

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

In re:	§	
	§	Case No. 13-45148-11
RESERVOIR EXPLORATION	§	
TECHNOLOGY, INC.,	§	(Chapter 11)
	§	
Debtor.	§	

**RESERVOIR EXPLORATION TECHNOLOGY, INC.'S
FIRST AMENDED PLAN OF LIQUIDATION**

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“Administrative Tax Claim” means any *ad valorem* tax claim assessed against, or payable by, the Debtor or the Estate or their property for or on account of tax year 2014, specifically excluding Secured Tax Claims.

“Allowed” as it relates to any type of Claim or Administrative Claim provided for under this Plan, means a Claim: (i) which has been scheduled as undisputed, noncontingent and liquidated in the Schedules in an amount other than zero or unknown, and as to which: (a) no proof of Claim has been timely filed, and (b) no objection has been timely filed (as determined by applicable deadlines contained in this Plan, including the Claims Objection Deadline); (ii) as to which a proof of Claim has been timely filed and either: (a) no objection thereto has been timely filed (as determined by applicable deadlines contained in this Plan, including the Claims Objection Deadline), or (b) such Claim has been allowed (but only to the extent allowed) by a Final Order of the Bankruptcy Court; (iii) which has been expressly allowed under the provisions of this Plan; or (iv) which has been expressly allowed by Final Order of the Bankruptcy Court.

“Allowed Administrative Claim” means: (i) an Administrative Claim that has been Allowed (but only to the extent Allowed), if approval from the Bankruptcy Court is required in order to Allow the same; and (ii) an Administrative Claim which: (a) is incurred by the Debtor after the Petition Date in the ordinary course of business operations or pursuant to an order entered by the Bankruptcy Court granting automatic Administrative Claim status; (b) is not disputed by the Debtor or the Liquidation Trustee; and (c) does not require approval from the Bankruptcy Court to become Allowed.

“Allowed Priority Claim” means a Priority Claim that has been Allowed (but only to the extent Allowed).

“Allowed Secured Claim” means a Secured Claim that has been Allowed (but only to the extent Allowed).

“Allowed Unsecured Claim” means an Unsecured Claim that has been Allowed (but only to the extent Allowed).

“Avoidance Actions” means any and all rights, claims or actions which the Liquidating Trust, the Debtor or the Receiver may assert on behalf of the Estate under Chapter 5 of the Bankruptcy Code, including actions under one or more provisions of sections 328, 542, 544, 545, 546, 547, 548, 549, 550, 551 and/or 553 of the Bankruptcy Code.

“Ballot” means the ballot, the form of which has been approved by the Bankruptcy Court, accompanying the Disclosure Statement provided to each holder of a Claim entitled to vote to accept or reject this Plan.

“Bankruptcy Case” means Bankruptcy Case No. 13-45148-11 in the Bankruptcy Court.

“Bankruptcy Code” means 11 U.S.C. §§ 101, *et. seq.*, in effect as of the Petition Date and as may have been or may be amended or supplemented since, to the extent that any such amendment or supplement is automatically applicable to the Bankruptcy Case by operation of law and not by operation of any election or choice.

“Bankruptcy Court” means the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division or, if such court ceases to exercise jurisdiction, the court or adjunct thereof that exercises jurisdiction over the Bankruptcy Case.

“Bankruptcy Rules” means the Federal Rules of Bankruptcy Procedure, together with the local bankruptcy rules for the Bankruptcy Court as now in effect or as the same may from time to time hereafter be amended.

“Bar Date” means January 27, 2014, at 5:00 p.m. (prevailing Central Time), for claims of persons other than Governmental Units, and May 5, 2014 at 5:00 p.m. (prevailing Central Time), for claims of Governmental Units.

“Business Day” means any day which is not a Saturday, a Sunday, or a “legal holiday” within the meaning of Bankruptcy Rule 9006(a).

“Claim” means a claim against the Debtor, the Estate, and/or property of the Debtor or the Estate, as such term is otherwise defined in section 101(5) of the Bankruptcy Code, and arising at any time prior to the Effective Date, including first arising after the Petition Date, regardless of whether the same would otherwise be a claim under said section 101(5) of the Bankruptcy Code.

“Claims Objection Deadline” means the date by which parties authorized by the Plan may file any objection to a Claim, which date shall be sixty (60) days after the Bar Date applicable to Governmental Units, except with respect to Administrative Claims as otherwise provided for herein and with respect to Disputed Claims.

“Class” means one of the categories of Claims and Equity Interests established under Article II of this Plan.

“Confirmation Date” means the date on which the clerk of the Bankruptcy Court enters the Confirmation Order on its docket.

“Confirmation Hearing” means the hearing(s) before the Bankruptcy Court pursuant to section 1128 of the Bankruptcy Code to consider confirmation of this Plan, as such hearing(s) may be continued, rescheduled or delayed.

“Confirmation Order” means the order of the Bankruptcy Court confirming this Plan pursuant to section 1129 of the Bankruptcy Code, as such order may be amended, modified, or supplemented.

“Creditor” means the holder of any Claim entitled to distributions under this Plan with respect to such Claim.

“Debtor” means Reservoir Exploration Technology, Inc., a Texas corporation.

“Disallowed Claim” means, as it relates to any type of Claim provided for under this Plan, a Claim or portion thereof that: (i) has been disallowed by a Final Order of the Bankruptcy Court; (ii) is identified in the Schedules in an amount of zero dollars, unknown dollars, or as contingent, unliquidated, and/or disputed, and as to which a proof

of Claim was not filed by the Bar Date; or (iii) is not identified in the Schedules and as to which no proof of Claim has been filed or deemed filed by the Bar Date, if the filing of such proof of Claim is otherwise required.

“Disclosure Statement” means the Disclosure Statement with respect to this Plan, approved by the Bankruptcy Court as containing adequate information for the purpose of dissemination and solicitation of votes on confirmation of this Plan, either in its present form or as it may be altered, amended or modified from time to time.

“Disputed Claim” means any Claim or any portion thereof which is neither Allowed nor is a Disallowed Claim as of the close of the Claims Objection Deadline. In the event that any part of a Claim is a Disputed Claim, such Claim in its entirety shall be deemed to constitute a Disputed Claim for purposes of distribution under this Plan unless Liquidating Trustee, the objecting party, and the holder thereof agree otherwise or unless otherwise ordered by the Bankruptcy Court; *provided, however*, that nothing in this definition of “Disputed Claim” is intended to or does impair the rights of any holder of a Disputed Claim to pursue its rights under section 502(c) of the Bankruptcy Code. Without limiting any of the foregoing, but subject to the provisions of this Plan, a Claim that is the subject of a pending application, motion, complaint, objection, or any other legal proceeding seeking to disallow, limit, subordinate, or estimate such Claim, as of the Claims Objection Deadline, shall be a Disputed Claim unless and until the entry of a Final Order providing otherwise.

“Effective Date” means the first Business Day that is fifteen (15) days after the Confirmation Date if the Confirmation Order is not stayed or, if the Confirmation Order is stayed, the first Business Day following the lifting, dissolution, or removal of such stay which is at least fifteen (15) days after the Confirmation Date, and upon which the conditions to the effectiveness of the Plan set forth in Article X hereof are satisfied.

“Equity Interests” means any ownership of any equity in the Debtor, including, as may be applicable, any membership interest, stock, share, general partnership interest, limited partnership interest, or other equity ownership.

“Estate” means the estate created for the Debtor pursuant to section 541 of the Bankruptcy Code and any other applicable provision thereof.

“Executory Contract” means, collectively, “executory contracts” and “unexpired leases” of the Debtor as of the Petition Date as such terms are used within section 365 of the Bankruptcy Code.

“Final Decree” means the final decree entered by the Bankruptcy Court on or after the Effective Date pursuant to Bankruptcy Rule 3022.

“Final Order” means a judgment, order, ruling, or other decree issued and entered by the Bankruptcy Court or by any state or other federal court or other tribunal having jurisdiction over the subject matter thereof which judgment, order, ruling, or other decree has not been reversed, stayed, modified, or amended and as to which: (i) the time to appeal or petition for review, rehearing or certiorari has expired and as to which no

appeal or petition for review, rehearing or certiorari is pending; or (ii) any appeal or petition for review, rehearing or certiorari has been finally decided and no further appeal or petition for review, rehearing or certiorari can be taken or granted.

“General Unsecured Claim” means any alleged Claim against the Debtor that is not secured by a valid, enforceable, and unavoidable lien against any asset of the Debtor or the Estate, but excluding any Administrative Claim, Priority Claim, Secured Claim, Subordinated Claim, but including a Secured Claim to the extent not an Allowed Secured Claim but otherwise an Allowed Claim.

“Governmental Unit” means a governmental unit as such term is defined in section 101(27) of the Bankruptcy Code.

“Liquidating Trust Documentation” means the trust agreement, declaration and/or similar document executed to govern the Liquidating Trust created pursuant to Article V of the Plan and governed by Articles V and VI of the Plan, to be submitted as a supplement to the Plan no later than ten (10) days prior to the Confirmation Hearing.

“Litigation Claims” means all rights and interests of the Debtor and the Estate, to the extent not specifically compromised or released pursuant to the Plan or an agreement referred to, or incorporated into, the Plan or a Final Order entered after notice and opportunity for hearing, in and to: (i) any and all Avoidance Actions; (ii) any and all claims of the Debtor for subordination or recharacterization; and (iii) any and all objections to any Claims, including, without limitation, any counterclaim(s) by the Debtor against any Creditor or claimant.

“Net Available Funds” means any and all cash on hand of the Liquidating Trust excluding funds required for the payment of expenses of administration under this Plan or otherwise reserved under this Plan.

“Person” means and includes natural persons, corporations, limited partnerships, general partnerships, joint ventures, trusts, land trusts, business trusts, unincorporated organizations, or other legal entities, irrespective of whether they are governments, agencies or political subdivisions thereof.

“Petition Date” means November 5, 2013.

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

“Plan Funder” means RXT ASA, the Debtor’s parent and Equity Interest Holder, which entity is the subject of separate bankruptcy proceedings under the laws of Norway.

“Priority Non-Tax Claim” means any Claim entitled to priority in payment under section 507(a) of the Bankruptcy Code, excluding any Claim that is an Administrative Claim, Priority Tax Claim or that is a Secured Tax Claim.

“Priority Tax Claim” means a Claim of a Governmental Unit of the kind entitled to priority in payment as specified in section 507(a)(8) of the Bankruptcy Code, but

excluding any Secured Tax Claim that would otherwise meet the description of an Unsecured Claim of a Governmental Unit under section 507(a)(8) of the Bankruptcy Code but for the secured status of that Claim, or Administrative Tax Claim. For the avoidance of doubt, any Claim that may qualify as both a Priority Tax Claim and Secured Tax Claim shall be treated as a Secured Tax Claim under this Plan and not as a Priority Tax Claim, and any Claim that may qualify as both a Priority Tax Claim and Administrative Tax Claim shall be treated as an Administrative Tax Claim under this Plan and not as a Priority Tax Claim.

“Professional” means any Person employed or to be compensated pursuant to sections 327, 328, 330, 331, 503(b), or 1103 of the Bankruptcy Code.

“Professional Claim” means a Claim by a Professional for compensation and/or reimbursement of expenses pursuant to sections 327, 328, 330, 331, 503(b) or 1103 of the Bankruptcy Code in connection with an application made to the Bankruptcy Court in the Bankruptcy Case.

“Receivable Asset” means the Debtor’s aliquot share of an unliquidated receivable being pursued in litigation by the liquidator on behalf of RXT UK, Ltd., against Shell E&P Ireland Limited, in the aggregate, unallocated amount of \$10.8 million.

“Rejection Claim” means a Claim arising under section 502(g) of the Bankruptcy Code as a consequence of the rejection of any Executory Contract.

“Schedules” means the Schedules of Assets and Liabilities and the Statements of Financial Affairs filed by the Debtor with the clerk of the Bankruptcy Court pursuant to Bankruptcy Rule 1007, as they have been or may be amended or supplemented from time to time in accordance with Bankruptcy Rule 1009.

“Secured Claim” means a Claim that is alleged to be secured, in whole or in part, (i) by a lien against an asset of the Debtor or the Estate to the extent such lien is valid, perfected and enforceable under applicable non-bankruptcy law and is not subject to avoidance or subordination under the Bankruptcy Code or applicable non-bankruptcy law, but only to the extent that such Claim is secured within the meaning of section 506(a) of the Bankruptcy Code; or (ii) as a result of rights of setoff under section 553 of the Bankruptcy Code.

“Secured Tax Claim” means a Claim of a Governmental Unit for the payment of *ad valorem* real property and business personal property taxes that is secured by property of the Debtor or the Estate, including any such tax for tax year 2012. Notwithstanding anything contained herein to the contrary, a Secured Tax Claim does not include any *ad valorem* tax payable for the tax year 2013, any such claim instead being an Administrative Tax Claim.

“Subordinated Claim” means: (i) the General Unsecured Claim of RXT ASA in the amount of approximately \$18,544,591.00, and any other Claim of RXT ASA that is Allowed by a Final Order of the Bankruptcy Court, which Claims are agreed by RXT ASA to be subordinated in priority to General Unsecured Claims, subject to confirmation

of this Plan; and (ii) any other Allowed Claim that is subordinated pursuant to Section 510 of the Bankruptcy Code or other applicable law.

“Substantial Consummation” means the date on which any of the following first happens: (i) the Bankruptcy Court enters an order on the fee application of the Debtor’s general counsel; (ii) the Liquidating Trust Documentation is executed; or (iii) the Bankruptcy Court otherwise finds that substantial consummation within the meaning and operation of the Bankruptcy Code has occurred.

“Trust Administration Reserve” means the reserve to be established and maintained by the Liquidating Trustee (if any) pursuant to section 5.3 of this Plan.

“Voting Deadline” means the period established by the Bankruptcy Court within which Ballots may be cast on the Plan.

ARTICLE II **CLASSIFICATION OF CLAIMS AND EQUITY INTERESTS**

2.1 **Classification Generally.** All Claims and Equity Interests, except Administrative Claims, are placed in Classes under the Plan. A Claim is classified within a particular Class only to the extent that the Claim qualifies under the description of that Class. A Claim which is properly includible in more than one Class is only entitled to inclusion within a particular Class to the extent that it qualifies under the description of such Class, and shall be included within a different Class(es) to the extent that it qualifies under the description of such different Class(es).

2.2 **Unclassified Claims.** As provided in section 1123(a) of the Bankruptcy Code, the following types of Claims are not classified under the Plan:

Administrative Claims; and

Priority Tax Claims.

2.3 **Classified Claims and Interests.** Claims and Equity Interests are classified under this Plan as follows:

Class 1: Priority Non-Tax Claims

Class 2: Secured Tax Claims

Class 3: Other Secured Claims

Class 4: General Unsecured Claims

Class 5: Subordinated Claims

Class 6: Equity Interests

ARTICLE III
PROVISIONS FOR THE TREATMENT OF UNCLASSIFIED CLAIMS

3.1 Administrative Claim Applications and Deadline. Holders of Administrative Claims, including Professional Claims, other than: (a) Allowed Administrative Claims as of the Effective Date; (b) Administrative Claims that represent liabilities incurred on or after the Petition Date, but prior to the Effective Date, in the ordinary course of the Debtor's business which may be paid in the ordinary course of the Debtor's business without order of the Bankruptcy Court; and (c) Administrative Claims that constitute fees or charges assessed against the Estate under Chapter 123, Title 28, United States Code, must by no later than the Administrative Claims Bar Date: (x) file an application with the Bankruptcy Court for allowance of the Administrative Claim; and (y) serve a copy of such application on the Debtor, the United States Trustee, and, following the Effective Date of the Plan, the Liquidating Trustee, as well as all other parties otherwise entitled to notice thereof. Failure to file and serve such application by the Administrative Claims Bar Date shall result in the Administrative Claim being forever barred and discharged as against the Debtor, the Estate, the Liquidating Trust, and the property of any of the foregoing. Except as specifically provided in this Plan, nothing in this Plan alters the law applicable to, and governing, the allowance of Administrative Claims (including Professional Claims) under the Bankruptcy Code. Notwithstanding the foregoing, the United States Trustee is not required to file an application for allowance of an Administrative Claim for United States Trustee fees required to be paid on or before the Effective Date of this Plan, in accordance with 11 U.S.C. § 1129(a)(12).

3.2 Treatment of Allowed Administrative Claims. Except with respect to Administrative Tax Claims (see Section 3.4 below), and unless previously paid, each holder of an Allowed Administrative Claim, including a Professional Claim, shall receive in full satisfaction, release and discharge of, and in exchange for such Allowed Administrative Claim, from the Liquidating Trust: (i) the amount of such Allowed Administrative Claim, in cash, and without interest, attorney's fees (except as Allowed by the Bankruptcy Court), or costs, on the later of: (a) ten (10) Business Days after the Effective Date; or (b) the date that is ten (10) Business Days after such Administrative Claim becomes an Allowed Administrative Claim; or (ii) such other treatment as may be agreed upon in writing by the holder of such Claim and the Liquidating Trust; *provided, however*, that Allowed Administrative Claims that represent liabilities incurred on or after the Petition Date, but prior to the Effective Date, in the ordinary course of the Debtor's businesses which may be paid in the ordinary course of the Debtor's businesses without order of the Bankruptcy Court, shall be paid by the Debtor and/or the Liquidating Trust, as appropriate, in accordance with the agreements related thereto, and subject to the Debtor's and/or the Liquidating Trust's, as appropriate, right to contest the allowance or payment of same. Notwithstanding the foregoing, all pre-confirmation fees due and payable to the United States Trustee shall be paid on or before the Effective Date in accordance with 11 U.S.C. § 1129(a)(12).

3.3 Treatment of Professional Claims. Professional Claims become Allowed the same as Administrative Claims in this Article (Section 3.1), and are treated the same as Administrative Claims in this Article (Section 3.2), except that any retainer provided on account of a Professional Claim may be credited and applied against the payment of the final Allowed amount of such Professional Claim once such Professional Claim is Allowed on a final basis.

3.4 Administrative Tax Claims. Administrative Tax Claims, and any liens securing the same, are not affected by, prejudiced by, discharged by, or treated by this Plan, and shall survive this Plan without need for any action on the part of the holder thereof. Administrative Tax Claims, and the liens securing the same, shall be paid from the Liquidating Trust not later than as they become due, together with such interest and other charges as otherwise appropriate. Notwithstanding anything contained in this Plan to the contrary, nothing in this Plan transfers or vests any property of the Debtor or the Estate free and clear of any lien securing an Administrative Tax Claim. The Debtor and the Estate reserve any and all rights to contest any Administrative Tax Claims as may be otherwise appropriate, and nothing in this Plan Allows any Administrative Tax Claim, with all such rights transferred to the Liquidating Trust as of the Effective Date.

3.5 Section 505. For the avoidance of doubt, and without limiting the generality of any similar provision of this Plan, the Debtor and the Estate reserve all rights under section 505 of the Bankruptcy Code, as otherwise applicable, to contest any tax Claim and to seek appropriate determinations under said section 505 with respect thereto, all of which rights are transferred under this Plan to the Liquidating Trust.

3.6 Priority Tax Claims. In full and final satisfaction of Allowed Priority Tax Claims, each Allowed Priority Tax Claim shall receive, in full satisfaction, release and discharge of, and in exchange for such Allowed Priority Tax Claim, from the Liquidating Trust: (i) the amount of such Allowed Priority Tax Claim, in cash, with any interest mandated by applicable statute, on the later of: (a) ten (10) Business Days after the Effective Date; or (b) the date that is ten (10) Business Days after such Priority Tax Claim becomes an Allowed Priority Tax Claim; or (ii) such other treatment as may be agreed upon in writing by the holder of such Claim and the Liquidating Trust.

3.7 Single and Final Distribution. Notwithstanding any other provision in this Article III, if the Liquidating Trustee determines in its sole discretion that it may complete all distributions called for under this Plan in a single round of distributions, the Liquidating Trustee may delay making such distributions, including to all Allowed Unclassified Claims, for a period not to exceed twenty (20) additional days, in order to allow the Liquidating Trustee to seek to close this Bankruptcy Case prior to making such distributions.

ARTICLE IV
PROVISIONS FOR THE TREATMENT OF CLASSIFIED CLAIMS;
IDENTIFICATION OF IMPAIRED CLASSES

4.1 Class 1: Priority Non-Tax Claims.

4.1.1 Treatment. Each Priority Non-Tax Claim, to the extent Allowed, shall be paid in full satisfaction, release and discharge of and in exchange for such Allowed Priority Non-Tax Claim, by the Liquidating Trustee from the Liquidating Trust, the amount of such Allowed Priority Claim, in cash, and without interest, attorney's fees, or costs, on the later of: (a) ten (10) Business Days after the Effective Date; or (b) the date that is ten (10) Business Days after becoming Allowed. Notwithstanding the foregoing, if and when the Liquidating Trustee determines in its sole discretion that it may complete all remaining distributions called for under this Plan in a single round of distributions, the

Liquidating Trustee may delay making such distributions for a period not to exceed twenty (20) additional days, in order to allow the Liquidating Trustee to seek to close this Bankruptcy Case prior to making such distributions.

4.1.2 Impairment. Class 1 is not impaired under this Plan.

4.2 Class 2: Secured Tax Claims.

4.2.1 Retention of Liens. Each holder of a Secured Tax Claim shall retain all liens securing the same, which liens shall survive confirmation of this Plan with the same priority, extent, and validity that otherwise exists.

4.2.2 Treatment. Each Secured Tax Claim, to the extent Allowed, shall be paid in full satisfaction, release and discharge of and in exchange for such Allowed Secured Tax Claim, by the Liquidating Trustee from the Liquidating Trust, the amount of such Secured Tax Claim, in cash, and with any interest mandated by applicable statute, on the later of: (a) ten (10) Business Days after the Effective Date; or (b) the date that is ten (10) Business Days after becoming Allowed. Notwithstanding the foregoing, if and when the Liquidating Trustee determines in its sole discretion that it may complete all remaining distributions called for under this Plan in a single round of distributions, the Liquidating Trustee may delay making such distributions for a period not to exceed twenty (20) additional days, in order to allow the Liquidating Trustee to seek to close this Bankruptcy Case prior to making such distributions.

4.2.3 Impairment. Class 2 is not impaired under this Plan.

4.3 Class 3: Other Secured Claims.

4.3.1 Identification of Class and Allowance of Claim. Class 3 consists of all Secured Claims other than Secured Tax Claims (and Administrative Tax Claims), including underlying claims, liens, interests, encumbrances, and rights against the Debtor, the Estate, and their property, which are otherwise not specifically classified by this Plan.

4.3.2 Allowance of Claims. Class 3 Secured Claims shall be subject to becoming Allowed as otherwise provided for in this Plan, and nothing in this Plan alters, affects, or prejudices any right, claim, issue, or defense with respect thereto.

4.3.3 Treatment. No Class 3 Secured Claim shall be paid by the Liquidating Trust or from the assets of the Liquidating Trust. As of the Effective Date, any property securing a Class 3 Other Secured Claim is abandoned to the holder of such Secured Claim, and nothing in this Plan prejudices, limits, or impairs the ability of such holder to exercise any and all rights and remedies with respect to the same.

4.3.4 Deficiency Claim. Nothing in this Plan prejudices, alters, or impairs the ability of a holder of a Class 3 Secured Claim to also assert an Unsecured Claim for any deficiency claim, subject to all applicable requirements for the timely assertion thereof and the allowance thereof.

4.3.5 Impairment. Class 3 is not impaired under this Plan.

4.4 Class 4: General Unsecured Claims.

4.4.1 Treatment. Each Unsecured Claim, to the extent Allowed, shall be paid in full satisfaction, release and discharge of and in exchange for such Allowed Unsecured Claim, by the Liquidating Trustee from the Liquidating Trust, in cash, up to the amount of such Allowed Unsecured Claim, in cash, and without interest, attorney's fees, or costs, an initial distribution of Net Available Funds of the Liquidating Trust pro rata with other Allowed Claims in Class 4 (to the extent necessary), on the later of: (a) ten (10) Business Days after the Effective Date; or (b) the date that is ten (10) Business Days after such Unsecured Claim becomes Allowed. To the extent necessary and available, the Liquidating Trustee shall make further, periodic distributions of Net Available Funds on account of Allowed General Unsecured Claims on no less than a quarterly basis, to the extent available, until all such Allowed Claims in Class 4 are paid in full, without interest, attorney's fees, or costs, or the corpus of the Liquidating Trust is exhausted. Notwithstanding the foregoing, if and when the Liquidating Trustee determines in its sole discretion that it may complete all remaining distributions called for under this Plan in a single round of distributions, the Liquidating Trustee may delay making such distributions for a period not to exceed twenty (20) additional days, in order to allow the Liquidating Trustee to seek to close this Bankruptcy Case prior to making such distributions.

4.4.2 Impairment. Class 4 is impaired under this Plan.

4.5 Class 5: Subordinated Claims.

4.5.1 Treatment.

- (i) Subject to confirmation of the Plan and the RXT ASA Settlement (*See* also section 5.4), RXT ASA's intercompany General Unsecured Claim against the Debtor in the amount of approximately \$18.5 million, is agreed to be Allowed as a Subordinated Claim, subordinated in payment to all other Allowed General Unsecured Claims, and shall be Allowed exclusively in Class 5, together with any and all other Allowed or Allowable Claims of RXT ASA against the Debtor.
- (ii) Provided that any Net Available Funds remain with the Liquidating Trust after the payment in full of all other Classes of Claims, as provided for in this Plan, each holder of a Subordinated Claim, to the extent Allowed, shall be paid in full satisfaction, release and discharge of and in exchange for such Allowed Subordinated Claim, by the Liquidating Trustee from the Liquidating Trust, pro-rata with other Allowed Subordinated Claims from such funds remaining.

4.5.2 Impairment. Class 5 is impaired under this Plan.

4.6 Class 6: Equity Interests. Automatically on the Effective Date, and without need for further order, document, action, or instrument, all Equity Interests in the Debtor and the Estate are cancelled, and shall receive no payment or distribution under this Plan.

4.6.1 Impairment. Class 6 is impaired under this Plan and is deemed to reject the Plan.

ARTICLE V
MEANS FOR IMPLEMENTATION OF THE PLAN

5.1 Liquidating Trust. The Liquidating Trust is hereby created. The Liquidating Trust shall also be governed by Article VI of this Plan and the Liquidating Trust Documentation.

5.2 Transfer of Property. Automatically on the Effective Date, and without need for further order, document, action, or instrument, all property of the Debtor and the Estate, including the Plan Funding and Litigation Claims (the "Liquidating Trust Property") is transferred to the Liquidating Trust free and clear of all claims, liens, interests, and encumbrances, except for any claims, liens, interests, and encumbrances that are specifically and explicitly preserved by or created under this Plan, which claims, liens, interests and encumbrances remain attached to any property transferred to the Liquidating Trust with the same validity, extent, and priority as otherwise exists and as provided for in this Plan.

5.3 Trust Administration Reserve. In determining the amount of Net Available Funds which are available for distribution to the holders of Class 4 Allowed General Unsecured Claims and/or Class 5 Subordinated Claims at any particular time, the Liquidating Trustee shall reserve a sufficient amount of funds, determined by the Liquidating Trustee in his sole discretion, to enable the Liquidating Trustee to pay unpaid Allowed Claims of greater priority, potentially Allowable Disputed Claims, fund the costs of liquidating any Litigation Claims and to fund the costs of administering the Liquidating Trust until it is terminated, said reserve being the Trust Administration Reserve.

5.4 Plan Settlement. This Plan and the transactions contemplated thereby incorporate a proposed compromise and settlement among the Debtor and RXT ASA, pursuant to which (the "RXT ASA Settlement"), subject to confirmation of this Plan and in exchange for an assignment of all of the Debtor's and Estate's interests in the unliquidated Receivable Asset and any other receivables owed by any of the Debtor's affiliates:

- (i) RXT ASA agrees to pay to the Liquidating Trust the Plan Funding in the amount of \$630,000, in order to allow the Liquidating Trustee to pay the costs of administration of the Liquidating Trust and make distributions called for under the Plan; and
- (ii) RXT ASA agrees to subordinate its General Unsecured Claim against the Debtor (which the Debtor has assessed at a value of not less than approximately \$18.5 million) to all general, Allowed Unsecured Claims.

5.4.2 The filing of this Plan with the Bankruptcy Court constitutes the Debtor's request for approval of this proposed RXT ASA Settlement pursuant to Fed. R. Bankr. P. 9019, and confirmation of this Plan expressly constitutes the Bankruptcy Court's approval of such RXT ASA Settlement pursuant thereto, for all purposes.

5.5 Attachment of Claims. All Claims against the Debtor and the Estate, as Allowed, attach against the Liquidating Trust automatically on the Effective Date and without need for further order, document, action, or instrument, with the same validity, extent, and priority as otherwise exists, but subject to all requirements applicable to the same under this Plan and subject to any and all defenses, counterclaims and other objections that may be held by the Debtor or its Estate, all of which shall also automatically transfer to the Liquidating Trust as of the Effective Date as Litigation Claims.

5.6 No Transfer Tax. None of the transfers provided for in this Plan, including the transfer of property to the Liquidating Trust, shall subject the Debtor, Estate, or Liquidating Trust to any transfer, sale, bulk sale, or stamp tax.

5.7 Incorporation of Rule 9019. To the extent necessary to effectuate and implement the compromises and releases contained in this Plan, the Plan shall be deemed to constitute a motion under Bankruptcy Rule 9019 seeking the Bankruptcy Court's approval of all of the compromises and releases contained herein.

5.8 Rights Under Section 505. All Claims for taxes by Governmental Units and any claim to a refund regarding the same or other relief regarding the same shall remain subject to section 505 of the Bankruptcy Code, and are transferred to the Liquidating Trust. The Liquidating Trust may seek relief pursuant to section 505 of the Bankruptcy Code as a part of, and in conjunction with, any objection to any claim for taxes by a Governmental Unit.

5.9 Automatic Stay. The automatic stay provided by section 362(a) of the Bankruptcy Code shall remain in effect through to the Effective Date, unless otherwise specifically modified, annulled, or terminated by the Bankruptcy Court pursuant to separate order, and shall terminate on the Effective Date, at which time the discharge and injunction provisions of this Plan and the Bankruptcy Code shall take control.

5.10 Incorporation of Exhibits. Any exhibits to this Plan, or any supplements to this Plan filed prior to the conclusion of the Confirmation Hearing, shall automatically become part of this Plan if it is intended to address any issue in this Plan and if it is intended to become a part of this Plan.

5.11 Rejection of Executory Contracts. Unless assumed or rejected pursuant to separate order in the Bankruptcy Case, or the subject of a motion to assume or reject that remains pending as of the Effective Date, all Executory Contracts of the Debtor and the Estate are rejected automatically on the Effective Date, without need for further order, action, document, or instrument. **Rejection Claims must be asserted by no later than the date which is thirty (30) days following the Effective Date, or shall be deemed to be forever barred, expunged, waived and released for all purposes.**

5.12 Transfer of Litigation Claims. Except as otherwise ordered by the Bankruptcy Court and subject to any releases in the Plan, (a) all Litigation Claims, including, without limitation, all of the Avoidance Actions arising under chapter 5 of the Bankruptcy Code in favor of the Debtor's Estate, or referenced in the Disclosure Statement (including, without limitation, any Exhibits thereto), shall be preserved for assertion by the Liquidating Trust on behalf of the

Liquidating Trust beneficiaries, and shall vest in the Liquidating Trust as part of the Liquidating Trust Property.

5.12.1 Subject to the vesting of such Litigation Claims in the Liquidating Trust, the Liquidating Trustee shall have authority and standing to prosecute, enforce, pursue, sue on, settle or compromise (or decline to do any of the foregoing) Litigation Claims and shall be deemed appointed as the representative of the Debtor and its Estate in accordance with section 1123(b)(3) of the Bankruptcy Code for the purposes of same.

5.12.2 Notwithstanding the foregoing, Litigation Claims include only Avoidance Actions, claims for subordination or recharacterization, and other objections to Claim (including any and all counterclaims thereto), and do not include other causes of action. The Debtor does not believe that it or the Estate holds any significant Litigation Claims unless substantial unexpected Claims are filed in this Bankruptcy Case to which the Litigation Claims would relate.

5.13 Plan Funding. As a condition of the effectiveness of the Plan, and no later than 10 Business Days after the Confirmation Date, the Plan Funder shall transfer \$630,000.00 (SIX HUNDRED THIRTY THOUSAND AND NO/100) (the “Plan Funding”) to the Liquidating Trustee, to be used by the Liquidating Trust to pay Allowed Claims under this Plan, including but not limited to Allowed Administrative Claims. The Plan Funding shall at all times be the property of the Liquidating Trustee. To the extent any of the Plan Funding remains after all Allowed Class 4 Claims have been paid as provided for in this Plan, or to the extent that any other property of the Liquidating Trust remains at that time, it is the intent of this Plan that the Plan Funder shall have a reversionary interest in the Plan Funding and receive any such excess funds or property pursuant to the Class 5 Subordinated Claim without the need for any further action by the Bankruptcy Court or any Person. The Plan Funder shall have no obligation under this Plan at all, save and except to transfer the Plan Funding to the Liquidating Trustee.

5.14 Winding Up of Debtor. At any time after the Effective Date, Liquidating Trust shall take appropriate steps to wind up and terminate the corporate existence of the Debtor under applicable nonbankruptcy law.

ARTICLE VI

THE LIQUIDATING TRUST

6.1 Trust Name. The name of the Liquidating Trust shall be “Reservoir Exploration Technology Creditors Trust.”

6.2 Tax Treatment of Liquidating Trust. The Liquidating Trust shall be considered a “grantor” trust for federal income tax purposes and, therefore, shall not have any separate liability for federal income taxes relating to, or arising from, the conveyance, operation or liquidation of the Liquidating Trust Property. To the extent required by law, however, the Liquidating Trustee will file all income tax returns for the Liquidating Trust.

6.3 Liquidating Trustee.

- (i) Control and Management. The Liquidating Trust shall be under the sole control and management of the “Liquidating Trustee.”
- (ii) Identity. The Liquidating Trustee shall be Jason Rae of Lain Faulkner, the Debtor’s Chief Restructuring Officer as of the Petition Date.
- (iii) Replacement. In the event of disability, death, or resignation of the Liquidating Trustee, the Plan Funder will select a new Liquidating Trustee and file a notice of same with the Bankruptcy Court.
- (iv) Fiduciary. The Liquidating Trustee shall owe such fiduciary duties and responsibilities to the Liquidating Trust and its beneficiaries as are otherwise appropriate under common law, except to the extent modified in this Plan.

6.4 Beneficiaries of Liquidating Trust. Each Creditor with an Allowed Claim, including but not limited to Administrative Claims, payable by the Liquidating Trust shall be a beneficiary of the Liquidating Trust in the order of priorities set forth under this Plan.

6.5 Duties of Liquidating Trustee. The sole purpose, and the sole duty, of the Liquidating Trust is to administer its assets for the benefit of holders of Allowed Claims that attach to the Liquidating Trust under this Plan by reasonably maximizing the value and recovery of said assets and by providing distributions, if any, to the Creditors entitled to distributions from the Liquidating Trust under this Plan, together with analyzing the costs-benefits of any potential step in furtherance of same. The Liquidating Trustee shall have all powers, rights, and duties related or necessary thereto including, but not limited to: (i) objecting to Claims or seeking the subordination of one or more Claims, in either event if the Liquidating Trust is otherwise responsible for the payment of said Claims; (ii) entering into and granting settlements, releases, and compromises, for which approval from the Bankruptcy Court shall not be required; (iii) retaining professionals and advisors, including attorneys, accountants, and expert witnesses, as the Liquidating Trustee deems appropriate and advisable; (iv) making distributions pursuant to the Plan; (v) complying with all applicable laws; (vi) filing tax return information and other information required to be filed with any applicable Governmental Unit; and (vii) filing operating reports and other documents in the Bankruptcy Case.

6.6 Powers of Liquidating Trustee. The Liquidating Trustee shall have all powers necessary and advisable to effectuate the obligations and purposes of this Plan and of the Liquidating Trust. Without limitation, and for the avoidance of doubt only, the Liquidating Trustee shall have the power to: (i) file any suit, action, or legal proceeding, and to prosecute the same to finality or to compromise the same; (ii) retain such professionals, including attorneys, accountants, and expert witnesses, as he may find appropriate; (iii) cause the Liquidating Trust to incur liabilities in connection with its purposes and with his duties, and to pay the same from the Liquidating Trust Property; (iv) move for the entry of a final decree in the Bankruptcy Case; (v) make payments and distributions under this Plan; (vi) sell or transfer the Liquidating Trust Property in compliance with this Plan; (vii) to pay post-confirmation United States Trustee fees as they come due until the case is dismissed, converted or closed by final decree; and (viii) file post-confirmation quarterly operating reports until the case is dismissed, converted or closed by final decree. Unless specifically controlled by a provision of this Plan, the Liquidating Trustee

shall have broad discretion in managing the Liquidating Trust and the Liquidating Trust Property, and in fulfilling his duties and the purposes of the Liquidating Trust.

6.7 Liabilities of Liquidating Trust. In addition to its obligations under this Plan, the Liquidating Trust shall have liabilities after the Effective Date as otherwise provided for by law and incurred by the Liquidating Trust, including for counsel, the fees of the Liquidating Trustee, and such other liabilities as the Liquidating Trustee may agree to or may incur, subject to its defenses and rights against the same.

6.8 Liabilities of Liquidating Trustee. No recourse shall ever be had, directly or indirectly, against the Liquidating Trustee, in his individual capacity, by legal or equitable proceedings or otherwise, by virtue of any contract, agreement, promise, undertaking, covenant, instrument or other writing executed by the Liquidating Trustee for any authorized purpose in the administration of the Liquidating Trust, it being expressly understood and agreed that all such liabilities, whether in writing or otherwise, shall be enforceable, to the extent valid, only against, and shall be satisfied only by, the Liquidating Trust. Provided the Liquidating Trustee acts in good faith, he shall not personally be liable for any action or omission in the administration of the Liquidating Trust, and shall be indemnified by the Liquidating Trust against any and all claims, causes of action and liability, including all expenses and defense costs, associated with, and shall be held harmless by the Liquidating Trust against, each such action and omission, except to the extent that such action or omission constitutes gross negligence or willful misconduct or a violation of this Plan. As to all legal matters, the Liquidating Trustee shall be entitled to rely upon the advice and opinions of his counsel.

6.9 Compensation of Liquidating Trustee. The Liquidating Trustee shall be compensated on an hourly basis at the rate of \$345.00 per hour, as provided in the Liquidating Trust Documentation previously served upon Creditors and parties in interest, and shall be reimbursed for his reasonable expenses, all from the Liquidating Trust and from the Liquidating Trust Property.

6.10 Execution of Liquidating Trust Documentation. Promptly after the Effective Date, the necessary parties shall execute the Liquidating Trust Documentation and shall deliver the same to the Liquidating Trustee; *provided, however*, that the same shall not be a condition precedent to the creation of the Liquidating Trust or to the exercise of its powers under this Plan.

6.11 Standing of the Liquidating Trust. The Liquidating Trust shall be deemed an independent entity and shall have standing to sue and be sued in its own name in any court and to otherwise appear before any administrative body, tribunal, or other proceeding.

6.12 Termination of Liquidating Trust. The duties, responsibilities and powers of the Liquidating Trust shall terminate after all Litigation Claims transferred and assigned to the Liquidating Trust or involving the Liquidating Trust on behalf of the Liquidating Trust are fully resolved and the Liquidating Trust assets have been finally distributed in accordance with this Plan. The Liquidating Trust shall terminate no later than three years from the Effective Date. However, such date may be extended by order of the Bankruptcy Court.

6.13 Books and Records. The Liquidating Trustee shall keep or cause to be kept books and records detailing all receipts, disbursements and reserves in the administration of the

Liquidating Trust, and such books and records shall be open to inspection at all reasonable times upon reasonable request of any holder of an Allowed Claim to be paid by the Liquidating Trust, subject to reimbursement or advance of reasonable expenses of the Liquidating Trust in connection therewith. With respect to books and records of the Debtor and the Estate, the Liquidating Trustee may determine in his sole discretion which of the same to retain for purposes of litigation or other Liquidating Trust matters, and may, without liability to himself or to the Liquidating Trust, dispose of and destroy all such books and records, and all such documents, that he determines in his sole discretion to be without sufficient value to the Liquidating Trust to retain.

ARTICLE VII

ACCEPTANCE OR REJECTION OF PLAN

7.1 Impairment Controversies. If a controversy arises as to whether any Class is impaired under this Plan, such Class shall be treated as specified in this Plan unless the Bankruptcy Court shall determine such controversy differently upon motion of the party challenging the characterization of a particular Class under this Plan.

7.2 Classes and Claims Entitled to Vote. Only impaired Classes are entitled to vote on the Plan. Equity Interests receive or retain nothing under the Plan and the holder is therefore deemed to reject the Plan.

7.3 Class Acceptance Requirement. A Class of Claims shall have accepted the Plan if it is accepted by at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the Allowed Claims in such Class that have voted on the Plan.

7.4 Cramdown. This section of the Plan shall constitute the request by the Plan Proponents, pursuant to section 1129(b) of the Bankruptcy Code, that the Bankruptcy Court confirm the Plan notwithstanding the fact that the requirements of section 1129(a)(8) may not be met.

ARTICLE VIII

TREATMENT OF DISPUTED CLAIMS AND OBJECTIONS TO CLAIMS

8.1 Standing to Object to Claims. In addition to all other parties that may otherwise have standing to object to Claims, the Liquidating Trust shall have specific standing to object to the allowance of said Claims.

8.2 Objection Deadline. Any objection to a Claim when the Claim is not otherwise Allowed by this Plan must be filed by the Claims Objection Deadline or be forever barred and waived. Any Claim that is not a Disputed Claim, Disallowed Claim, or that is not objected to by the Claims Objection Deadline shall be deemed to be an Allowed Claim of the type and priority asserted in the Claim. Provided that a claim objection is filed prior to the Claims Objection Deadline, such objection may be amended thereafter to assert any other applicable objection or grounds for objection, together with any other relief as otherwise appropriate.

8.2.1 Amendments to Claims; Claims Filed After the Bar Date. Unless arising from an Avoidance Action, any proof of Claim filed after the Bar Date shall

automatically be of no force and effect, Disallowed in full and expunged, and need not be objected to. Except as otherwise provided in the Plan, a Claim may not be filed with the Bankruptcy Court or amended after the Bar Date without the prior authorization of the Bankruptcy Court. Except as otherwise provided in the Plan, any new or amended Claim filed with the Bankruptcy Court after the Bar Date shall automatically be of no force and effect, and deemed Disallowed in full and expunged without need for any action by the Liquidating Trust.

8.2.2 Any Disputed Claim may be litigated to Final Order. The Liquidating Trust may compromise and settle any Disputed Claim without the necessity of any further notice or approval of the Bankruptcy Court, and Bankruptcy Rule 9019 shall not apply to any settlement of a Disputed Claim after the Effective Date.

8.2.3 Nothing in this Plan extends any Bar Date set in the Bankruptcy Case or grants any Creditor any greater rights with respect to a late filed Claim than such Creditor has.

8.3 Creditor Response to Objection. With respect to any objection to a Claim when such objection is filed after the Effective Date but otherwise in compliance with this Plan, the Creditor whose Claim was the subject of the objection must file with the Bankruptcy Court and serve a response to the objection upon the Liquidating Trust and the objecting party no later than the expiration of thirty (30) days from the date of service of any such objection. Failure to file and serve such a response within the thirty (30) days shall cause the Bankruptcy Court to enter a default judgment against the non-responding Creditor and thereby grant the relief requested in the Objection without further notice to such Creditor. Any such objection shall contain prominent negative notice language informing the objected-to creditor of the same.

8.4 No Waiver of Right to Object. Except as expressly provided in this Plan, nothing contained in the Disclosure Statement, this Plan, or the Confirmation Order shall waive, relinquish, release or impair the Liquidating Trust's or other appropriate party-in-interest's right to object to any Claim. A Claim that is specifically Allowed in this Plan shall not be subject to any objection and shall be conclusively Allowed in the Bankruptcy Case, except to the extent that such Claim is subsequently asserted in an amount, priority, or classification or other treatment other than that specifically provided in this Plan.

8.5 Miscellaneous Provisions for Disputed Claims. Nothing contained in this Plan, the Disclosure Statement, or Confirmation Order shall change, waive or alter any requirement under applicable law that the holder of a Disputed Claim must file a timely proof of Claim, and the holder of such Disputed Claim who is required to file a proof of Claim and fails to do so, shall receive no distribution through the Plan and the Claim shall be discharged, unless this Plan specifically and explicitly provides otherwise. The adjudication and liquidation of Disputed Claims is a determination and adjustment of the debtor/creditor relationship, and is therefore an exercise of the Bankruptcy Court's equitable power to which the legal right of trial by jury is inapplicable. The holder of any Disputed Claim shall not have a right to trial by jury before the Bankruptcy Court with respect to any such Claim, except with respect to any potential personal injury or wrongful death claim. Exclusive venue for any proceeding involving a Disputed Claim shall be in the Bankruptcy Court or District Court in the Northern District of Texas, Fort Worth Division, unless the Bankruptcy Court or District Court withdraw the reference, transfer a

proceeding, or abstain. Disputed Claims shall each be determined separately, except as otherwise ordered by the Bankruptcy Court. The Liquidating Trust shall retain all rights of removal to federal court as to any proceeding involving a Disputed Claim.

8.6 Allowance of Disputed Claims. All Disputed Claims shall be liquidated and determined as follows:

8.6.1 Application of Adversary Proceeding Rules. Unless otherwise ordered by the Bankruptcy Court, a proceeding involving a Disputed Claim or any objection to a Disputed Claim shall be subject to Rule 9014 of the Bankruptcy Rules. However, any party may move the Bankruptcy Court to apply the Bankruptcy Rules applicable to adversary proceedings. The Liquidating Trust may, at its election, make and pursue any objection to a Claim in the form of an adversary proceeding.

8.6.2 Scheduling Order. Unless otherwise ordered by the Bankruptcy Court, or if the objection is pursued as an adversary proceeding, a scheduling order may be entered as to each objection to a Disputed Claim upon the filing of a response thereto by the holder thereof. The Liquidating Trust may tender a proposed scheduling order with each objection and include a request for a scheduling conference for the entry of a scheduling order.

8.6.3 Mediation. The Bankruptcy Court may order the parties to mediate in connection with any objection to a Disputed Claim. The Liquidating Trust may include a request for mediation in their objection, and request that the Court require mediation as part of the scheduling order.

8.6.4 Substantial Consummation. All distributions of any kind made to any of the holders of Allowed Claims after Substantial Consummation and any and all other actions taken under this Plan after Substantial Consummation shall not be subject to relief, reversal or modification by any court unless the implementation of the Confirmation Order is stayed by an order issued under the Bankruptcy Rules.

8.6.5 Offsets. The Liquidating Trust shall be vested with and retain all rights of offset or recoupment and all counterclaims, against any holder of a Disputed Claim, including but not limited to arising under Chapter 5 of the Bankruptcy Code, unless specifically released in this Plan.

ARTICLE IX

EFFECTS OF PLAN CONFIRMATION

9.1 No Discharge. The Debtor is not granted a discharge under this Plan.

9.2 Plan Injunction. Effective immediately on the Effective Date, and without need for further order, document, action, or instrument, the Confirmation Order shall, and shall be deemed to, permanently enjoin all Persons from taking any of the following actions on account of any Claim: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind against the Debtor, the Estate, or the Liquidating Trust or any of their property, with respect to any property to be distributed or transferred under

the Plan or Claim that is subject to this Plan, including funds or reserves held or maintained by any of them pursuant to this Plan; (ii) enforcing, levying, attaching, collecting, or otherwise recovering in any manner or by any means, whether directly or indirectly, any judgment, award, decree, or order against the Debtor, the Estate, or the Liquidating Trust or their property with respect to any property to be distributed or transferred under the Plan or Claim that is subject to this Plan, including funds or reserves held or maintained by any of them pursuant to this Plan; (iii) creating, perfecting or enforcing in any manner directly or indirectly, any lien, charge or encumbrance of any kind against the Debtor, the Estate, or the Liquidating Trust or their property, with respect to any property to be distributed or transferred under the Plan or Claim that is subject to this Plan, including funds or reserves held or maintained by any of them pursuant to this Plan; and (iv) proceeding in any manner in any place whatsoever against the Liquidating Trust or its property with respect to any property to be distributed or transferred under the Plan or Claim that is subject to this Plan, including funds or reserves held or maintained by any of them pursuant to this Plan in any way that does not conform to, or comply, or is inconsistent with, the provisions of this Plan; *provided, however*, that such injunction shall not preclude any party in interest from seeking to enforce or interpret the terms of the Plan through an action commenced in the Bankruptcy Court or other appropriate court, or from appealing the Confirmation Order.

9.3 No Liability for Solicitation or Participation. Pursuant to section 1125(e) of the Bankruptcy Code, Persons that solicit acceptances or rejections of this Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, shall not be liable, on account of such solicitation or participation, for violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of this Plan.

9.4 General Release. On the Effective Date, and without the need for further action, the Plan and Confirmation Order shall constitute a release, except of any obligations imposed by this Plan, by: the Debtor, the Estate, the Liquidating Trust, any Creditor, and any Equity Interest holder (collectively, the “Releasing Parties”), on behalf of the Releasing Parties and all their predecessors, successors, parents, direct subsidiaries, indirect subsidiaries, affiliates, assigns, heirs, agents, transferees, directors, officers, employees, and attorneys, of any and all actions, causes of action (including Chapter 5 avoidance actions), claims, suits, debts, damages, judgments, liabilities, and demands whatsoever, whether matured or unmatured, whether at law or in equity, whether before a local, state, or federal court, state or federal administrative agency or commission, regardless of location and whether now known or unknown, liquidated or unliquidated, that the Releasing Parties now have or may have had, or thereafter claim to have, on behalf of themselves, or any other person or entity, as of the Effective Date and only if related to the Bankruptcy Case or a Claim, against: (i) Munsch Hardt Kopf & Harr, P.C., its attorneys, employees, officers, agents, and shareholders; (ii) Jason Rae, in his capacity as the Debtor’s Chief Restructuring Officer; (iii) Lain Faulkner its attorneys, employees, officers, agents, and shareholders; and (iv) the Plan Funder, its attorneys, employees, officers, agents, and shareholders; from any alleged liability of any of the foregoing for an action or omission taken in the Bankruptcy Case, or with respect to a Claim in the Bankruptcy Case, or with respect to this Plan, except for any such action or omission that constitutes gross negligence, an intentional tort, breach of fiduciary duty (except simple negligence), or the disallowance or disgorgement of any fees or expenses. For the avoidance of doubt, nothing herein releases any such person from any

liability: (i) for any independent claim or cause of action that would not be property of the Estate; or (ii) the requirements applicable to the allowance of a Professional Claim.

9.5 Exculpation. On the Effective Date, and without the need for further action, the Plan and Confirmation Order shall constitute a release and discharge of all actions, causes of action, claims, suits, debts, damages, judgments, liabilities, and demands whatsoever, whether matured or unmatured, whether at law or in equity, whether before a local, state, or federal court, state or federal administrative agency or commission, regardless of location and whether now known or unknown, liquidated or unliquidated, that any Person may have or be able to assert against the following solely for any actions or inactions taken by the following in, or arising against the following as a result of, the Bankruptcy Case, the Disclosure Statement, and the Plan, including with respect to the negotiation, execution, and delivery of any document or instrument in connection with the Plan: (i) the Debtor, its attorneys, employees, officers, agents, and shareholders; (ii) Munsch Hardt Kopf & Harr, P.C., its attorneys, employees, officers, agents, and shareholders; (iii) Jason Rae, in his capacity as the Debtor's Chief Restructuring Officer; (iv) Lain Faulkner its attorneys, employees, officers, agents, and shareholders; and (v) the Plan Funder, its attorneys, employees, officers, agents, and shareholders; *provided, however*, that nothing contained in this Plan or the Confirmation Order shall relieve any of the foregoing on account of such claims to the extent arising from gross negligence or willful misconduct, or from the normal requirements applicable to the allowance of an Administrative Claim or Professional Claim if approval from the Bankruptcy Court for such allowance is required, and no defenses to said allowance are waived or released (collectively, the "Exculpated Parties").

ARTICLE X

CONDITIONS PRECEDENT

10.1 Conditions Precedent to Confirmation and Effectiveness of Plan. The Plan shall not become effective until the following conditions shall have been satisfied: (i) the Confirmation Order shall have been entered, in form and substance acceptable to the Plan Proponents; (ii) on the fifteenth (15th) day after the Confirmation Date, no notice of appeal of the Confirmation Order shall have been filed or, if filed, no order staying the Confirmation Order shall have been entered by such date; (iii) the Plan Funder pays the Plan Funding; (iv) the Liquidating Trust Documentation shall have been duly executed to the extent required; (v) all other specific condition precedents contained in this Plan shall have been satisfied; and (vi) a notice of the Effective Date shall have been filed by the Debtor in the Bankruptcy Case.

10.2 Non-Occurrence of the Effective Date. If the Plan is confirmed but the Effective Date does not occur by the thirtieth (30th) day following entry of the Confirmation Order, unless such date is extended by agreement of the Debtor: (i) the Confirmation Order shall be deemed vacated; (ii) all bar dates and deadlines established by the Plan or the Confirmation Order shall be deemed vacated; (iii) the Bankruptcy Case will continue as if confirmation of this Plan had not occurred; and (iv) this Plan will be of no further force and effect, with the result that the Debtor and other parties in interest will be returned to the same position as if confirmation had not occurred. Except as otherwise expressly provided by the Bankruptcy Court, failure of the Effective Date to occur shall not affect the validity of any order entered in the Bankruptcy Case other than the Confirmation Order or any order based thereon.

10.3 Notice of the Effective Date. On or as soon as reasonably practicable after occurrence of the Effective Date, and in no event later than three (3) business days following the Effective Date, the Liquidating Trustee shall mail to all Persons served with a copy of the Disclosure Statement a notice that informs such Persons of: (i) the occurrence of the Effective Date; (ii) the deadlines established under this Plan for the filing of Administrative Claims, Professional Claims, objections to Claims, and any other pertinent deadlines; (iii) the procedures for requesting notice; (iv) the procedures for changing an address of record; and (v) such other matters as they deem to be appropriate.

10.4 Modification of this Plan. The Debtor may alter, amend or modify this Plan under section 1127 of the Bankruptcy Code or as otherwise permitted by applicable law at any time prior to the Confirmation Date. After the Confirmation Date and prior to the Substantial Consummation of this Plan, the Debtor, the Liquidating Trustee, or any party in interest in the Bankruptcy Case may, so long as the treatment of holders of Claims under this Plan and so long as the protections under this Plan are not materially adversely affected, institute proceedings in the Bankruptcy Court to remedy any defect or omission or to reconcile any inconsistencies in this Plan, the Disclosure Statement or the Confirmation Order, and any other matters as may be necessary to carry out the purposes and effects of this Plan.

10.5 Revocation or Withdrawal of this Plan. The Debtor reserves the right to revoke or withdraw this Plan at any time prior to the Confirmation Date. If the Debtor revokes or withdraws this Plan prior to the Confirmation Date, this Plan shall be deemed null and void. In such event, nothing contained herein shall be deemed to constitute a waiver or release of any Claims by or against the Debtor or any other Person or to prejudice in any manner the rights of the Debtor or any Person in any further proceedings involving the Debtor.

ARTICLE XI

RETENTION OF JURISDICTION AND CLAIMS

11.1 Jurisdiction of Bankruptcy Court. Following the Effective Date, and notwithstanding the entry of the Confirmation Order, the Bankruptcy Court (including, as appropriate, any District Court with jurisdiction over the Bankruptcy Court) shall retain jurisdiction of the Bankruptcy Case and all matters arising in, or related to, the Bankruptcy Case to the fullest extent permitted by law, including jurisdiction to:

11.1.1 To hear and determine motions, applications, adversary proceedings, and contested matters pending or commenced after the Effective Date;

11.1.2 To hear and determine objections (whether filed before or after the Effective Date) to, or requests for estimation of, any Claim, and to enter any order requiring the filing of proof of any Claim before a particular date;

11.1.3 To ensure that distributions to holders of Allowed Claims are accomplished as provided in the Plan;

11.1.4 To enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified, or vacated;

11.1.5 To construe and to take any action to enforce this Plan and the Confirmation Order;

11.1.6 To issue such orders as may be necessary for the implementation, execution and consummation of this Plan, including the enforcement of any discharge, release, and/or injunction in this Plan, and to hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of this Plan and the Confirmation Order;

11.1.7 To hear and determine any applications to modify this Plan, to cure any defect or omission or to reconcile any inconsistency in this Plan, the Disclosure Statement or in any order of the Bankruptcy Court including, without limitation, the Confirmation Order;

11.1.8 To hear and determine all applications for Administrative Claims;

11.1.9 To hear and determine other issues presented or arising under this Plan, including disputes among holders of Claims and arising under agreements, documents or instruments executed in connection with this Plan;

11.1.10 To determine such other matters and for such other purposes as may be provided in the Confirmation Order;

11.1.11 To hear and determine any other matters related hereto and not inconsistent with Chapter 11 of the Bankruptcy Code;

11.1.12 To hear, authorize, and order the sale, free and clear of liens, claims, interests, and encumbrances, of any property, in the event the Liquidating Trust finds it necessary or appropriate to seek an order authorizing the same.

11.1.13 To enter the Final Decree upon proper request;

11.1.14 To command and enjoin any Creditor or Person to comply with the transfer and vesting of property of the Debtor and the Estate in the Liquidating Trust free and clear of liens, claims, interests, and encumbrances, as provided for in this Plan, and to command any Creditor or Person to release any lien or security interest required to be released or released by this Plan, or to order that any other Person may due to the same with the same full force and effect;

11.1.15 To hear and determine any action concerning the recovery and liquidation of assets, wherever located, including without limitation litigation to liquidate and recover assets that consist of claims, rights and causes of action against third parties and actions seeking declaratory relief with respect to issues relating to or affecting assets; and to hear and determine any action concerning the determination of taxes, tax refunds, tax attributes, and tax benefits and similar or related matters with respect to the Debtor, the Estate, or the Liquidating Trust, including, without limitation, matters concerning federal, state, local and other taxes in accordance with sections 346, 505 and 1146 of the Bankruptcy Code.

11.2 Failure of 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 under, arising in or related to the Bankruptcy Case, including with respect to the matters set forth above in Plan, this Article shall not prohibit or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such subject matter.

11.3 No Creation of Jurisdiction. This Plan does not create jurisdiction in the Bankruptcy Court but only retains the Bankruptcy Court's jurisdiction as it otherwise exists. For the avoidance of doubt, where the Bankruptcy Court has no jurisdiction, or has lost jurisdiction through abstention, remand, or withdrawal of the reference, this Plan does not purport to create or reinstate said jurisdiction; *provided, however*, that this Plan, while not creating or reinstating such jurisdiction, does not prejudice or limit the ability of the Bankruptcy Court to otherwise exercise such jurisdiction as may otherwise be conferred or reinstated.

11.4 Retention and Preservation of General Rights. Notwithstanding the confirmation of the Plan and the entry of the Confirmation Order, and notwithstanding any principle of *res judicata* or otherwise, and unless specifically and explicitly released, waived, compromised, or otherwise treated in this Plan, the Debtor and the Estate retain any and all rights, property, and interests, all of which are transferred under this Plan to the Liquidating Trust, regardless of whether they are scheduled, filed, or asserted prior to the Confirmation Hearing, including, without limitation, all: (i) defenses to Claims; (ii) affirmative defenses to Claims; (iii) setoffs and recoupments against any Claim, Creditor, or other person; (iv) rights to turnover, accounting contribution, indemnification, or reimbursement against any Creditor or other person; (v) rights under any loan document modified by this Plan, but only as so modified; (vi) rights to any tax refund; (vii) Avoidance Actions; and (viii) Litigation Claims against any Creditor or person whatsoever, including for affirmative relief and to reduce any liability.

11.5 Retention and Preservation of Specific Rights. Without limiting the effectiveness or generality of the foregoing, and out of an abundance of caution, the Debtor and the Estate specifically reserve and retain the following claims and causes of action, to be transferred to the Liquidating Trust as otherwise provided for in this Plan:

- (i) all Avoidance Actions;
- (ii) any and all claims of the Debtor for subordination or recharacterization, and any and all objections to any Claims, including, without limitation, any counterclaim(s) by the Debtor against any Creditor or claimant;
- (iii) claims, causes of action, lawsuits, and litigation commenced by the Debtor at any time prior to the Confirmation Hearing, whether in the Bankruptcy Court or otherwise;
- (iv) all rights against any holder of taxes, whether for past, present, or future taxes, including any right for purposes of future valuations, assessments, and taxes, arising under or related to section 505 of the Bankruptcy Code;

ARTICLE XII
MISCELLANEOUS PROVISIONS

12.1 Payment of Statutory Fees. All fees payable pursuant to section 1930 of Title 28 of the United States Code arising prior to the Effective Date, shall be timely paid by the Debtor or by the Liquidating Trust, subject to the rights of the Debtor and Liquidating Trust to contest the same. The Liquidating Trust shall timely pay required post-confirmation United States Trustee fees, and shall timely file required post-confirmation quarterly operating reports until the case is dismissed, converted or closed by final decree.

12.2 Exercise of Liens. Any lien preserved in this Plan shall, when permitted to be exercised by this Plan and applicable law, be exercised, enforced, and foreclosed in full and strict conformity with all applicable non-bankruptcy law and agreements, except to the extent specifically modified or preempted in this Plan.

12.3 No Admissions. Notwithstanding anything herein to the contrary, nothing contained in this Plan shall be deemed an admission by the Debtor or Liquidating Trustee with respect to any matter set forth herein including, without limitation, liability of any person on any Claim or the propriety of any classification of any Claim.

12.4 Plan Controls. To the extent there is an inconsistency or ambiguity between any term or provision contained in the Disclosure Statement and the Plan, the terms and provisions of the Plan shall control.

12.5 Governing Law. Except to the extent the Bankruptcy Code, the Bankruptcy Rules or other federal or state laws are applicable, or any prepetition contract provides for the application of the law of a different state, the laws of the State of Texas shall govern the construction, implementation and enforcement of this Plan and all rights and obligations arising under this Plan, without giving effect to the principles of conflicts of law.

12.6 Substantial Consummation of Plan. The Plan shall be deemed to be substantially consummated upon the date of Substantial Consummation.

12.7 Successors and Assigns. The rights, benefits and obligations of any Person named or referred to in this Plan will be binding upon, and will inure to the benefit of, the heir, executor, administrator, representative, successor, or assign of such Person.

12.8 Severability. Should the Bankruptcy Court determine, on or prior to the Confirmation Date, that any provision of this Plan is either illegal or unenforceable on its face or illegal or unenforceable as applied to any Claim or Person, the Debtor or Liquidating Trustee following the Effective Date, may, in its discretion, alter, delete, or modify such provision to make it valid and enforceable to the maximum extent practicable consistent with the original purpose of such provision. Notwithstanding any such determination, interpretation, or alteration, the remainder of the terms and provisions of this Plan shall remain in full force and effect, provided that the Bankruptcy Court otherwise confirms the Plan.

12.9 Notices and Distributions. On and after the Effective Date, all notices, requests and distributions to a holder of a Claim shall be sent to the last known address of: (i) the holder

or its attorney of record as reflected in the holder's proof of Claim or Administrative Claim filed by or on behalf of such holder; or (ii) if there is no such evidence of a last known address, to the last known address of the holder according to the books and records of the Debtor. Any holder of a Claim may designate another address for the purposes of this section by providing the Liquidating Trustee written notice of such address, which notice will be effective upon receipt by the Liquidating Trust as otherwise appropriate.

12.10 Unclaimed Property. If any property to be distributed on account of this Plan remains unclaimed for a period of ninety (90) days after it has been delivered (or delivery has been attempted) or has otherwise been made available, such unclaimed property shall be forfeited by the Person entitled to receive the property and the unclaimed property and the right to receive it shall revert to and vest in the Liquidating Trust.

12.11 Binding Effect. The Plan shall be binding on and inure to the benefit of the holders of Claims and Equity Interests (whether or not they have accepted the Plan) and their respective personal representatives, successors and assigns as provided for by the Bankruptcy Code.

12.12 Withholding and Reporting. In connection with this Plan and all instruments issued in connection therewith and distributions thereon, the Liquidating Trust shall comply with all withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority and all distributions hereunder shall, to the extent applicable, be subject to any such withholding and reporting requirements. Notwithstanding anything herein to the contrary, in calculating and making the payments due to Allowed Claims hereunder, the Liquidating Trust shall be authorized, but not required, to deduct from such payments any necessary withholding amount.

12.13 Other Documents and Actions. The Liquidating Trust, and any Creditor, may execute such documents and take such other action as is reasonable, necessary, or appropriate to effectuate the transactions provided for in this Plan, *provided, however*, that no such document or action shall prejudice the right or any Person under this Plan except by agreement between the Liquidating Trust and such Person.

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ARTICLE XIII
CONFIRMATION REQUEST

The Debtor hereby requests confirmation of this Plan pursuant to section 1129(a) of the Bankruptcy Code or, in the event that this Plan is not accepted by each of those Classes of Claims entitled to vote, section 1129(b) of the Bankruptcy Code.

DATED: JANUARY 30, 2014.

**RESERVOIR EXPLORATION
TECHNOLOGY, INC.**

By: 
Name: Jason A. Rae
Title: Chief Restructuring Officer

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