hand on the Effective Date.

Impairment and Voting: Class 1 is unimpaired. Acceptance of this Plan from the holders of Class 1 claims will not be solicited.

Class 2: Allowed General Unsecured Claims of Third Parties

This Class shall consist of all Allowed General Unsecured Claims other than the claims of entities related to or affiliated with the Debtor.

Total of Claims: The estimated total of the Class 2 claims was estimated at the Petition Date to be \$52,835.45.

Treatment: Each holder of an Allowed General Unsecured Claim shall be paid in full on the Effective Date.

Funding: The ~~Reorganized-Liquidating~~ Debtor will pay the Class 2 claims from cash on hand on the Effective Date.

Impairment and Voting: Class 2 is unimpaired. Acceptance of this Plan from the holders of Class 2 claims will not be solicited.

Class 3: General Unsecured Claims of Affiliated Entities

This Class shall consist of the General Unsecured Claims of Affiliated Entities related to the Debtor. Of these claims, \$809,570.19⁹ in amount are undisputed. The Class 3 includes the quantification of the adequate protection payment to Quita Wind in

⁹ The Debtor believes that these claims consist of the debt owing to GBG Minerals in the amount of \$240,000.00, the debt to BFM in the amount of \$561,070.19 and the debt to GBGIC in the amount of \$8,500.00. The Debtor contends that the BFM claim is subject to an offset against the \$1,270,000.00 claim of the Debtor against BFM. The Debtor has filed proofs of claim for GBG Minerals, Ltd., Benavides Family Minerals, Ltd. and GBGIC.

the event of the sale of all or part of the Trust Real Estate Assets and the intercompany claims against the Debtor that are not the subject of the Removed Litigation and the t-
~~The Creditor Respondents disagree with the Debtor's statement regarding the Class 3 claims. The Creditor Respondents contend that they will timely file claims for such entities as they believe hold Class 3 claims~~ no proofs of claim filed by Quita Wind evidenced by Claim No. 7 and Claim No. 8. Claim No. 7 and Claim No. 8 total \$702,369.77. The determination of the validity of Claim Nos. 7 and 8 will be undertaken by the Litigation Trustee.

Treatment: The Class 3 claims will be subject to the Provisions Regarding Distributions under the Plan and the Treatment of Disputed, Contingent, and Unliquidated Claims provided for in Article XI, Section B of this Disclosure Statement. Each holder of an Allowed General Unsecured Claim shall be paid in full on the later of the Effective Date or within thirty (30) business days following the day on which such Claim becomes an Allowed Claim pursuant to a Final Order.

Funding: The ~~Reorganized-Liquidating~~ Debtor will pay all allowed Class 3 claims from cash on hand on the later of the Effective Date or the entry of a final non-appealable order allowing the claim.

Impairment and Voting: Class 3 is unimpaired. Acceptance of this Plan from the holders of Class 3 claims will not be solicited.

Class 4: Subordinated Claims of Affiliated Entities

This Class shall consist of the claims asserted by the Creditor Respondents against the Debtor in the Removed Litigation which the Debtor contends are suitable subordination pursuant to 11 U.S.C. §510(c).

Treatment: The Class 4 Claims against the Debtor are disputed, contingent and unliquidated and are deemed disallowed until such time as Proofs of Claim are filed with sufficiently supporting documentation to permit an analysis of the claims for allowance, and the claims are allowed pursuant to the claims objection process described herein.

Funding: The Class 4 claims will be subject to the Provisions Regarding Distributions under the Plan and the Treatment of Disputed, Contingent, and Unliquidated Claims provided for in Article XI, Section B of this Disclosure Statement. Each holder of an Allowed Class 4 Claim shall be paid in full on the later of the Effective Date or

within thirty (30) business days following the day on which such Claim becomes and an Allowed Claim pursuant to a Final Order.

Impairment and Voting: Class 4 is unimpaired. Acceptance of this Plan from the holders of Class 4 claims will not be solicited. The Creditor Respondents assert that the Class 4 Claims are impaired, accordingly ballots will be presented the Class 4 Claimants.

Class 5: Prepetition Equity Interests

This Class shall consist of all Prepetition Equity Interests.

Treatment: Prepetition Equity Interests in the Debtor will be deemed Allowed Equity Interests.

Funding: Pursuant to the Plan Treatment Order, the Debtor is to be terminated following the confirmation of the Plan. In accordance with the provisions of Section 6 of the Limited Partnership Agreement of GBG Ranch, Ltd. (the "Partnership Agreement"), the Class 5 Claimants, as Interest Holders, shall receive the distribution of the remaining assets of GBG Ranch, Ltd. In accordance with Paragraph 6.05 of the Partnership Agreement after the payment of all allowed administrative expenses (including attorneys' fees and U.S. Trustee's fees), and all allowed Class 2 and Class 3 claims. The Prepetition Equity Interests shall, in the event of the formation and settlement of the GBG Ranch Trust, receive an in kind distribution pursuant to Paragraph 6.06 of the Partnership Agreement in the form of a beneficial interest as a Surface Beneficiary in the GBG Ranch Trust in an amount equal to the ownership interest in GBG Ranch, Ltd. as of the Effective Date.

Impairment and Voting: Class 5 is unimpaired. Acceptance of this Plan from the holders of Class 5 claims will not be solicited. The Equity Respondents assert that equity interests are impaired and disagree with this treatment of prepetition equity claims, accordingly, ballots will presented to the Class 5 Claimants.

ARTICLE 6
CONDITIONS PRECEDENT TO CONFIRMATION OF THE PLAN

1. Conditions Precedent to Confirmation of the Plan

Confirmation of the Plan is subject, in addition to the requirements provided in §1129 of the Bankruptcy Code, to satisfaction of the following conditions precedent:

- a. ~~the establishment and settlement determination of the availability of a qualified accepting Trustee for the GBG Ranch Trust by the Debtor; and~~
- b. ~~identification and acceptance of the Litigation Trustee; the termination of the Wind Lease;~~
- ~~b. and~~
- c. ~~all other actions, documents and agreements necessary to implement the Plan shall have been effected or executed.~~

2. Vesting of Plan Assets in the Liquidating Debtor

a. On the Effective Date of the Plan, the Plan Assets shall vest in the Liquidating Debtor free and clear of ~~lines~~liens, claims and encumbrances, except as otherwise provided in the Plan.

b. On the Effective Date of the Plan, the Trust Assets shall, to the extent that a qualified accepting trustee is identified and the GBG Ranch Trust is approved by the Bankruptcy Court, vest in the GBG Ranch Trust free and clear of lines, claims and encumbrances, except as otherwise provided in the Plan.

c. On or before the expiration of 30 days following the Effective Date, the Litigation Trust shall be settled with the Litigation Trust Assets ~~subject~~in to the approval by the Bankruptcy Court of the Litigation Trustee and the Litigation Trust.

d. From and after the Effective Date, the Liquidating Debtor will liquidate the Plan Assets, excluding Trust Assets, if any, which shall be used to satisfy the Allowed Administrative Claims (including reasonable and necessary professional fees), Allowed Claims and Allowed Equity Interests.

e. The Liquidating Debtor shall be authorized and permitted to liquidate all personal property and all third party accounts receivable ~~with~~out Court approval. All sales of the Remaining Hill Fee Tracts, if any, and any Rejected Plan Assets shall be sold subject to approval by the Bankruptcy Court.

f. The Liquidating Debtor will be responsible for paying ~~any~~all quarterly U.S. Trustee fees that accrue after the Effective Date until the date that the case is closed.

g. After the Effective Date, the affairs of the Liquidating Debtor and all of the

Plan Assets shall be liquidated under the direction and control of the Liquidating Debtor, subject to Bankruptcy Court approval as provided in subparagraphs d ~~and~~ e hereof.

h. No Cause of Action asserted against the Debtor as of the Petition Date is released by confirmation of this Plan, ~~and~~ confirmation of this Plan shall not have any *res judicata* or collateral estoppel effect on the Liquidating Debtor's prosecution of any Causes of Action authorized under the Code or otherwise asserted in the Adversary.

i. The Liquidating Debtor shall not be subject to any causes of action and/or counterclaims except as asserted in the Adversary as of the ~~Effective Date~~ Petition Date.

3. Settlement of the GBG Ranch Trust, Winding Up and Termination

a. Notwithstanding the organizational documents governing the operation of the Debtor, the Liquidating Debtor shall be authorized and directed to convey the Trust Assets to the GBG Ranch Trust, to the extent that a qualified accepting trustee is identified and the GBG Ranch Trust is approved by the Bankruptcy Court, on the Effective Date.

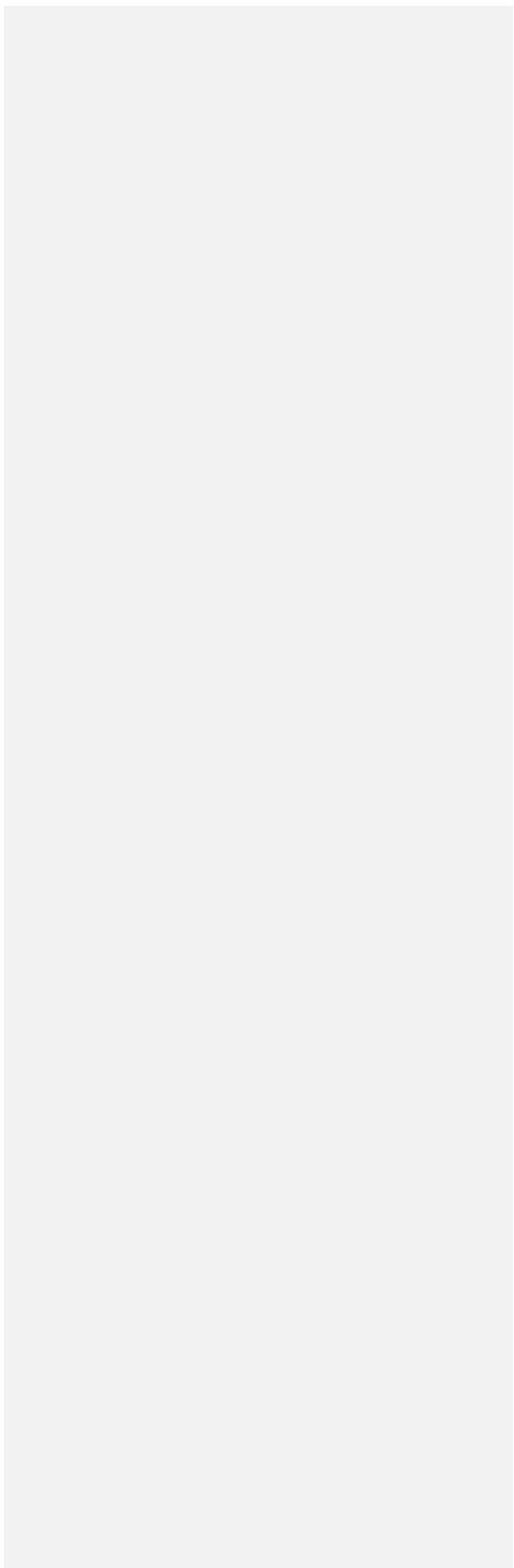
b. Upon the liquidation of the of the Plan Assets, the settlement of the GBG Ranch Trust, as applicable, settlement of the Litigation Trust, payment of the Allowed Claims, payment of all administrative expenses, including professional fees, and distribution of the remaining cash to the Equity Interests based upon their status as an Interest Holder¹⁰ in the Debtor as of the Petition Date or tender of said sums to the Litigation Trust, the Liquidating Debtor shall be wound up and terminated in accordance with Texas law and the Plan Treatment Order.

ARTICLE 7 MEANS FOR IMPLEMENTATION OF THE PLAN

1. Settlement and Releases

Pursuant to the terms and conditions of the Wind Stipulation, ~~and subject to the settlement of the GBG Ranch Trust~~, all of the claims and causes of action by and between the Debtor and Quita Wind are deemed settled, compromised and satisfied for all purposes. In accordance with and in furtherance of the Wind Stipulation and as a material component of the Plan and the GBG Ranch Trust, after confirmation of the Plan and the creation of the GBG Ranch Trust, Quita Wind will convey all of its assets into the GBG Ranch Trust and be wound up and terminated in accordance with Texas law.

¹⁰ As defined in the Limited Partnership Agreement of GBG Ranch, Ltd. attached as Exhibit A to the Third Amended Disclosure Statement.



2. Continued Corporate Existence and Cash Flow from Future Sales of the Liquidating Debtor

Except as otherwise provided in the Plan, the Liquidating Debtor will continue to exist after the Effective Date as a limited partnership, with all of the powers of a limited partnership under applicable law in the jurisdiction in which the Debtor is incorporated and pursuant to its certificate of limited partnership and partnership agreement or other organizational documents in effect before the Effective Date, as such documents are amended by or pursuant to the Plan, until the Plan Assets are fully liquidated, the Trust Assets are conveyed to the GBG Ranch Trust, as applicable, the Litigation Trust is settled, all allowed claims are paid, all post confirmation obligations of the Reorganized Debtor are paid, and all then remaining funds on deposit with the Liquidating Debtor are distributed to the Equity Interests in accordance with their ownership interest as of the Petition Date directly or to the Litigation Trust, as applicable.

3. Default

A failure by the Liquidating Debtor to make a payment to a Taxing Authority or on account of an allowed claim in accordance with the terms of the Plan shall be an Event of Default. If the Reorganized Debtor fails to cure an Event of Default as to such payments within thirty (30) days after service of written notice of default served on the Reorganized Debtor with a copy to counsel for the Reorganized Debtor, then such tax creditor may (a) enforce the entire amount of its claim, (b) exercise any and all rights and remedies under applicable non-bankruptcy law, and (c) seek such relief as may be appropriate in this Court.

4. Assignment of Causes of Action to the Litigation Trust

On or before the expiration of 30 days following the Effective Date, all rights and Causes of Action of the Debtor, including claims under §§ 502, 542, 544, 545, 546, 548, 550, and 553 of the Bankruptcy Code, preference claims under § 547 of the Bankruptcy Code, fraudulent transfer claims under § 548 of the Bankruptcy Code, and all other claims and causes of action of the Debtor's estate against any Person as of the Confirmation Date shall be preserved and transferred and assigned to the Litigation Trust. Upon the settlement of the Litigation Trust, the Litigation Trustee shall be authorized and shall have the power to bring any and all such Causes of Action including Avoidance Actions for payments. The Debtor shall also convey the causes of action, if any, that arise as a result of claims filed by the Class 4 Creditors to the Litigation Trust. The Liquidating Debtor ~~may, in its sole discretion, retain or shall~~ convey the litigation in Adversary 14-05006 to the Litigation Trust.

All recoveries, if any, received from or in respect of the causes of action (whether

by settlement, judgment or otherwise) shall become and be property of the Liquidating Debtor to be distributed in accordance with the Plan. To the extent permitted under law, all rights under § 363(h) of the Bankruptcy Code are also preserved for the benefit of the Debtor's estate, and the Liquidating Debtor shall have the right to exercise those rights subject to Bankruptcy Court Approval. The Liquidating Debtor may prosecute, settle, or dismiss rights, claims, or causes of action retained by the Liquidating Debtor as the Liquidating Debtor sees fit and all proceeds there from shall be the property of the Liquidating Debtor subject to distribution in accordance with the terms and conditions of this Plan. The Debtor, its general partner, officers, attorneys, and other professional advisors shall have no liability to any entity or parties claiming through the Debtor for decisions by the Liquidating Debtor or the Litigation Trustee, as applicable, pursuing or not pursuing any such rights, claims, or causes of action vested in the Liquidating Debtor or the Litigation Trust pursuant to this Plan.

ARTICLE 8

PROVISIONS FOR MANAGEMENT

1. Partnership Authority

All actions and transactions contemplated under the Plan shall be authorized upon confirmation of the Plan. The Confirmation Order shall include provisions directing the Liquidating Debtor to execute such documents necessary to effectuate the Plan, including the conveyance of the Trust Assets, as applicable, into the GBG Ranch Trust, [the conveyance of the Litigation Trust Assets into the Litigation Trust](#), which documents shall be binding on the Debtor, the Liquidating Debtor, the Debtor's creditors and all of the holders of Debtor's Equity Interests.

2. Professional Fees

In accordance with the Orders Authorizing Employment of Attorneys at Docket No. 20, entered by the Court on July 20, 2014, Docket No. 25 on August 26, 2014, and Docket No. 47 entered by the Court on September 16, 2014, respectively, all professional fees for counsel for the Liquidating Debtor shall be paid, subject to court approval, with funds paid by the Liquidating Debtor. All ~~Professional~~ ~~Persons~~ requesting compensation or reimbursement of expenses pursuant to Sections 327, 328, 330, 331, 503(b), and 1103 of the Bankruptcy Code for services rendered before the Effective Date (including, without limitation, any compensation requested by any professional or any other entity for making a substantial contribution in the Debtor's Bankruptcy Case) shall file and serve on the Liquidating Debtor an application for final allowance of compensation and reimbursement of expenses no later than sixty (60) days after the Effective Date. Objections to applications of professionals for compensation or reimbursement of expenses must be filed and served on the Liquidating Debtor and the professionals to whose

application –the –objections are addressed no later than ~~twenty-one~~twenty-one (2415) days after the date the application is filed, or the Bankruptcy Court may enter an order authorizing the fees without a hearing. Any professional fees and reimbursements or expenses incurred by the Liquidating Debtor subsequent to the Effective Date may be paid without application to the Bankruptcy Court.

3. General Partner

If the Plan is confirmed, subject to the approval of the Bankruptcy Court under Bankruptcy Code § 1129(a)(5), the present General Partner as identified in the disclosure statement shall continue in its present capacities as manager of the Liquidating Debtor after the Confirmation Date, through the winding up and termination of the Liquidating Debtor.

ARTICLE 9 CERTIFICATE OF PARTNERSHIP AND PARTNERSHIP AGREEMENT OF THE DEBTOR/RESTRICTIONS ON TRANSFER OF INTERESTS

Amendments to Certificate of Partnership and Partnership Agreement

The Confirmation Order shall provide authorization pursuant to the applicable limited partnership laws for the filing by the Liquidating Debtor of amended governing documents to provide, as applicable, that:

a. the issued and outstanding equity of the Liquidating Debtor shall be canceled, annulled and extinguished upon the winding up and termination of the Liquidating Debtor in accordance with the terms of the Plan; and

b. such other changes as may be necessary to effectuate other provisions of the Plan and §1123(a)(6) of the Bankruptcy Code.

ARTICLE 10 PROVISIONS GOVERNING DISTRIBUTIONS

1. Distributions To Be Pro Rata Within Class

The Debtor anticipates that all Allowed Claims will be paid in full; however, if any distribution constituting a partial payment to a class of Allowed Claims is made it will be made on a Pro Rata Share to the holders of Allowed Claims in such class.

2. Federal Tax Identification Number

The Liquidating Debtor may suspend distribution to any Creditor that has not provided the Liquidating Debtor with its Federal Tax Identification number or social security number, as the case may be.

3. Means of Cash Payment

Cash payments made pursuant to the Plan shall be in U.S. funds, by check drawn on a domestic bank, or, at the Liquidating Debtor's option, as the case may be, by wire transfer from a domestic bank.

4. Delivery of Distributions

Subject to Bankruptcy Rule 9010, ~~and~~ the provisions of the Plan and the Litigation Trust, distributions to holders of Allowed Claims shall be made at the address of each such holder as set forth on the Proofs of Claim filed by such holders (or at the last known addresses of such a holder if no Proof of Claim or proof of Equity Interest is filed or if the Liquidating Debtor has been notified in writing of a change of address), except as provided below. If any holder's distribution is returned as undeliverable, no further distributions to such holder shall be made unless and until the Liquidating Debtor is notified of such holder's then current address, at which time all missed distributions shall be made to such holder without interest. Amounts in respect of undeliverable distributions shall be returned to the Liquidating Debtor until such distributions are claimed. All claims for undeliverable distributions shall be made on or before the earlier of the winding up of the Liquidating Debtor or the second anniversary of the Effective Date. After such date, all unclaimed property shall revert to the Liquidating Debtor, any successor thereto, and the claim of any holder with respect to such property shall be discharged and forever barred. Any distributions pursuant to the Plan, including Cash, interest or other amounts earned thereon, that are unclaimed for a period of one (1) year after distribution thereof shall be re-vested in the Liquidating Debtor and any entitlement of any holder of any Claim to such distributions shall be extinguished and forever barred. Failure to claim, cash or negotiate any distribution within one (1) year of such distribution shall relieve the Liquidating Debtor of the obligation to make any further distributions to the holder of the Claim to whom the distribution was made.

5. Time Bar to Cash Payments

Checks issued by the Liquidating Debtor in respect of Allowed Claims shall be null and void if not negotiated within six (6) months after the date of issuance thereof. Requests for re-issuance of any check shall be made directly to the Liquidating Debtor by the holder of the Allowed Claim with respect to which such check originally was issued. Any claim in respect of such a voided check shall be made on or before the later of (a) the first anniversary of the Effective Date, or (b) ninety (90) days after the date of re-issuance of such check. After such date, all Claims in respect of void checks shall be discharged and forever barred.

6. No Distributions Pending Allowance

Notwithstanding any other provision of the Plan, no payment or distribution shall be made with respect to (a) any Claim to the extent it is a Contested Claim (whether by pending claims litigation or under Adversary 14-05006) unless and until such Contested Claim becomes an Allowed Claim; (b) any Equity Interest to the extent it is contested

Formatted: Left, Indent: First line: 0", Space After: 8 pt, Line spacing: Multiple 1.08 li, Widow/Orphan control, Adjust space between Latin and Asian text, Adjust space between Asian text and numbers

unless and until such Equity Interest becomes an Allowed Equity Interest; (c) Claimants who are defendants in Avoidance Actions and other parties subject to the application of §502(d) of the Bankruptcy Code, (d) reclamation claims pursuant to § 546(c)(2)(A) of the Bankruptcy Code which are not Allowed Claims.

ARTICLE 11
PROCEDURES FOR RESOLVING AND TREATING
CONTESTED AND DISPUTED CLAIMS UNDER THE PLAN

1. Objection Deadline

As soon as practicable, but in no event later than ~~forty-five~~~~seventy-five~~ ~~(45/75)~~ days after the Effective Date, unless extended by order of the Bankruptcy Court, objections to Claims shall be filed with the Bankruptcy Court by the Liquidating Debtor or, as applicable, the Litigation Trustee, and served upon the holders of each of the Claims to which objections are made.

2. Prosecution of Objections

On and after the Effective Date, except as the Bankruptcy Court may otherwise order, the filing, litigation, settlement or withdrawal of all objections to claims may be made by the Liquidating Debtor or, as applicable, the Litigation Trustee.

3. Distributions upon Allowance of Contested Claims Entitled to Payment in Full in One Payment

The holder of a Claim entitled to payment in full on one specific payment date, which Claim is a Contested Claim on such payment date, but which Claim subsequently becomes an Allowed Claim, shall receive payment of its Allowed Claim within thirty (30) Business Days following the date on which such Claim becomes an Allowed Claim pursuant to a Final Order.

4. Distributions upon Allowance of Contested Claims Entitled to Payment in Full in Installment Payments

The holder of a Claim entitled to payment in installments, which Claim is a Contested Claim on the initial or any later date the installment would otherwise be made, but which Claim subsequently becomes an Allowed Claim, shall receive the amount of any missed installments on the first date payments to other holders of Claims in the same Class are scheduled to be made that arises after the date on which such Claim becomes an Allowed Claim by Final Order. If such Claim does not become an Allowed Claim until after all the other Claims in the Class have received their total distributions as authorized

under the Plan, then the holder thereof shall receive payment of its Allowed Claim within ten (10) Business Days following the date on which such Claim becomes an Allowed Claim pursuant to a Final Order.

5. Objections to and Resolution of Contested Administrative Claims and Contested Claims

The Bankruptcy Court will set an Administrative Bar Date for all Administrative Claims except claims for §327 professionals. After the Confirmation Date, the Liquidating Debtor shall have the right to maintain, make and file objections to Administrative Claims and objections to Claims. All objections shall be litigated to Final Order; provided, however, that the Liquidating Debtor and, as applicable, the Litigation Trustee shall have the authority to compromise, settle, and otherwise resolve or withdraw all objections, other than applications for allowance of compensation and reimbursement of expenses under §§ 330 and 503 of the Bankruptcy Code, subject to approval of the Bankruptcy Court.

ARTICLE 12
PROVISIONS GOVERNING EXECUTORY
CONTRACTS UNDER THE PLAN

1. Executory Contracts

The Plan constitutes a motion by the Debtor to reject, as of the Confirmation Date, all Executory Contracts, including the Wind Lease and the Master Lease, and excluding the Torrecillos Wind Sublease, which was assumed by entered the 13th day of April, 2015 as Docket No. 247.

Quita Wind Lease

As discussed in V.A. above, the Ranches were, as of the Petition Date, each allegedly encumbered by the Wind Lease. In accordance with the Wind Stipulation, the Wind Lease is to be released as to the Hill Fee Tracts upon the sale of such tracts and terminated as to the Corazon Ranch, the Oilton Ranch and Tracts 5, 6 and 7 of the Hill Ranch, as applicable, contemporaneously with the conveyance of those properties to the GBG Ranch Trust in consideration for the grant of a beneficial interest in the GBG Ranch Trust identified as a Wind Revenue Beneficiary and more particularly described in V.B.2. Alternatively, in the event that the GBG Ranch Trust fails and the Trust Real Estate Assets are sold, the interest of Quita Wind in the Trust Real Estate Assets shall be quantified for purposes of "adequate protection" and paid, if allowed, as ~~an allowed~~ Class 3 Claim. The grant of the beneficial interests to the Quita Wind membership as Wind Revenue Beneficiaries is, as evidenced by the Wind Stipulation, in full and final satisfaction of any

and all claims, including rejection damage claims which may be asserted by Quita Wind or any individual member of Quita Wind upon the settlement of GBG Ranch Trust.

Master Lease

The Debtor and C&H entered into a Master Lease covering the Ranches which authorized C&H to sublease the Ranches for grazing and hunting. The Master Lease was executed between the Debtor and C&H on August 2, 2006 and renewed by agreement from year to year. C&H was, as of the Petition Date, in payment default under the Master Lease in the amount of \$494,386.60. Effective November 1, 2014, additional sums became due and payable to the Debtor by C&H by virtue of the Master Lease. Effective April 2, 2015, the Debtor terminated the Master Lease. As of the date hereof, C&H is indebted to the Debtor in the total amount of \$646,586.60 reflecting pre-petition lease arrearages in the amount of \$494,386.60 and post-petition lease arrearages in the amount of \$152,200.00. The Debtor is aware that C&H is unable to pay the full amount of the past due sum owing, but believes that the debt owing by C&H may be substantially satisfied through cash on hand and the conveyance of the personal property owned by C&H to the Debtor for liquidation in full satisfaction of the obligations of C&H to the Debtor.

Torrecillas Wind Lease

The Torrecillas Wind Lease on the Oilton Ranch was assumed by the Debtor and such assumption was ratified by Quita Wind and evidenced by the Order Granting Motion To Assume Torrecillas Wind Lease [Docket No. 246] which was entered as Docket No. 247 in the Bankruptcy Proceeding. Upon the settlement of the GBG Ranch Trust, the Torrecillas Wind Lease will be modified to reflect the Trustee of the GBG Ranch Trust as the Lessor under that lease. In the event that the GBG Ranch Trust is not settled, the Oilton Ranch will be sold by the Liquidating Debtor subject to the Torrecillas Wind Lease with all rights appurtenant thereto being controlled by applicable Texas law.

Insurance Policies

Provided, however, all insurance policies and indemnity agreements in which the Debtor or the Debtor's property are insured and/or indemnified against loss (whether for potential liability or for costs of defense) are hereby assumed and assigned to the Liquidating Debtor pending the settlement of the GBG Ranch Trust at which time the insurance policies applicable to the Trust Assets will be assigned to the GBG Ranch Trust, or pending final sale and disposition of an insured Rejected Plan Asset.

2. Bar to Rejection Damages

If the rejection of an Executory Contract by the Debtor results in damages to the

other party or parties to such Lease, a Claim for such damages, if not heretofore evidenced by a filed Proof of Claim, shall be forever barred and shall not be enforceable against the Debtor, the Liquidating Debtor, its respective properties or its agents, successors or assigns, unless a Proof of Claim is filed with the Bankruptcy Court and served upon the Liquidating Debtor, the Litigation Trustee, and counsel for the Debtor and counsel for the Litigation Trustee on or before thirty (30) days after the Confirmation Date. Notwithstanding the foregoing, to the extent that the GBG Ranch Trust is settled, then any claim by Quita Wind and/or any member thereof for rejection damages shall be deemed fully satisfied under the terms and conditions of the Wind Stipulation by the grant of the Wind Beneficial Interest.

ARTICLE 13
RETENTION OF JURISDICTION

1. Scope of Jurisdiction

Pursuant to §§1334 and 157 of title 28 of the United States Code, the Bankruptcy Court shall retain and have jurisdiction over all matters arising in, arising under and related to the Chapter 11 case and the Plan pursuant to, and for the purposes of §§105(a) and 1142 of the Bankruptcy Code and for, among other things, the following purposes to:

- a.** hear and determine pending applications for the assumption or rejection of Executory Contracts and the allowance of Claims resulting therefrom;
- b.** hear and determine any and all adversary proceedings, applications and contested matters, including any remands of appeals;
- c.** hear and determine any and all applications for the sale of any Rejected Plan Asset;
- d.** ensure that distributions to holders of Allowed Claims are accomplished as provided herein;
- e.** hear and determine any timely objections to or applications concerning Claims or the allowance, classification, priority, estimation or payment of any Claim or Equity Interest;
- f.** enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified, reversed, or vacated;
- g.** enter and implement such orders as may be necessary or appropriate to execute, interpret, implement, consummate or enforce the Plan and the transactions contemplated thereunder;
- h.** consider any modification of the Plan pursuant to §1127 of the Bankruptcy Code, to cure any defect or omission or to reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;
- i.** hear and determine all Fee Applications and Fee Claims;
- j.** hear and determine disputes arising in connection with the execution, interpretation, implementation, consummation or enforcement of the Plan;

Formatted: Centered, Indent: First line: 0", Space After: 8 pt, Line spacing: Multiple 1.08 li, Widow/Orphan control, Adjust space between Latin and Asian text, Adjust space between Asian text and numbers, Tab stops: Not at 3.25"

k. enter and implement orders or take such other actions as may be necessary or appropriate to restrain interference by any entity with the consummation or implementation of the Plan, including, without limitation, to issue, administer and enforce injunctions provided for in the Plan and the Confirmation Order;

l. recover all assets of the Debtor and property of the estate, wherever located;

m. hear and determine matters concerning state, local and federal taxes in accordance with §§ 346, 505 and 1146 of the Bankruptcy Code;

n. hear and determine any other matter not inconsistent with the Bankruptcy Code and title 28 of the United States Code that may arise in connection with or related to the Plan;

o. enter a final decree closing the Chapter 11 case;

p. hear and determine any request for authorization to proceed against the GBG Ranch Trustee, as applicable.

2. Failure of the Bankruptcy Court to Exercise Jurisdiction

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under, or related to the Chapter 11 case, including the matters set forth in Section 14.1 of the Plan, this Article 13 shall have no effect upon and shall not control, prohibit or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

ARTICLE 14 **EFFECT OF CONFIRMATION OF THE PLAN**

1. Discharge of Liquidating Debtor

The rights afforded in the Plan and the treatment of all Claims and Equity Interests shall be in exchange for and in complete satisfaction, discharge and release of all Claims of any nature whatsoever against the Liquidating Debtor and any of its property, including the Plan Assets; and, except as otherwise provided herein, upon the Effective Date, the Debtor shall be deemed discharged and released to the extent permitted by §1141 of the Bankruptcy Code from any and all Claims, including but not limited to demands and liabilities that arose before the Effective Date, and all debts of the kind specified in §§502(g), 502(h), or 502(i) of the Bankruptcy Code, whether or not (a) a Proof of Claim

based upon such debt is filed or deemed filed under §501 of the Bankruptcy Code; (b) a Claim based upon such debt is allowed under §502 of the Bankruptcy Code; or (c) the holder of a Claim based upon such debt has accepted the Plan. Except as provided herein, the Confirmation Order shall be a judicial determination of discharge of all liabilities of the Debtor. As provided in §524 of the Bankruptcy Code, such discharge shall void any judgment against the Debtor at any time obtained to the extent it relates to a claim discharged, and operates as an injunction against the prosecution of any action against the Debtor, or its property, including the Plan Assets and the Trust Assets, to the extent it relates to a Claim discharged.

2. Exculpation and Release of Debtor and Professionals

Except as to gross negligence or fraud, any and all Claims, liabilities, causes of action, rights, damages, costs and obligations held by any party with respect to the Debtor, or this Bankruptcy Case against the Debtor, or any of its respective present or former members, general partner, limited partners, officers, directors, employees, attorneys, advisors or other professionals, whether known or unknown, matured or contingent, liquidated or unliquidated, existing, arising or accruing, whether or not yet due, existing prior to the Effective Date, or in any manner related to the administration of the Case, or the formulation, negotiation, prosecution or implementation of the Plan, shall be deemed fully waived, barred, released and discharged in all respects. Nothing in this Article 14, paragraph 2 shall serve to release any defendant or counter-defendant from any claim or liability to the Debtor, including those claims asserted in the Adversary and/or which may be asserted by way of offset for any proof of claim filed.

3. Certain Activities Enjoined

Except as expressly provided herein, at all times on and after the Effective Date, all Persons who have been, are, or maybe holders of Claims against or Equity Interests in the Debtor arising prior to the Effective Date, shall be enjoined from taking any of the following actions against or affecting the Debtor, its estate, or its property, including the Plan Assets and the Trust Assets, with respect to such Claims or Equity Interests (other than actions brought to enforce any rights or obligations under the Plan):

a. commencing, conducting or continuing in any manner, directly or indirectly any suit, action, or other proceeding of any kind against the Debtor, its estate, or its property, including the Plan Assets and Trust Assets (including, without limitation, all suits, actions, and proceedings that are pending as of the Effective Date which shall be deemed to be withdrawn or dismissed with prejudice);

b. enforcing, levying, attaching, collecting, or otherwise recovering by any manner or means whether directly or indirectly any judgment, award, decree, or order

against the Debtor, its estate, or its property, including the Plan Assets and Trust Assets;

c. creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Lien against the Liquidating Debtor, its estate, or its property, including the Plan Assets or Trust Assets;

d. asserting any right of subrogation, or recoupment of any kind, directly or indirectly against any obligation due the Liquidating Debtor, its estate, or its property, including the Plan Assets or Trust Assets; and

e. proceeding in any manner in any place whatsoever that does not conform to or comply with the provisions of the Plan.

ARTICLE 15
MISCELLANEOUS PROVISIONS

1. Setoff and Other Rights

In the event that the Debtor has a claim of any nature whatsoever against the holder of a Claim, the Liquidating Debtor may, but is not required to, setoff against the Claim (and any payments or other distributions to be made in respect of such Claim hereunder), subject to the provisions of § 553 of the Bankruptcy Code. Neither the failure to setoff nor the allowance of any Claim under the Plan shall constitute a waiver or release by the Debtor of any claim that the Debtor has against the holder of a Claim. No holder of a Claim may, on account of a pre-Effective Date Claim against the Debtor, setoff, offset, suspend, freeze, or recoup any amount from funds or other payments that such claimant may owe to the Debtor or its bankruptcy estate as vested in the Liquidating Debtor. The Confirmation Order shall include an injunction prohibiting any such setoff, offset, suspense, freeze, or recoupment.

2. Injunctions

The Confirmation Order shall contain such injunctions as may be necessary and helpful to effectuate the discharge of the Debtor provided herein. Without limiting the generality of the foregoing, such injunction shall include an absolute prohibition from collecting Claims in any manner other than as provided for in the Plan.

3. Lawsuits

On the Effective Date, all lawsuits, litigation, administrative actions, or other proceedings, judicial or administrative, in connection with the assertion of a Claim against the Debtor and the General Partner of the Debtor, shall be dismissed as to the Debtor,

the Liquidating Debtor and the General Partner of the Debtor, except proof of claims and/or objections thereto pending in the Bankruptcy Court and the Adversary. Such dismissal shall be with prejudice to the assertion of such Claim in any manner other than as prescribed by the Plan. All parties to any such action shall be enjoined by the Bankruptcy Court in the Confirmation Order from taking any action to impede the immediate and unconditional dismissal of such actions. All lawsuits, litigation, administrative actions or other proceedings, judicial or administrative, in connection with the assertion of a claim(s) by the Debtor or any entity proceeding in the name of or for the benefit of the Debtor against a person shall remain in place only with respect to the claim(s) asserted by the Debtor or such other entity, and shall become property of the Liquidating Debtor to prosecute, settle or dismiss as the Liquidating Debtor sees fit.

4. Insurance

Confirmation and consummation of the Plan shall have no effect on insurance policies of the Debtor in which the Debtor or any of the Debtor's Representatives is or was the insured party; the Liquidating Debtor shall become the insured party under any such policies without the need of further documentation other than the Plan and entry of the Confirmation Order. Each insurance company is prohibited from, and the Confirmation Order shall include an injunction against, denying, refusing, altering or delaying coverage on any basis regarding or related to the Debtor's bankruptcy, the Plan or any provision within the Plan.

5. De Minimis Distributions

No distribution of less than \$25.00 shall be required to be made to any holder of an Allowed Claim. Such undistributed amount may be retained by the Liquidating Debtor.

6. Payment of Statutory Fees

All fees payable pursuant to § 1930 of title 28 of the United States Code shall be paid through the entry of a final decree in the Chapter 11 case.

7. Bankruptcy Restrictions

From and after the Effective Date, the Debtor and the Liquidating Debtor shall no longer be subject to the restrictions and controls provided by the Bankruptcy Code or Rules (e.g., §364, rule 9019), the Bankruptcy Court, or the United States Trustee's guidelines, except that the Liquidating Debtor shall present all post confirmation sales of a Rejected Plan Asset, if any, by motion with notice to all equity interest owners of the Debtor, to the Court for approval. The Liquidating Debtor may, on behalf of the Liquidating Debtor, compromise claims and controversies post-Effective Date without the need of notice or Bankruptcy Court approval. The Liquidating Debtor may operate the Liquidating Debtor's business in such manner as is consistent with Plan. No monthly operating reports will be filed after the Effective Date; however, the Reorganized Debtor shall provide the U.S. Trustee such financial reports as the U.S. Trustee may reasonably request until the entry of a final decree.

8. Binding Effect

The Plan shall be binding upon and inure to the benefit of the holders of Claims, the holders of Equity Interests, and the Liquidating Debtor, and all of its respective successors and assigns; provided, however, that if the Plan is not confirmed, the Plan

Formatted: Left, Indent: First line: 0", Space After: 8 pt, Line spacing: Multiple 1.08 li, Widow/Orphan control, Adjust space between Latin and Asian text, Adjust space between Asian text and numbers

shall be deemed null and void and nothing contained herein shall be deemed (a) to constitute a waiver or release of any Claims by the Debtor or any other person, (b) to prejudice in any manner the rights of the Debtor or any other person or (c) to constitute any admission by the Debtor or any other person.

9. Governing Law

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or the law of the jurisdiction of organization of any entity, the internal laws of the State of Texas shall govern the construction and implementation of the Plan and any agreements, documents and instruments executed in connection with the Plan or the Chapter 11 case, including the documents executed pursuant to the Plan.

10. Modification of Plan

The Debtor may propose modifications of the Plan in writing at any time before the Confirmation Date, provided that (a) the Plan, as modified, meets the requirements of §§1122 and 1123 of the Bankruptcy Code and (b) the Proponent shall have complied with §1125 of the Bankruptcy Code. The Plan may be modified at any time after the Confirmation Date and before substantial consummation by the Proponent, provided that (i) the Plan, as modified, meets the requirements of §§1122 and 1123 of the Bankruptcy Code, (ii) the Bankruptcy Court, after notice and a hearing, confirms the Plan as modified, under §1129 of the Bankruptcy Code and (iii) the circumstances warrant such modifications. A holder of a Claim or Equity Interest that has accepted or rejected the Plan shall be deemed to have accepted or rejected, as the case may be, such Plan as modified, unless, within the time fixed by the Bankruptcy Court, such holder changes its previous acceptance or rejection.

11. Creditor Defaults

Any act or omission by a creditor in contravention of a provision within this Plan shall be deemed an event of default under this Plan. Upon an event of default, the Liquidating Debtor may seek to hold the defaulting party in contempt of the Confirmation Order. If such creditor is found to be in default under the Plan, such party shall pay the reasonable attorney's fees and costs of the Liquidating Debtor in pursuing such matter. Furthermore, upon the finding of such a default by a creditor, the Bankruptcy Court may (a) designate a party to appear, sign and/or accept the documents required under the Plan on behalf of the defaulting party, in accordance with Rule 70 of the Federal Rules of Civil Procedure, (b) may enforce the Plan by order of specific performance, (c) may award judgment against such defaulting creditor in favor of the Reorganized Debtor in an amount, including interest, to compensate the Liquidating Debtor for the damages caused

by such default; and (d) make such other order as may be equitable which does not materially alter the terms of the Plan as confirmed.

12. Severability

Should the Bankruptcy Court determine that any provision of the plan is unenforceable either on its face or as applied to any Claim or Equity Interest or transaction, the Debtor may modify the Plan in accordance with §-14.12 of the Plan so that such provision shall not be applicable to the holder of any Claim or Equity Interest. Such a determination of unenforceability shall not (a) limit or affect the enforceability and operative effect of any other provision of the Plan, or (b) require the re-solicitation of any acceptance or rejection of the Plan.

13. Closing the Case

Upon the Plan being substantially consummated and, upon motion by the Liquidating Debtor, a final decree entered containing such provisions as may be equitable. The Court may close the case, but retain jurisdiction to hear and decide: any and all pending adversary proceedings, applications and contested matters, including any remands of appeals; any and all pending objections to Claims or the allowance, including with respect to the classification, priority, estimation or payment of any Claim; any and all pending Fee Applications.

14. Notices

All notices, requests, and demands to or upon the Debtor or the Liquidating Debtor to be effective shall be in writing (including by facsimile transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by facsimile transmission, when received and telephonically confirmed, addressed as follows:

To the Debtor

Carl M. Barto
Law Office of Carl M. Barto
817 Guadalupe Street
Laredo, TX 78040
(956) 725-7500 (telephone)
(956) 722-6739 (facsimile)

and

Leslie M. Luttrell
Luttrell + Villarreal Law Group
400 N. Loop 1604E, Ste. 208

San Antonio, Texas 78232
State Bar No. 12708650
S.D.TX Bar No. 24152
Tel. 210.426.3600
Fax. 210.426.3610

Dated: ~~August 14~~ _____, 2015.

Respectfully Submitted,

G.B.G. Ranch, Ltd.
Acting by its General Partner
Guillermo Benavides Garza Investment Company

By: /s/Manuel A. Benavides
Manuel A. Benavides
Its: President

By: /s/Carl M. Barto
Carl M. Barto
Law Office of Carl M. Barto
817 Guadalupe
Laredo, TX 78040
State Bar No. 01852100
SDTX No. 6830
(956) 725-7500
(956) 722-6739 (fax)
cmblaw@netscorp.net

COUNSEL FOR THE DEBTOR

/s/ Leslie M. Luttrell
Leslie M. Luttrell
Luttrell + Villarreal Law Group
400 N. Loop 1604E, Ste. 208
San Antonio, Texas 78232
State Bar No. 12708650
S.D.TX Bar No. 24152
Tel. 210.426.3600
Fax. 210.426.3610
luttrell@LVLawGroup.net

SPECIAL COUNSEL FOR DEBTOR

Formatted: Left, Indent: Left: 1.5", First line: 0.5",
Space After: 8 pt, Line spacing: Multiple 1.08 li,
Widow/Orphan control, Adjust space between Latin
and Asian text, Adjust space between Asian text and
numbers, Tab stops: Not at 0" + 0.5" + 1" + 1.5" +
2" + 2.5" + 3" + 3.5" + 4" + 4.5" + 5" + 5.5"

CERTIFICATE OF SERVICE

I hereby certify that on the 14th day of August, 2015 a true and correct copy of the foregoing has been served pursuant to the ECMF filing and notice procedures or in the manner indicated to the following parties:

Anam Management, L.C.
318 Bordeaux
Laredo, Texas 78041

Dan Hanke
2161 NW Military HWY, Ste 103
San Antonio, Texas 78213

Anam, LTD
318 Bordeaux
Laredo, Texas 78040

Dan King
Bordas Wind Energy
3650 Locklane
Houston, Texas 77027

Benavides Family Minerals, LTD
1019 Chihuahua
Laredo, Texas 78040

Diane W. Sanders
Linebarger Goggan Blair & Sampson,
LLP P.O. Box 17428
Austin, TX 78760-7777

Carl J. Kolb PC
926 Chulie
San Antonio, Texas 78216

GBG Cattle & Hunting Co. LLC
1019 Chihuahua
Laredo, Texas 78040

City of Laredo
c/o Flores & Saucedo, PLLC
5517 McPherson Rd. Ste. 14
Laredo, TX 78041

Golden West Oil
PO Box 6127
Austin TX 78762

Cliff Davis
PO Box 439
Carizzo Spring, Texas 78834

GBGIC
1019 Chihuahua
Laredo, Texas 78040

Guillermo R. Benavides
3007 Chaucer
Laredo, TX 78043

Guillermo Benavides Z.
318 Bordeaux
Laredo, Texas 78045

Raul Vasquez
7718 McPherson Ste. f-105
Laredo, Texas 78045

Rafael Morales
1301 Chacon
Laredo, Texas 78041

Huisache Cattle Co. LTD.

Residuary Trust under the Will of

HCR 1 Box 5
Aguilares, Texas 78369

Guillermo Benavides Garza
1019 Chihuahua
Laredo, Texas 78040

Robert C. Cadena d/b/a 3C Cattle Co.
800 E. Mann Rd. Ste. 103
Laredo, TX 78041

Kandy Walker
5210 San Bernardo Ste. 101
Laredo, Texas 78041

Torrecillos Wind Energy, LLC
3000 El Camino Real
S. Palo Alto Square, Suite 700
Palo Alto CA 94306-2122
United I S D
c/o Guillermo Alarcon
1302 Washington St. Laredo, TX 78040

Marcel Frey
3200 Southwest Freeway Ste. 1900
Houston, Texas 77027

WEBB CISD C/O
Linebarger Goggan Blair & Sampson, LLP
P.O. Box 17428
Austin, TX 78760-7428

Quita Wind Energy Company LLC
c/o James A. Hoffman
Clemens & Spencer
112 E. Pecan St., Suite 1300
San Antonio, Texas 78205

Webb County
c/o Castillo, Montemayor & Solis, PC
7718 McPherson Rd. Ste. #F105
Laredo, TX 78045

Parties in Interest and Counsel Filing Appearances

James Hoffman
Clemens & Spencer
112 E. Pecan St., Suite 1300
San Antonio, Texas 78205

Kenneth A. Valls
Stephen Dittlinger
Trevino, Valls & Haynes, LLP
6909 Springfield Ave. Ste. 200
Laredo, Texas 78041

Jason Davis
Santos Vargas
The Law Offices of Davis & Santos
The Weston Centre
112 E. Pecan St. Ste. 900

San Antonio, Texas 78205

Hector Duran
Stephen Douglas Statham
The Office of the United States Trustee
for the Southern District of Texas,
515 Rusk, Ste. 3516
Houston, Texas 77002

Ronald Hornberger
Plunkett & Griesenbeck, Inc
Ste 900, 1635 N. E. Loop 410
San Antonio, Tx 78209

Hugo Flores
Rancho Loma Linda
PO Box 450047
Laredo, Texas 78045

Baldemar Garcia Jr., Esq.
602 East Calton Road, 2nd Floor
Laredo, Texas 78041

Patricia Tomasco
Jackson Walker, LLP
100 Congress Ave.
Austin, Texas 78701

Eric J. Taube
Mark C. Taylor
Taube Summers Taylor Meinzer LLP
100 Congress Avenue, Suite 1800
Austin, Texas 78701

Mario Benavides
520 Merlin
Laredo, Texas 78045

Alfonso M. Benavides
410 Baffin Bay
Laredo, Texas 78041

Hillary Hunt
1103 Chihuahua Street
Laredo, Texas 78040

Sonja Benavides, Trustee and/or
Rosalina Madrid, Trustee
For the Guillermo Francisco Benavides 1999 C Trust
and Alejandro Mauricio Benavides 1999 C Trust
318 Bordeaux Dr.
Laredo, Texas 78041

Manuel A. Benavides, Trustee For the
Damiana Augusta Benavides 1996 M Trust
Adan Manuel Benavides 1996 M Trust
Lisbeth Amanda Benavides 1996 M Trust
Emille Natalia Benavides 1997 C Trust
Damiana Augusta Benavides 1997 C Trust
Adan Manuel Benavides 1997 C Trust
P.O. Box 3508
Laredo, Texas 78044

/s/ Leslie M. Luttrell

Leslie M. Luttrell